

FOR PRESS.

Statement by the Rt. Hon. J. McEwen, Deputy Prime Minister, Minister for Trade and Industry, Leader of the Australian Country Party, at the Annual Conference of the Australian Country Party, Queensland, Warwick, 28th April, 1965.

DROUGHT RELIEF

A concerted effort to make better provision against the effects of drought was called for today by the Deputy Prime Minister and Minister for Trade and Industry, Mr. J. McEwen.

Mr. McEwen, the Federal Leader of the Australian Country Party, was addressing the annual conference of the Australian Country Party, Queensland, at Warwick.

"All Governments and the entire community must shake off any thought that may exist that droughts are an act of God, inevitable and quite inescapable, and that tremendous recurring losses should result from them" he said,

Mr. McEwen recalled the loss of 25 million sheep in the drought ending in 1945.

He said that the Commonwealth and State Governments and representatives of farming and pastoral industry organisations should consider jointly efforts to alleviate the results of drought.

More dams and the provision of adequate transport, subsidised if need be by governments, were ingredients of dealing with drought.

The credit institutions of Australia should also have policies, the will and the resources to contribute to alleviation of the problem.

In addition, Mr. McEwen called on farmers to take the opportunities offered, particularly in Queensland, for increased fodder conservation.

Queensland, whose total exports per head were 30% above the national average, was too important a State to go on suffering from devastating, widespread droughts, he said.

COMMONWEALTH AID

Mr. McEwen said Queensland had been helped by Commonwealth financial assistance under Section 96 of the Constitution.

"I believe this is a very proper policy for the Commonwealth to give additional assistance to those States least able to cater for their own development need.

"I believe this is particularly so where the assistance will increase the capacity for export. This helps not only the State, but also the national economy at one of its most sensitive points - exchange earnings.

"I am sure both the opportunities and the needs of Queensland in these respects, are great. I am sure the Commonwealth policies have been of value and may be expected to continue."

COALITION UNITY

Mr. McEwen said he associated himself completely with the remarks by the Queensland Premier, Mr. Nicklin, in opening the Conference on Tuesday night.

(Mr. Nicklin, in a reference to the Country Party's relationships with the Liberal Party in the Government coalition in Queensland, said, "We have to be fully united in principle and purpose, even though not in name, to retain the Treasury benches and to do a job of work for Queensland, and I ask supporters of both parties to work to that end.")

Mr. McEwen said current problems of politics, industry and finance, and particularly the darkening scene to the North, demanded the highest quality personnel in political organisations and Parliament.

"Any single thing that puts a strain upon the internal solidarity of the Australian nation, or in particular, upon the relationship between the two parties that form the coalition in Queensland and in the Commonwealth Parliaments, is an act against the national interest today," he said.

CAPITAL INFLOW

Mr. McEwen said later outside the Conference that Australia had a vital need for greater export effort to meet its foreign exchange problems and reduce its dependence on the inflow of overseas capital.

He said Australia's balance of payments position could be seriously affected by recent actions of the United States and British Governments.

The President of the United States had asked U.S. companies to take measures which could result in reduced flow of investment funds to Australia. The President had also requested American companies operating in Australia to remit a higher proportion of their profits back to the U.S. Mr. McEwen said that an inevitable consequence of these new policies of the U.S. Administration would be increased borrowings raised in Australia to finance American companies in Australia.

The British Government had now asked U.K. companies to take similar action, which must affect British investment in Australia.

Mr. McEwen recalled that two years ago, at the Country Party Conference at Lakes Entrance, Victoria, he had stressed the need for Australia to earn more by exports to pay its way internationally rather than by "selling a bit of the farm" every year.

Mr. McEwen said today the recent changes of policy by the U.S. and British Governments had suddenly brought home the risk of becoming too dependent on the regular inflow of overseas capital in great volume.

"I speak of these things not to bemoan the U.S. and U.K. actions and the problem created for Australia but to say again the answer is to increase exports," he said.

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