

AUSTRALIAN TRANSPORTATION CONFERENCE

CANBERRA, ACT

Speech by the Prime Minister, Mr William McMahon

.24 MARCH 1971

Mr Chairman, my Ministerial Colleague, Gentlemen :

This is a unique Conference. It is unique in the sense that it seeks to identify the problems associated with Australia's surface transport and to attempt to find solutions.

According to the information conveyed to me by one of Australia's greatest industrialists and captains of transport, there are three reasons for this uniqueness.

First, it is difficult to think of any other occasion when so many leaders of industry and representatives of transport operators and users have got together to discuss the critical issues involved in the transportation of goods.

Second the aims and objectives of the Conference are of fundamental importance. Taking the two reasons together, it is probable that many ideas will emerge having a direct bearing on the future of transport development.

And third, you can be as frank as you like and you can put forward as many suggestions and ideas as you like. They won't be pigeon-holed. You have my colleague, Mr Nixon's assurance on that.

The Government will consider the suggestions you have to make. It is important for you to be critical and to be constructive.

Now, as to your objective - that is of identifying what are the surface transport problems in Australia today - this is an extremely complicated problem.

You have the task of finding out how goods can be moved across the length and breadth of this vast continent - quickly, efficiently and economically. Everyone in Government and in industry wants an answer to this problem.

Daily and with growing intensity, the technologist is giving us new tools to use. The innovators and applied scientists are showing us how they can be used. Not to be outdone by changes in the vocabulary, there is a new language too..... roll-on-roll-off ships, container transport and flexi-vans.

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Some sections of the Australian transport system have made marked progress; in others there is a tremendous amount to be done. We hope this Conference will generate ideas about what can be done and how we can go about doing it.

You are looking for all the answers - to the problems visible and hidden. We want you to find the answers for as many as practicable.

To crystallise the Government's thinking, we want a transport system which will serve a nation as it should be served, so that we can beat the barriers of distance, of mountain and of plain... and can do so cheaply and efficiently.

I have spoken of technical progress. Much of this has been the result of a response by private enterprise - the basic system of our way of life. But the Government is directly involved, too, perhaps more than many of you realise.

If I may, Sir Ian, I would like to mention briefly one or two things the Government has done and is doing because I think it is an example of co-operation between industry and Government; between the private and public sectors. And this co-operation, in a free enterprise society, means two things - growth and progress.

As to our own part, you know the Government's direct involvement in sea transport took on a new dimension recently with the entry of our own line into overseas shipping. This was a return to a system pioneered and abandoned about half a century ago.

Coinciding with this involvement we are building our own ships for a variety of purposes and are developing the skills that are transforming Australia into an increasingly self-reliant country.

In ten years to June, 1970, the Commonwealth has provided \$84 million by way of subsidy for Australian shipbuilding. This, I know, is a good investment and a wise and effective contribution of public funds.

Our other direct involvement in surface transport is through the Commonwealth Railways which complement the State railway systems and link East and West.

The Government has contributed significantly to rail standardisation projects in the States because we recognise that a standard system is both economical and a unifying force.

In the past ten years the Commonwealth has given \$99 million in grants and \$76 million loans to the States for this purpose.

But the heaviest spending is on roads. This is where the need is greatest.

It was one of my great pleasures as the then Treasurer to introduce the Commonwealth Aid Roads Bill. Under the Act, the Government commits funds on a five-year basis for roads and for the period 1969 to 1974, we are appropriating \$1,252 million, an increase of 67 per cent on the amount provided in the preceding five years.

This year, taking roads, railways, shipbuilding, navigation aids and other transport programmes together as a transport commitment, the Commonwealth will be spending about \$318 million.

Mr Chairman, spending of this order is part of a long-term programme. There is so much to be done and the demand continues to grow insatiably and intensely. Close co-operation between the Commonwealth and the States is fundamental to success.

Australia is now spanned by a standard gauge railway between Sydney and Perth. Many improvements are still needed on the railway networks.

Our beef roads are opening up new pastoral lands. Here, too, the job is unfinished.

The changes in ship design and in cargo handling have led to modernisation of our ports. Here, too, there is still work to be done.

We live in an environment of large bulk carriers and specialised general cargo ships. If we are to be successful this demands management practices and technical excellence of the highest order. I am sure you have the qualifications.

Now Sir, may I speak about transport costs - the critical factor for everyone. Inflation feeds on rising costs. Freight rates are a significant factor in costs. You know the problem just as well as I do. May I turn to one aspect of it.

The problem of the man on the land, who cannot pass on increases in freights, is well known to us all. Today the farmer is badly hit by rising freights. So too are others. In this sense it is a national problem.

If we contain rises in freights - and better still reduce them - then the burden of rising costs would be lighter. Whilst the problem is one of immense complexity, we know of your capacity and are looking to you to find out the ways and means of finding a solution.

Not so long ago, in order to honour an election promise, the Government took the first steps to establish a Bureau of Transport Economics. A Director has been appointed and for the time being, in a restrained way, staff is being recruited.

The Bureau's main function will be to study and report on the costs of transport operations in Australia and to suggest what can be done to help reduce costs.

Gentlemen, for the next two days you will be putting under the microscope the transportation philosophies and policies of both the private sector and government.

I conclude in this vein -- we do want your help. In saying that, I am not passing the problem from Government to you.

We will continue to do all we can - through the Budget, through the Department of Shipping and Transport - through the new Bureau - and in co-operation with the States at all levels.

We will co-operate with industry wherever we can, according to our powers and responsibilities.

Gentlemen, I do wish you success with your Conference... and I now declare it open.
