

FEDERAL RURAL CONVENTION

"THE MAXIMUM USE OF AUSTRALIA'S RURAL RESOURCES"

Sponsored by the Federal Rural Committee of the  
Liberal Party of Australia

AT WAGGA WAGGA, N.S.W.

23RD JUNE, 1966



Speech by the Prime Minister, Mr. Harold Holt

Mr. Chairman, Senator Sim, Your Worship the Mayor, Parliamentary and Ministerial Colleagues and Distinguished Guests and Visitors, Ladies and Gentlemen:

First, Mr. Chairman, may I, through you, thank very warmly the Mayor of this historic city of Wagga for his very pleasant welcome to us all. We wanted to come to Wagga for reasons, I think, which can be readily established, but it is nice to know that the people of Wagga also wanted us to be with them, and you, Mr. Mayor, have conveyed in the spirit of hospitality which is one of the happy features of Australian life, that welcome to us. A warm welcome on a crisp Wagga morning makes conditions entirely comfortable for us; at least we feel well disposed to you and to each other.

I will have a good deal to say to you on the substance of the Conference. It's not usual for me to speak on rural matters and I am rather enjoying the novelty of it when I come to it. But before I do so, I hope you will feel it appropriate for me to make some reference to the dreadful occurrence in which the Leader of the Opposition was so painfully involved. I do so, conscious of the limitations which are imposed on one at a time when proceedings, court proceedings, are pending against a charged person, but I feel bound in my responsibility as head of the National Government to make some comment and indicate some views to you.

First, I am sure I spoke for all right-thinking Australians when I condemned the episode and expressed our sympathy for Mr. Calwell personally, when I pointed to the fact that we in Australia had a democratic tradition singularly free from episodes of violence. But the episode has at least served the purpose of concentrating our minds not only on this particular incident but on those matters which associate themselves with it in our minds, and I am going to speak very briefly, for I have no wish to intrude unduly into the work of the conference, but we do in Australia zealously guard the democratic tradition of coming

together, exchanging our views - sometimes dissenting, sometimes criticising, sometimes applauding, but feeling free to do so in an atmosphere, however turbulent it may become in the exchange of words, has in the past been happily free of this aspect of violence so strikingly demonstrated to us in this last couple of days. And I suppose in any community, whatever precautions are taken, whatever public attitudes exist, one can't eliminate - or a community can't eliminate entirely the danger that people perhaps emotionally disturbed or in some other way having lost control temporarily of their normal restraints, involve themselves in episodes of this sort. But what the Parliament must do, I believe, is examine carefully the question whether there has been significant changes in the Australian situation which should call for some review by us, and I believe that there have been, that they are identifiable. We must face the fact that we have a more diversified community than at earlier points of our history, that there will be people in our community who come from countries where political violence is not as uncommon a matter as happily it has been here, that these days we do have a much more active interest in public affairs on the part of young people who are in employment and who have resources of their own and who have rights and liberties of their own to safeguard. They in turn may be influenced by methods which in countries neighbouring to us have been employed by young people to demonstrate vigorously, and at times violently, against government policies. And I think we shall find, if we make some review of these matters, that the answer is not to be found in putting in another policeman or two to a public hall or having some sort of security protection imposed on prominent public personages, but it is to be found in community attitudes, the judgments which individuals in the community form of the conduct of those around them, and I don't elaborate because that is not the purpose of our gathering here. I merely say by way of illustration I think we have as a community to decide when, for example, a public demonstration passes beyond the border of legitimate protest into a process of harassment and intimidation, and other examples, of course, could be quoted from contemporary experience.

I would hope that I shall be able to consult, not only with my own senior colleagues, but with them, in turn, with the Leader of the Opposition and some of his senior colleagues because the implications of an episode such as this rise above the normal party division which exists in this country and relates to the welfare of the nation as a whole. In the meantime, a speedy recovery to the Leader of the Opposition and may he sustain no abiding injury as a result of this unhappy episode.

Well, now, ladies and gentlemen, I turn to the business of the conference and my own participation in it, and I say how timely I think this conference is. You, Mr. Chairman, were good enough to say that I put myself to some inconvenience to be here at this time. I am here because my own judgment is that the subject matters that you are dealing with rank amongst the most important that concern public men and women in this country.

The whole welfare, prosperity, security of Australia rests squarely upon the health and vitality and prosperity of the primary industries of Australia. This is fundamental to our very existence. No good us talking about the manufacturing industries if we haven't got the means of importing the requirements of manufacturing industries. No good us talking about improved social standards and the services that one man can provide for another in order to make life more agreeable - and more than 50 per cent. of our work force are employed in services of one kind or another to the rest of the community - if we haven't got the means which an export income produces for us to carry these things into fulfilment.

The manufacturing industries have a rather more glamorous atmosphere and public presentation about them, certainly in the years since the Second World War, and we have all welcomed the quite spectacular increase which has occurred in Australian manufacturing industry over that period. Rather interesting and surprising to discover that proportionately to our population we have as many people engaged in manufacturing industries as are to be found in the United States of America, and they number as a proportion of the work force some 27 per cent. or three times the current percentage of the work force to be found in our primary production. Understandably, therefore, the manufacturing industries have occupied a good deal of the public stage and of the press. The incentives given to increase exports of manufactured products, the urgings upon the manufacturers and others to increase their exports so that they can supplement the earnings of primary industry, these things, too, have occupied prominence in the public mind.

