

SPEECH BY THE PRIME MINISTER, MR. E.G. WHITLAM, Q.C., M.P.,  
AT THE OPENING OF THE GIPPSLAND FIELD DAYS AT BRANDIE BRAES,  
VICTORIA, TUESDAY, 19 FEBRUARY 1974

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NOTHING PROVES MORE CLEARLY THE GREAT IMPORTANCE OF PRIMARY INDUSTRY TO AUSTRALIA THAN AN EVENT OF THE KIND BEING STAGED HERE TODAY. TO SEE THE DISPLAYS OF FARM EQUIPMENT, THE DEMONSTRATION OF NEW TECHNIQUES AND THE EXHIBITIONS OF STOCK IS TO CONFIRM THE VITALITY, SOPHISTICATION AND DURABILITY OF FARMING IN AUSTRALIA. NO GOVERNMENT CAN FAIL TO BE IMPRESSED BY THIS VITAL ASPECT OF OUR NATIONAL LIFE. CERTAINLY THE PRESENT GOVERNMENT RECOGNISES THAT WITHOUT THE RURAL ACTIVITIES WHICH ARE SO VIVIDLY ON SHOW TODAY AUSTRALIA COULD NOT HOPE TO CONTINUE AS A PROSPEROUS AND GROWING NATION.

I AM GLAD TO HAVE AN OPPORTUNITY TO AFFIRM THE GOVERNMENT'S GREAT CONCERN FOR THE CONTINUED WELL-BEING OF PRIMARY INDUSTRY. BECAUSE SO MUCH OF THE DEBATE SURROUNDING THE LAST FEDERAL ELECTIONS INVOLVED ISSUES AFFECTING OUR CITIES, THERE HAS BEEN A TENDENCY IN SOME QUARTERS TO BELIEVE THAT THE GOVERNMENT ATTACHES A DIMINISHED IMPORTANCE TO OUR RURAL AREAS. I WANT TO SAY QUITE UNEQUIVOCALLY THAT ANY SUCH BELIEF IS UNFOUNDED. THE PRESENT GOVERNMENT IS AS DEDICATED AS ANY PREVIOUS GOVERNMENT TO THE CREATION AND MAINTENANCE OF SELF-SUFFICIENT, PROSPEROUS AND EFFICIENT PRIMARY INDUSTRIES. INDEED, I BELIEVE THAT WE HAVE GIVEN A NEW AND HEALTHY EMPHASIS TO THESE INDUSTRIES.

NO GOVERNMENT HAS DONE SO MUCH TO REDUCE THE BURDEN WHICH RURAL INDUSTRIES HAVE HAD TO CARRY AS A RESULT OF EXCESSIVE TARIFF PROTECTION. NO GOVERNMENT HAS DONE SO MUCH TO ENSURE THAT MOST PUBLIC ASSISTANCE GOES TO THOSE FARM FAMILIES WHO NEED IT MOST. NO GOVERNMENT HAS DONE SO MUCH TO OPEN UP NEW AND EXPANDING OVERSEAS MARKETS.

