

ADDRESS BY THE PRIME MINISTER TO THE 1983 ANNUAL CONFERENCE  
OF THE NATIONAL FARMERS' FEDERATION, 10.00 AM, TUESDAY,  
17 MAY 1983

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I AM DELIGHTED TO BE HERE TODAY TO ADDRESS AND OFFICIALLY  
OPEN THE 1983 ANNUAL CONFERENCE OF THE NATIONAL FARMERS'  
FEDERATION.

I HAVE BEEN IMPRESSED BY THE POSITIVE AND CONSTRUCTIVE  
ROLE PLAYED BY THE FEDERATION SINCE ITS FORMATION IN 1979.  
THE OBVIOUS SUCCESS OF THE FEDERATION IN ACTING AS THE  
RURAL SECTOR'S VOICE, WITH CLARITY AND FORCEFULNESS,  
IS CLEAR ENDORSEMENT OF FARM ORGANISATION AMALGAMATION.  
BY PUTTING FORWARD ON BEHALF OF THE RURAL SECTOR A WELL  
ARGUED POSITION WHICH HAS REGARD TO BROADER NATIONAL  
ECONOMIC ISSUES, THE FEDERATION DOES CONSIDERABLE SERVICE  
BOTH TO ITS MEMBERS AND THE COMMUNITY AS A WHOLE.

SINCE BECOMING PRIME MINISTER I HAVE GREATLY APPRECIATED  
THE GOODWILL EXTENDED TO ME AND MY GOVERNMENT BY PRIMARY  
PRODUCERS AND RURAL ORGANISATIONS. I HAVE RECEIVED  
INVITATIONS FROM MANY PARTS OF THE COUNTRY TO ADDRESS  
RURAL CONFERENCES AND OPEN AGRICULTURAL SOCIETY SHOWS  
AND FIELD DAYS. PRESSURES OF OFFICE WILL UNFORTUNATELY  
PREVENT MY ACCEPTING MANY OF THESE KIND INVITATIONS.  
HOWEVER, I TRUST MY PRESENCE HERE TODAY WILL UNDERLINE  
THE GOVERNMENT'S APPRECIATION OF THE VITAL CONTRIBUTION  
THE RURAL COMMUNITY MAKES TO OUR NATIONAL ECONOMY.

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THE GOVERNMENT WILL SEEK TO EARN THE RESPECT AND SUPPORT OF THE RURAL SECTOR THROUGH THE APPLICATION OF SOUND AND RATIONAL POLICIES BASED ON CONSULTATION AND THE NATIONAL INTEREST.

PRIMARY INDUSTRY HAS A NEW AND ENERGETIC MINISTER WITH A STRONG AGRICULTURAL BACKGROUND. I UNDERSTAND THAT JOHN KERIN HAS ALREADY DEVELOPED A CLOSE AND CONSTRUCTIVE WORKING RELATIONSHIP WITH THE FEDERATION. THIS REFLECTS IN PART REGULAR CONTACT BETWEEN MR KERIN AND THE FEDERATION OVER THE PAST COUPLE OF YEARS. AS A MEMBER OF THE IMPORTANT ECONOMIC AND INDUSTRY COMMITTEES OF CABINET, HE IS IN A GOOD POSITION TO PROTECT THE INTERESTS OF THE RURAL SECTOR.

JOHN KERIN WILL BE ADDRESSING YOU TOMORROW. CONSEQUENTLY, I WILL CONFINE MY REMARKS MAINLY TO THE GENERAL DIRECTION OF THE GOVERNMENT'S POLICIES AND ALLOW JOHN TO ADDRESS SOME MORE SPECIFICALLY RURAL POLICIES.

IN THE RURAL POLICY SPEECH WHICH I DELIVERED IN GRIFFITH DURING THE FEDERATION ELECTION CAMPAIGN, I MADE AN UNQUALIFIED COMMITMENT TO MAINTAINING THE VIABILITY OF AUSTRALIA'S GREAT RURAL SECTOR AND THE PROVINCIAL INFRASTRUCTURE. I HAVE NO HESITATION IN REAFFIRMING THIS COMMITMENT.

...3/.

ALL AUSTRALIANS WERE GREATLY RELIEVED WHEN THERE WERE GOOD RAINS OVER MUCH OF THE COUNTRY OVER THE PAST TWO MONTHS. IF MORE NORMAL SEASONAL CONDITIONS CONTINUE THROUGH INTO THE SPRING AND BEYOND, FARMERS IN EASTERN AUSTRALIA WILL BE ABLE TO BEGIN THE LONG PROCESS OF RECOVERY FROM THE DROUGHT.