But we must never forget that for as far ahead as we can see, Australia's principal reliance for the export income which enables us to buy the raw materials and the equipment to keep secondary industries going and the wherewithal to maintain an Australian community in a state of prosperity and with a high standard of living, this depends on the success we achieve in the conduct of the great primary industries of this country. That is, I repeat a fundamental consideration for any Australian Parliament and for a gathering such as this.

Having stated that, it doesn't produce any sense of timeliness or urgency about a matter which has always been with us. But there are particular aspects which do point up this timeliness.

The effect on employment I have mentioned, and the effect on the manufacturer because of our imports into this country..... it is calculated that just on 80 per cent. or four-fifths of what we bring in are imports necessary for the conduct of our manufacturing industries, either in the form of raw materials, semi-processed matter, equipment or some other gradient of those classifications. And therefore if we are to increase our manufacturing capacity, and we certainly wish to do that, it can only be done so on the basis of an increasing export income.

It has a bearing directly on our capacity to carry through the immigration programme because modern trends have provided fewer employment opportunities. On the land, as you know, increased mechanisation has resulted in the percentage of the work force dropping from 12 per cent. a few years ago to 9 per cent. today, and that trend looks like persisting.

It is in the manufacturing industries which employ three times that percentage that work opportunities are likely to be found more largely for the new labour coming on to the market, whether from our own natural increase or from the migrants who come to this country. Here again, unless we can go ahead with an increase in our primary production, we are going to run into trouble there.

It is timely because there are uncertainties at the present time about the volume of capital inflow we can expect into Australia. There are restraints indicated in the United States and in the United Kingdom, and while it is not yet clear how substantially they will affect the Australian position, we would be foolish to go along on any casual assumption that there will be indefinitely for us a flow of capital into this country sufficiently large to bridge the gap which has shown up in recent years between our export receipts and our export payments.

The other factor which I think makes it timely is that for the first time in perhaps twenty years, certainly a considerable period of years, a substantial area of Australia has been subjected, and remains subjected to the ravages of drought, and this has caused more hard thinking about what can be done either to avoid drought consequences in areas where the water can be conserved, or to mitigate the effects of drought by appropriate policies of silage or fodder conservation and other matters of that sort.

Therefore, the incidence of drought and its effects bring a conference of this kind appropriately to being.

Now, here again, we have seen what the primary industries mean to the prosperity of the nation as a whole. The drop in farm earnings from the effects of drought has radiated its influence through other sections of the economy. If there is a quietness in certain areas of the Australian economy today beyond that we would wish to see, then you can trace influences flowing from the drought very considerably to the effect which has emerged there.

Finally, there is a timeliness, if not the same degree of urgency in giving some concentrated consideration to what Australia should be doing, what we should be planning for the enormous increase in demand for our primary production that we can reasonably anticipate between now and the end of this century. We are strategically placed in an area of the world where one-third of the human population is within ready service of goods that can be despatched from this country - Fifteen hundred million people of Asia, quite apart from the markets we have established in other parts of the world, and the demographers predict that by the end of the century on present population trends, we could see a doubling of the population there.

Already Australia is feeling some of the consequences of this growth in population, associated at the same time as it is with some improvement in the capacity to import in these countries, As for example, Japan builds up its industrial strength, so you find that it is looking for larger volumes of foodstuffs, of raw materials; the Westernising influences on Japanese life are influencing people to eat different types of food which we are capable of supplying. This has lead to a quite dramatic increase in the figures of trade between our own country and Japan. I think they might usefully be put to you.

As recently as 1958/59, Japan purchased goods to a value of \$204M. from this country. In 1964/65, that \$204M. had grown to \$442M. If we take the movement of major export items to Asia generally, we find that in 1964/65, we sold \$284M. worth of wool, \$180M. worth of wheat and \$44M. value of metals, \$38M. value of sugar. Now these are markets which even in comparatively recent times we would have regarded as comparatively small receivers of Australian exports, and we are, I believe, merely on the threshold of our potentialities there.

Now, I have indicated a number of reasons why a conference of this sort is timely. I have, I hope, established that the primary industries are of fundamental importance to the progress

of the Australian economy and the welfare of our people.

How are the primary industries themselves measuring up to the requirements imposed upon them? Here again a few figures may be illuminating.

I just take two of our principal items but they could be said to be generally illustrative. In 1948/49, we produced 1,030 million pounds weight of wool. By 1964/65, that had grown to 1,794 million pounds.- Wheat 1948/49 - 191 million bushels; 1964/65 - 369 million bushels. These are impressive figures. Without that increase in production, Australia could not have sustained a migration programme, could not have maintained the standards which we currently enjoy today. And this is not by any means an end point quite obviously because the requirements of the future make the accomplishments of today look like only a pale beginning of what lies ahead.