DESPITE WHAT WE HAVE DONE, THERE IS STILL MISUNDERSTANDING AND CRITICISM OF THE THRUST OF OUR RURAL POLICIES IN SOME QUARTERS. OUR CRITICS HAVE SEIZED UPON THE ABOLITION OR REDUCTION OF SOME SUBSIDIES IN AN ATTEMPT TO ARGUE THAT THE GOVERNMENT IS ANTI-RURAL. THEY HAVE NOT BOTHERED TO CONSIDER WHETHER THESE SUBSIDIES ARE APPROPRIATE FOR OUR ECONOMY OR HELPFUL TO OUR FARMERS. THEY HAVE NOT STOPPED TO CONSIDER WHETHER THESE SUBSIDIES HELP ALL FARMERS OR WHETHER THEY OVERWHELMINGLY FAVOUR THE LARGEST AND WEALTHIEST PRODUCERS - AND, IN SO DOING, DEPRIVE THE GOVERNMENT OF MONEY WHICH MIGHT BE BETTER DIRECTED TO AID FAMILY  <sup>FARMS</sup>. THEY HAVE NOT STOPPED TO CONSIDER WHETHER THESE SUBSIDIES HAVE STOOD IN THE WAY OF ADJUSTMENT PROGRAMS WHICH PROMISE GREATER LONG-TERM ASSISTANCE TO FARMERS. THEY HAVE NOT STOPPED TO CONSIDER WHAT WERE THE MOTIVES BEHIND THEIR INTRODUCTION. ANY ANALYSIS OF OUR PRIMARY INDUSTRY POLICY WILL SHOW THAT WE ARE STRIVING TO SEE THAT OUR RURAL AREAS ARE NOT CYNICALLY EXPLOITED BY PORK-BARREL POLITICS. WE WANT TO ENSURE THAT THEY ARE GIVEN A FIRM ECONOMIC BASIS SO THAT COUNTRY PEOPLE CAN BE SURE OF SHARING THE SECURITY AND WEALTH OF OUR NATION.

TO ACHIEVE OUR AIMS WE ARE STRIVING TO IMPROVE THE DOMESTIC MARKETS FOR PRIMARY PRODUCERS, TO CONSOLIDATE EXISTING EXPORT MARKETS AND TO CREATE NEW MARKETS. AS I HAVE ALREADY INDICATED, I BELIEVE WE HAVE HAD A GREAT DEAL OF SUCCESS IN THESE TERMS IN THE LAST YEAR. WE HAVE, FOR EXAMPLE, NEGOTIATED WHEAT AND SUGAR CONTRACTS WITH CHINA AND RURAL INDUSTRY WILL BENEFIT FROM THE CLOSER TRADE TIES WE HAVE ESTABLISHED WITH JAPAN.

WHATEVER OUR CRITICS MIGHT SAY, THE FACT REMAINS THAT THERE HAS BEEN A GREAT IMPROVEMENT IN FARM INCOME IN THE LAST YEAR.

IN THE THREE YEARS ENDED 1969/70 FARM INCOME AVERAGED ABOUT \$1,050 MILLION A YEAR. THE ONSET OF DROUGHT AND DECLINING PRICES CAUSED FARM INCOME TO DROP TO \$885 MILLION IN 1970/71 AND MANY PRODUCERS FACED SERIOUS FINANCIAL DIFFICULTIES. LAST YEAR SAW A COMPLETE REVERSAL OF THIS SITUATION AND, UNTIL RECENTLY, THE ESTIMATE FOR FARM INCOME IN 1973/74 WAS \$2,885 MILLION - MORE THAN THREE TIMES AS GREAT AS IN 1970/71 AND WELL OVER DOUBLE THE AVERAGE INCOME FOR THE THREE YEARS BEFORE THEN.

THE SAME SORT OF PATTERN EMERGED LAST YEAR IN THE FIGURES FOR EXPORTS OF RURAL ORIGIN. THESE EXPORTS EARNED AUSTRALIA \$2,419 MILLION IN 1971/72. THE MOST RECENT ESTIMATE FOR 1973/74 PREDICTED THAT THEY WOULD BE WORTH \$3,874 MILLION - A VERY GREAT IMPROVEMENT.

THE DEVASTATING FLOODS WHICH HAVE SWEEPED QUEENSLAND AND NORTHERN NEW SOUTH WALES IN RECENT WEEKS WILL INEVITABLY FORCE A REVISION OF THESE ESTIMATES. THEY WILL ALSO MEAN THAT MANY FARMERS WILL NOT SHARE THE CURRENT BUOYANCY OF PRICES FOR RURAL COMMODITIES. NEVERTHELESS, IT REMAINS TRUE THAT THE MARKET OUTLOOK FOR AUSTRALIAN PRIMARY INDUSTRY IS EXTREMELY FAVOURABLE AND THAT A GOVERNMENT POLICY AIMED AT MAINTAINING AND IMPROVING THIS BUOYANCY IS SOUNDLY BASED.