THE GOVERNMENT RECOGNISES THE POTENTIAL CONTRIBUTION OF RURAL RECOVERY TO OVERALL DOMESTIC ECONOMIC RECOVERY. BUT, OF COURSE, GOOD RAIN ALONE WILL NOT BE SUFFICIENT TO SUSTAIN RECOVERY.

THE GENERAL STATE OF THE AUSTRALIAN ECONOMY IS OF THE UTMOST CONCERN TO FARMERS. THERE IS AN OVERRIDING NEED TO GET INTEREST RATES AND INFLATION DOWN TO MAINTAIN INTERNATIONAL COMPETITIVENESS OF OUR PRODUCTS, TO EXPAND OUR MARKETS AND TO GET THE ECONOMY MOVING.

SINCE ASSUMING OFFICE, SOME TWO MONTHS AGO, THE GOVERNMENT HAS TAKEN A NUMBER OF STEPS TO SET AUSTRALIA ON THE ROAD TO NATIONAL RECOVERY, NATIONAL RECONCILIATION AND NATIONAL RECONSTRUCTION.

WE HAVE BEGUN THE PROCESS OF GETTING BUSINESS AND UNIONS TO UNDERSTAND EACH OTHER BETTER, TO UNDERSTAND EACH OTHER'S PROBLEMS AND VIEWPOINT, AND TO WORK TOGETHER TO PROMOTE THEIR MUTUAL INTEREST. AN IMPORTANT ELEMENT OF THIS APPROACH, WHICH WILL BE PART OF OUR

ONGOING TASK OVER THE YEARS TO COME, IS TO END THE ARTIFICIAL CONFLICT OF INTEREST BETWEEN CITY AND COUNTRY. THERE ARE IN MY OPINION, FAR TOO MANY MISUNDERSTANDINGS BY CITY PEOPLE OF THE PROBLEMS AND NEEDS OF COUNTRY PEOPLE.

AS A PARTY, AND NOW AS A GOVERNMENT, WE REJECT COMPLETELY THE CONCEPT OF CONFLICT BETWEEN CITY AND COUNTRY. WE DEPEND ON EACH OTHER AND WE NEED EACH OTHER.

AT THE OUTSET OUR FIRST MAJOR TASK IS TO CLEAR THE GROUND SO THAT WE CAN BEGIN TO END DIVISIONS, ACHIEVE SOME RECOGNITION OF OUR COMMON GOALS AND OBTAIN AN APPRECIATION OF THE NATURE OF THE TASK WHICH THE NATION HAS BEFORE IT.

THIS HAS INVOLVED A GREAT DEAL OF CONSULTATION AND INFORMATION-SHARING.

THE NATIONAL ECONOMIC SUMMIT CONFERENCE ITSELF WAS AN IMPORTANT PART OF THAT PROCESS; AND IT WILL BE A CONTINUING PROCESS.

THE PART PLAYED AT THE CONFERENCE BY THE NFF WAS MOST VALUABLE. THE POINTS MADE IN THE FEDERATION'S SUBMISSION AND IN STATEMENTS MADE BY YOUR PRESIDENT, MICHAEL DAVIDSON, HAVE BEEN CAREFULLY NOTED.

...5/.

FARMERS WILL BE REPRESENTED ON THE ECONOMIC PLANNING ADVISORY COUNCIL, WHICH WILL BE CONTINUING THE WORK OF THE SUMMIT. THE COUNCIL WILL HAVE AN IMPORTANT ROLE IN ADVISING ON ECONOMIC DEVELOPMENTS AND PROVIDING A FORUM FOR COMMUNITY CONSULTATION ON NATIONAL ECONOMIC AND SOCIAL STRATEGIES.

THE SUMMIT LED TO WIDESPREAD UNDERSTANDING OF THE SERIOUSNESS OF THE PRESENT ECONOMIC CRISIS AND AGREEMENT ON HOW BEST TO PROCEED FROM HERE. THE IMPORTANCE OF ACHIEVING RESTRAINT IN INCOME CLAIMS BY ALL BUT THE IMPOVERISHED WAS RECOGNISED, AS WAS THE NEED TO FIGHT INFLATION AND UNEMPLOYMENT TOGETHER.

WE CAME TO OFFICE WITH THE PLEDGE TO PURSUE EXPANSIONARY POLICIES WHICH EMPHASISE JOBS. THAT IS STILL OUR AIM.

HOWEVER, WE FOUND ON COMING TO OFFICE THAT THE RECKLESS FISCAL POLICY OF THE LIBERAL GOVERNMENT IN ITS LAST YEAR WOULD, UNLESS CORRECTED, LEAD TO A \$9.6 BILLION DEFICIT IN 1983/84. THIS MEANT THAT THERE WAS A NEED TO REIN IN THE DEFICIT AT THE SAME TIME AS WE ENCOURAGED INCREASED ACTIVITY. THIS WAS NECESSARY TO MAINTAIN INTEREST RATES ON A DOWNWARD PATH AND MAINTAIN ECONOMIC STABILITY.