I don't know how accurate the projections can be said to be but I know that the view is taken inside the Commonwealth Departments that we shall need by a comparatively short time ahead of us to reach an export income of just on \$5,000M., and this is assuming Australian population growth projected on a reasonable basis related to current movements, and an increase in the requirements of Australian manufacturing production as it, in turn, proceeds to develop.

Now the Government has not been, of course, unaware of these developments and requirements, and I hope you will agree that in a great variety of ways, we have sought to encourage the favourable output from the primary industries which has been reflected in the figures that I have quoted to you. We have in more recent times adopted new policy measures - provision of long-term rural finance, long a goal sought by the primary industries; we have adopted towards the relief of drought a more liberal approach than I believe any government previously in the history of Australia. Our approach this time was not on any mere basis of sort of temporary relief to those unfortunately afflicted. Our approach was on the basis of an economic measure designed to sustain demand, to sustain activity in areas which had experienced the ravages of drought, and this innovation of attitude and policy was certainly welcomed by the Premiers of New South Wales and Queensland, and I believe has been welcomed by those who speak for the primary producers of this country. It has certainly been welcomed by the farmers and graziers directly affected by the adverse consequences of drought.

But when you look down the list - and I am not going to

occupy your time today in too much detail on it, you see the wealth of measures adopted over recent years and in the past to encourage the growth of healthy, efficient, competitive Australian industry: The work of the CSIRO, the work of the Development Bank, the various schemes of industry research, the preferential arrangements made under the taxation structure, giving accelerated write-offs in respect of farm improvements - in these and a variety of other ways, the Government has sought to encourage production and to keep the growth of primary industry consistent with the needs of an expanding nation.

This is the vital task, certainly a task which we could only ignore at the danger to our national stability, and, indeed, reaching through to our capacity to provide the resources for adequate national defence.

And so, ladies and gentlemen, the substance of what you are discussing here today is basic to the welfare of the Australian community. You will have those expert in a variety of different directions to talk to you on particular aspects, and at the conclusion of the discussion, my colleague, Senator Gorton, who assists me in the work of the Prime Minister's Department on education matters as well as the handling of his own portfolio, will be giving his contribution by way of summation.

You may have felt perhaps that <sup>in</sup> talking in these rather general terms, and a little coldly in respect of the statistics that have been quoted that I, personally, have little familiarity with what goes on on a typical Australian farm. Well, I am glad to be able to say that I can plead rather more knowledge than that. Most of my boyhood holidays, right up to the time of young manhood was spent on my grandfather's farm not very far up from where we are, a little place called Nubba, which is ten miles from Harden and Murrumburrah, which towns are probably well known to many of the people of this area, and it was a very valuable apprenticeship because it was a mixed farm. It had everything on it but not much of anything. There were some sheep, a few cattle, there were pigs, there was an orchard, there were fowls, and the whole gamut of a small mixed farm production. I used to ride in each morning for the mail a couple of miles, and then round up the cows in the evening, and occasionally take a hand at extracting the milk from the cows in the evening. But quite apart from recalling these days as amongst the happiest of a lifetime and recalling that with all its heartaches, anxieties and difficulties, the life on the land is, I believe, the most richly rewarding of almost any that could be found in our community. I, at the same time, do

recall the periods of difficulty when we knew drought and when we could see before us the physical effects, the ravages of drought. I remember developing some early knowledge of matters anatomical when there was the weekly slaughtering of the sheep which had to serve us as food for the rest of the week. It was lamb's fry the next morning, chops the day after and salted mutton by the end of the week for the last two or three days. And so, ladies and gentlemen, I assure you that when those who speak for primary industry come to me and put their case, this does not fall on unreceptive ears nor is there any lack of sympathy or, I hope, understanding of the problems which those who engage in our primary industries have to face.

Now here, in the Rural Committee of the Liberal Party, you have a good illustration of the way our democratic system works inside our own party structure. There is no dictation to a parliamentarian from any outside body as to the policy lines he is to adopt. There is sensible, well-informed discussion, and arising from that discussion, there are recommendations which come to us in a Coalition Cabinet. And I believe that the healthy state of Australian primary industry, as reflected in the figures that I have mentioned, owes much to the public-spirited work of the men and women who comprise the Committee inside our own party organisation and, of course, who interest themselves in these matters in the party of our coalition. But our own Rural Committee has been a strong body virtually throughout the life of the Liberal Party. It came into existence, I think, Mr. Chairman in about 1948 or 1949, and the Government has been greatly influenced over the subsequent years by the thought, the painstaking thought, the experience and judgment of members of the Rural Committee which has gone into the recommendations which they have submitted to us.

I believe that from this conference, <sup>with</sup> the wealth of talent that you will be able to draw on as your discussions proceed, there will be further valuable recommendations, and I can assure you that there can be few bodies in Australia whose views would rank more influentially and highly with the Cabinet of this country than those of the Rural Committee of the Liberal Party.

And so I wish you well in your efforts together, and I assure you that the product of your thinking will receive the most earnest consideration of the members of my Government.

I think I have a formal duty before me in declaring the conference open, so anything that has been said up to this point of time can be ignored. From now on, officially, the conference is open, and I have pleasure in so declaring.

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