I WOULD BE MUCH TOO SANGUINE IF I TRIED TO PRETEND THAT SOME UNCERTAINTIES DID NOT FACE PRIMARY PRODUCERS. THE FLOODS AND CYCLONES IN THE NORTH INDICATE YET AGAIN THE UNPREDICTABILITY OF A FARMER'S LIFE. SOME UNPREDICTABILITY MUST ALSO RESULT FROM THE CURRENT OIL PROBLEM, ESPECIALLY AS IT RELATES TO BUNKERING FUEL. THE GOVERNMENT IS DOING ALL THAT IT CAN TO DEAL WITH THE PROBLEMS CREATED BY THESE NEW AND SUDDEN FACTORS IN THE RURAL OUTLOOK. IN THE CASE OF THE QUEENSLAND AND NEW SOUTH WALES FLOODS, IT IS PROVIDING ALL POSSIBLE ASSISTANCE TO HELP OVERCOME THE DAMAGE CAUSED. IN THE CASE OF THE INTERNATIONAL OIL CRISIS, WE ARE BACKING UP OUR OWN NATURAL WEALTH WITH GOVERNMENT POLICIES AIMED AT PROTECTING AND ADVANCING OUR NATIONAL INTERESTS.

A MAJOR FACTOR IN THE DEVELOPMENT OF THE GOVERNMENT'S RURAL POLICY HAS BEEN THE ROLE PLAYED BY THE MINISTER FOR PRIMARY INDUSTRY, SENATOR KEN WRIEDT. FARMERS COULD NOT HOPE TO HAVE A MORE PERSUASIVE ADVOCATE IN THE CABINET. HE HAS INTRODUCED A RATIONAL COMMITMENT TO THE NEEDS OF PRIMARY PRODUCERS AND THIS COMMITMENT NOW PERVADES ALL AREAS OF OUR RURAL POLICY. A RECENT OPINION POLL AMONG PRIMARY PRODUCERS SHOWED THAT THEY APPRECIATED SENATOR WRIEDT'S WORK; MORE THAN 70 PER CENT OF THEM APPROVED HIS HANDLING OF HIS PORTFOLIO.

ONE OF THE MAJOR ACTIVITIES THAT HE HAS SET IN MOTION IS THE HOLDING OF AN INQUIRY INTO ALL ASPECTS OF RURAL POLICY IN AUSTRALIA. THE INQUIRY WILL RESULT IN THE FIRST GOVERNMENT-SPONSORED REPORT ON OVERALL RURAL POLICY SINCE THE PUBLICATION OF "AGRICULTURAL PRODUCTION: AIMS AND POLICIES" BY THE FORMER DEPARTMENT OF COMMERCE AND AGRICULTURE IN 1952, MORE THAN 20 YEARS AGO. TO CONDUCT THE INQUIRY THE GOVERNMENT HAS SET UP A RURAL POLICY WORKING GROUP, HEADED BY DR. STUART HARRIS, DEPUTY SECRETARY OF THE DEPARTMENT OF OVERSEAS TRADE. SENATOR WRIEDT HAS ALSO TAKEN STEPS TO ENSURE THAT THE WORKING GROUP HAS READY AND FULL ACCESS TO THE VIEWS OF FARMERS. HE HAS AGREED TO THE ESTABLISHMENT OF A COMMITTEE OF FARMERS TO ADVISE AND CO-OPERATE WITH THE GROUP.

