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12 noon

PRIME MINISTER

SPEECH BY THE PRIME MINISTER
"THE WINNERS' FIELD DAY" - BOONOKE - 8 MARCH 1984

Ken, Ladies and Gentlemen

Thank you very much for your very warm welcome.

I was struck in reading the report of last year's field day by two things.

One was that your chief guest last year was the mighty Ron Barassi standing in for Malcolm Fraser who had to excuse himself at short notice due to the "singular nature of the handover following the election five days earlier". There has been no such reshuffle needed this year!

Second, Alec Morrison, on this day last year, told you

"Tomorrow or the day after it will rain.
Tomorrow or the day after devaluation will boost the wool cheques.
Tomorrow or the day after the recession will give way to recovery".

Well Alec must have been a clairvoyant, or was it just recognition of what we as a Labor Government were capable of achieving?

While I cannot claim full responsibility for it, the drought has broken; we did devalue and, with the later float of the dollar, contributed a further important boost to your industry; we have also seen the economy firmly repositioned on the path to recovery and all Australians stand to benefit from this.

In short, the last year has seen a real turnaround in Australia's fortunes. My Government aims to maintain the strong growth trend now established and expects the rural sector, and particularly the wool industry, to be among the principal beneficiaries as well as major contributors to this.

The Australian Labor Government believes that the best way to help ensure Australia's primary industries have a more stable and prosperous future is to focus on sound economic management. As a Government we have accordingly sought to be responsible, flexible, realistic, respecting of market realities and concerned to address basic issues such as employment, costs, inflation and taxes. In all of this we have sought to build a national consensus - a consensus involving farmers as much as any other group in the community.

Indeed it is with some pride I recall the initiative I mounted some years ago as President of the A.C.T.U. bringing Australian unions and wool industry representatives into consultation. Those contacts then were highly productive and demonstrated the benefit to all concerned of co-operative approaches to industry problems.

The Government introduced into Parliament last week a Bill to give the Australian Wool Corporation powers comparable with those of other major statutory authorities and place it in a position where it can commercially evaluate alternative sources of finance for its operation.

The Corporation operates in an increasingly difficult and competitive environment and needs to be able to take advantage of the best borrowing rates available.

The amendments to the Wool Industry Act 1972 proposed in the Bill will allow for better management of woolgrower funds for market support operations and for wool research.

The Bill now before the Parliament quite deliberately recognises the value of the wool industry to the Australian economy.

It is a far cry from the lone bale of wool exported by John Macarthur in 1807 to the export in 1982-83 of nearly 612 million kilos of wool valued at \$1.9 billion, second only to coal in total value of exports.

The Australian wool industry has time and again demonstrated its remarkable resilience and adaptability in the face of drought, fire and flood as well as unpredictable overseas markets and competition from man-made fibres.

But despite the adverse conditions it has at times had to endure or overcome, Australian wool has remained a winner.

Australia now has 133 million sheep, producing over one quarter of total world wool output and supplying about half of all wool entering world trade.

Changes in the destinations of Australia's wool exports reflect the changing relationships between Australia and her trading partners. Although the infant wool industry flourished in response to demand from British textile mills, our major markets now include Japan, USSR, China and the EEC.

Similarly the wool industry has shown its capacity to adjust to its changing role within the Australian economy. Since the wool prices boom of the 1950's, following the outbreak of the Korean war, wool's share of Australia's export earnings has declined dramatically as the mineral, tertiary and manufacturing sectors have expanded. It nevertheless in 1982/83 remains significant at 10 per cent of the total.

Australia may no longer be riding on the sheep's back but the wool industry has proven to be low cost and efficient and remains an important contributor to the national economy. It is at once a valuable source of national income and export earnings, and provides significant employment opportunities.

You will all recall that before the last election I promised that a Labor Government would provide \$28 million per annum for wool promotion funding during the triennium 1983-84. We were not able to honour this pledge fully in the last budget - principally, as you would all know and appreciate, because of our inheritance from the previous Government of a much higher deficit than we could have reasonably anticipated. I am, however, very conscious of the importance of this matter to the industry and have therefore recently directed that it should be brought forward again for national consideration prior to the normal 1984/85 Budget discussions.

An announcement of the Government's decision should be possible before the Wool Council meeting in May.

Finally let me say that in John Kerin you have a Federal Minister for Primary Industry who brings a real commitment and feeling of responsibility for the people of rural Australia. He has a very strong personal commitment to see that the immense contribution that rural and provincial Australia makes to this country is fully recognised within Government and that sensitive policy making and fairness prevails.

In moving around the country over the last twelve months, talking to individuals and producer representatives, John has impressed everyone with his tremendous drive, ability and sincerity. He has managed his portfolio with great expertise and has become an outstanding Minister in my Government, deserving the full support of the wide interests he represents.

I know you all appreciate this and will lend him you full support in his not always easy task.