TO BRING UNDER CONTROL THE UNPRECEDENTEDLY LARGE BUDGETARY DEFICIT PROBLEM WHICH WE HAVE INHERITED, WE HAVE SET IN TRAIN A COMPREHENSIVE REVIEW OF BUDGETARY COMMITMENTS, ON BOTH OUTLAYS AND TAXATION EXPENDITURE SIDES.

TO SET FISCAL POLICY ON A COURSE THAT IS CONSISTENT WITH THE RESTORATION OF ECONOMIC STABILITY, WE MUST MAKE SAVINGS BY CUTTING THE PROGRAMS OF OUR PREDECESSORS AND ALSO INCREASE OUR TAX COLLECTIONS. THE SPECIAL CONCERNS OF MY GOVERNMENT ALSO REQUIRE US TO MAKE ROOM FOR PROGRAMS TO PROMOTE EMPLOYMENT AND TO INCREASE EQUITY IN THE WAY THE BUDGET AFFECTS THE COMMUNITY.

THERE IS NO SUCH THING AS A PAINLESS EXPENDITURE CUT OR TAX INCREASE. THE RESTORATION OF FISCAL RESPONSIBILITY AND ECONOMIC STABILITY REQUIRES SACRIFICE. MY GOVERNMENT'S AIM IS TO ENSURE THAT THE SACRIFICE IS BORNE EQUITABLY ACROSS THE AUSTRALIAN COMMUNITY, BY AUSTRALIANS WHO ARE IN A RELATIVELY GOOD POSITION TO BEAR IT.

WE AS A GOVERNMENT WERE NOT PREPARED TO LET THE BUDGET DEFICIT PREVENT US FROM IMPLEMENTING OUR PROGRAMS TO STIMULATE EMPLOYMENT AND TO PROMOTE EQUITY. TO GET AUSTRALIA MOVING WHILE RESTORING ECONOMIC STABILITY, THE TREASURER WILL BE MAKING A MAJOR STATEMENT ON THE ECONOMY ON THURSDAY THIS WEEK.

WE ARE NOW EXPECTING REASONABLY STRONG GROWTH NEXT FINANCIAL YEAR, AS THE POLICIES TO BE ANNOUNCED BY THE TREASURER TAKE

EFFECT, AS THE RECENT RETURN OF BUSINESS AND CONSUMER CONFIDENCE STRENGTHENS, AS THE BENEFITS OF THE RECENT DEVALUATION FLOW THROUGH TO INCOMES AND INVESTMENT, AND AS INFLATION AND INTEREST RATES MODERATE AS WE EXPECT THEM TO DO UNDER OUR POLICIES.

THE RURAL COMMUNITY, LIKE ALL OTHER PARTS OF THE AUSTRALIAN COMMUNITY, MUST ACCEPT ITS SHARE OF FISCAL RESTRAINT.

SOME OF THE MEASURES THAT WE WOULD LIKE TO IMPLEMENT TO ASSIST THE RURAL SECTOR MUST, I AM AFRAID, WAIT FOR IMPROVED BUDGETARY CONDITIONS. BUT THE OTHER SIDE OF THE COIN IS THAT RURAL COMMUNITIES WILL SHARE, PERHAPS MORE THAN OTHER AUSTRALIANS, IN THE BENEFITS OF THE FISCAL RESTRAINT, WHICH WILL TAKE THE FORM OF MODERATION OF INTEREST RATES AND COST INCREASES. I CAN ASSURE YOU THAT THE GOVERNMENT IS POSITIVELY DISPOSED TOWARDS THE RURAL SECTOR, AND THAT THIS WILL BE REFLECTED IN THE OVERALL MIX OF ECONOMIC POLICIES. THE GOVERNMENT IS COMMITTED TO PROGRESSIVE LONG-TERM POLICIES DESIGNED TO ENSURE A STRONG RURAL SECTOR.