A MAJOR BASIS FOR THE INQUIRY IS THE GOVERNMENT'S VIEW THAT THERE IS NO PLACE IN THE ECONOMY FOR A RURAL POLICY THAT IS NOT BOTH EQUITABLE FOR PRIMARY PRODUCERS AND ECONOMICALLY SOUND. IN ANNOUNCING THE INQUIRY, THE MINISTER FOR PRIMARY INDUSTRY, SENATOR KEN WRIEDT, AND I SAID THE GOVERNMENT WISHES TO AVOID AD HOC DECISIONS THAT MIGHT APPEAR TO SOME TO BE POLITICALLY ATTRACTIVE AT THE TIME, BUT WHICH IN FACT MIGHT OFFER NO LONG TERM SECURITY OR REAL BENEFITS TO THE GENUINE PRIMARY PRODUCER. THE GOVERNMENT NEEDED A BASIS OF EXPERT ADVICE ON WHICH TO FORMULATE ECONOMICALLY SOUND AND SOCIALLY EQUITABLE MEASURES THAT WOULD HELP THE RESIDENT FARM FAMILY. IT ALSO SAW A NEED FOR A RURAL POLICY THAT RECOGNISED THAT LARGE AND IMPORTANT SECTIONS OF THE RURAL COMMUNITY ARE NOT THEMSELVES ENGAGED IN FARMING ALTHOUGH THE PROSPERITY OF MANY DID DEPEND ON THE HEALTH OF THE PRIMARY INDUSTRIES.

THE WORKING GROUP WILL DRAFT, FOR CONSIDERATION BY THE GOVERNMENT, A "GREEN PAPER" ON RURAL POLICY, INCORPORATING ASPECTS FROM PRESENT AUSTRALIAN GOVERNMENT POLICIES SUCH AS SELECTIVE DECENTRALISATION, CONSERVATION, RURAL RECONSTRUCTION AND LONG-TERM INTERNATIONAL COMMODITY AGREEMENTS. IT WILL ALSO ATTEMPT TO INTEGRATE THESE AND OTHER FACTORS INTO A SET OF PRINCIPLES UPON WHICH FUTURE POLICIES COULD BE BUILT. WE EXPECT TO PUBLISH THE GREEN PAPER BY GOVERNMENT AUTHORITY BUT WITHOUT FORMAL ENDORSEMENT. IN THAT FORM, IT WOULD BE DEBATED IN CABINET, IN PARLIAMENT, AND IN THE COMMUNITY GENERALLY - PARTICULARLY IN THE RURAL SECTOR. THESE DEBATES WILL ASSIST THE GOVERNMENT TO CREATE A MORE VIABLE RURAL SECTOR IN THE AUSTRALIAN ECONOMY. WE HOPE TO RECEIVE THE WORKING GROUP'S REPORT BY APRIL.

IN ADDITION TO THE EVOLUTION OF NEW POLICIES TO ENSURE THE PROSPERITY OF PRIMARY INDUSTRY, THE GOVERNMENT HAS MOVED TO CREATE OTHER OPPORTUNITIES FOR OUR RURAL AREAS. THE PRESENT GOVERNMENT IS THE FIRST TO TAKE POSITIVE AND DECISIVE ACTION TO PROMOTE DECENTRALISATION IN AUSTRALIA. PLANNING FOR THE CREATION OF A NEW GROWTH CENTRE AT ALBURY-WODONGA IS ALREADY WELL ADVANCED AND WE AIM TO MAKE THIS THE PROTOTYPE FOR OTHER GROWTH CENTRES. DECENTRALISATION HAS LONG BEEN TALKED ABOUT IN THIS COUNTRY. THE LAST YEAR HAS SEEN THE BEGINNING OF THE FIRST REALLY CONCRETE PROPOSALS TO DO SOMETHING ABOUT IT.

I BELIEVE THAT BY THE APPLICATION OF SENSIBLE POLICIES ON PRIMARY INDUSTRY AND DECENTRALISATION WE CAN ENSURE THAT PEOPLE IN OUR RURAL AREAS SHARE THE BENEFITS OF THE UNDOUBTEDLY GREAT WEALTH OF AUSTRALIA. PEOPLE IN THESE AREAS HAVE CONTRIBUTED AN ENORMOUS AMOUNT TO THAT WEALTH IN THE PAST AND I AM SURE THAT THEIR CONTRIBUTION WILL REMAIN FUNDAMENTALLY IMPORTANT IN THE FUTURE.

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