THE NFF HAS ALWAYS ARGUED THAT AUSTRALIAN TRADE POLICIES ARE CRUCIAL TO THE PROSPERITY OF AUSTRALIA'S RURAL INDUSTRIES. THE FEDERATION IS RIGHT TO DO SO. IT IS RIGHT TO POINT OUT THE COST THAT PROTECTION FOR AUSTRALIA'S MANUFACTURING INDUSTRY IMPOSES ON AUSTRALIAN FARMERS. I HAVE NOTED REPORTS OF THE FEDERATION'S RECENT REPRESENTATIONS ON STEEL IMPORT

QUOTAS, AND MUST SAY THAT I SEE SOME MERIT IN THEM. AT THE SAME TIME, NOW WITH URBAN UNEMPLOYMENT AT RECORD LEVELS, IS NOT THE TIME TO REDUCE MANUFACTURING PROTECTION. THE GOVERNMENT FACES A DILEMMA. I CAN ASSURE YOU THAT AS WE ATTEMPT TO RESOLVE THIS DILEMMA, WE WILL BE TAKING YOUR REPRESENTATIONS INTO ACCOUNT. WE DO NOT SEE THE SOLUTION TO AUSTRALIA'S ECONOMIC PROBLEMS IN INCREASES IN PROTECTION.

THE FEDERATION IS ALSO RIGHT TO EMPHASISE THE IMPORTANCE TO AUSTRALIA AS A WHOLE OF ACCESS TO OVERSEAS MARKETS FOR FARM PRODUCTS. LIKE THE PREVIOUS GOVERNMENT, WE ARE CONCERNED THAT THE RULES OF THE INTERNATIONAL TRADING SYSTEM DISCRIMINATE AGAINST AUSTRALIA AND OTHER EFFICIENT PRODUCERS OF FOOD. I WILL HAVE AN OPPORTUNITY TO EXPLORE THESE ISSUES WITH FRENCH AND AMERICAN LEADERS NEXT MONTH, AND WOULD WELCOME THE FEDERATION'S ADVICE ON PRIORITIES AND STRATEGIES ON INTERNATIONAL MARKET ACCESS FOR AUSTRALIAN FOOD.

I KNOW THAT YOU HAVE BEEN ESPECIALLY WORRIED ABOUT INDUSTRIAL RELATIONS IN THE RURAL INDUSTRIES. NO ONE IS MORE AWARE THAN I AM OF THE SERIOUS IMPACT OF POOR INDUSTRIAL RELATIONS ON THE PRIMARY PRODUCERS OF AUSTRALIA. I HAVE COMMITTED MY GOVERNMENT TO INDUSTRIAL RELATIONS POLICIES WHICH, I BELIEVE, WILL VASTLY IMPROVE THE GENERAL INDUSTRIAL CLIMATE IN AUSTRALIA. IN PUTTING THOSE POLICIES INTO EFFECT,



WE WILL BE PARTICULARLY MINDFUL OF THE INTERESTS OF  
PRIMARY PRODUCERS.

THE MINISTER FOR EMPLOYMENT AND INDUSTRIAL RELATIONS,  
RALPH WILLIS, HAS WORKED TIRELESSLY TO RESOLVE THE  
UNFORTUNATE WIDE COMBS DISPUTE. THAT EFFORT HAS  
CONTRIBUTED CONSIDERABLY TO THE PROGRESS THAT HAS BEEN  
MADE ON THIS ISSUE.

I LOOK FORWARD TO WORKING CLOSELY WITH THE NATIONAL FARMERS  
FEDERATION. I RESPECT THE FEDERATION'S PROFESSIONAL  
APPROACH TO ITS ROLE. THAT PROFESSIONALISM HAS GIVEN THE  
FARMING COMMUNITY A RESPECTED VOICE NEAR GOVERNMENT. JUST  
AS I APPRECIATED MICHAEL DAVIDSON'S HELP AT THE SUMMIT,  
I LOOK FORWARD TO WORKING WITH THE FEDERATION WITHIN EPAC,  
AS WELL AS LESS FORMALLY, OVER THE YEARS AHEAD.

GOOD LUCK WITH THE BUILDING OF NFF HOUSE HERE IN CANBERRA.  
I AM TOLD THAT PLANS ARE WELL ADVANCED AND THAT FUND RAISING  
IS CLOSE TO THE TARGET EQUITY OF \$1.5 MILLION PLANNED FOR THE  
PROJECT. I HOPE CONSTRUCTION WILL PROCEED SMOOTHLY AND LOOK  
FORWARD TO ITS COMPLETION IN 1984.

I WOULD LIKE TO WISH EVERYONE ASSOCIATED WITH FARMING GOOD  
FORTUNE IN THE PERIOD AHEAD. WITH THE BREAK IN THE DROUGHT  
AND SIGNS OF IMPROVEMENT IN THE WORLD ECONOMY TOGETHER WITH  
APPROPRIATE POLICY RESPONSES WITHIN AUSTRALIA AND CO-OPERATION  
ALL AROUND, I AM CONFIDENT WE CAN OVERCOME THE PROBLEMS WHICH  
FACE US.

I DECLARE THIS CONFERENCE OPEN.

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