



PRIME MINISTER

AUSTRALIAN RURAL ADJUSTMENT UNIT SPEECH
BY THE PRIME MINISTER
CANBERRA, 30 OCTOBER 1984

Ladies and Gentlemen,

I welcome this opportunity to address you at this the beginning of a new period in the history of what until today has been called the Australian Rural Adjustment Unit.

The Unit has played a very important role in promoting understanding of the implications of rural issues. It has brought together the concerns and expertise of many in rural areas, in universities and research organisations and others involved in formulating and advising on policy, to devise solutions to the complex problems of rural Australia. The Unit's contribution is a valued input to the task of developing sound rural policies.

The agenda the Unit has set itself is diverse. During the past year it has addressed issues such as:

- Developing a plan for the training of professionals in soil conservation;
- A consultation program to develop agricultural education criteria;
- Investigations into a strategy for the dairy industry; and
- An investigation into the role, financing and performance of rural local Government.

The focus of the Unit's interest has therefore shifted from a concentration on adjustment problems to a broader concern for the rural sector generally - and for the quality of life in rural Australia. I think it is quite fitting, therefore, that the Unit should now be renamed the Rural Development Centre.

Obviously this shift in emphasis is in no way intended to diminish the importance of rural adjustment and productivity - continued attention is needed to such matters. On top of this, however, there is a need for a balanced, integrated approach to the development of rural policy. It is in this sense that I welcome the

Centre's examination of matters such as conditions influencing rural businesses, social issues affecting the rural community, Government services in rural Australia. Broad based considerations of this kind are required if rural policy is to be adequately sensitive to the interests of Australians in rural areas.

It is a particularly welcome development that the Centre now is launching a new publication - called Inside Australia. It should be a useful vehicle through which to better inform Australians on the problems and conditions facing rural Australia.

Ladies and Gentlemen,

There can be no doubt that those in rural areas have made a major contribution to the well being of all Australians. Our rural export industries have for several generations been a mainstay of Australia's enviably high standard of living.

As a Government, we have sought to provide the conditions that would see our efficient and productive rural industries prosper.

In this regard the direct and regular consultations we have had with the National Farmers Federation have been especially valuable. Their advice and their constructive participation in the National Economic Summit and in EPAC have contributed greatly to this Government's appreciation of the concerns of Australians in rural areas.

The Government's approach to rural policy has operated on three broad levels, each of which supports the other.

The first is in the provision of sound economic management. Here the record speaks for itself. This has wrought substantial benefits for the rural community.

We have curbed inflation and, through the Accord, reduced wage pressures. This has assisted rural producers considerably in holding down cost pressures and should continue to assist them in the future.

Our record of reducing interest rates will also have greatly helped those using capital intensive methods of production.

We have, as well been most active as a Government in seeking to broaden Australia's access to foreign markets. The gains secured, for example, in the recently concluded Australia-Japan beef agreement - while not all that we should have wanted - will provide a solid base for the further development of our cattle industry.

The deregulation of Australian financial markets and the floating of the Australian dollar have also benefitted greatly Australia's rural producers. Most importantly these landmark decisions have substantially boosted the competitiveness of our rural exports.

The second level at which the Government has operated has been through the initiation of policies aimed at laying the foundations for the future prosperity of our rural industries. Confident of the long run contribution which our rural industries can make to Australia we have given particular priority to programs that address the longer-term needs of the sector.

It is in this context that we have increased funds for rural research and wool promotion; that we have introduced a soil conservation program; and that we have introduced fisheries management plans.

There are nevertheless limits to what the Government can do. The real decisions affecting the day to day prosperity of the industry must be taken by the industry itself.

This brings me to the third strand of our policy. We need to be sure that those taking decisions affecting rural industries themselves bring adequate expertise and experience to the task. We have taken steps to ensure that the management structures of the industries' marketing organisations are so designed that those organisations are most likely to secure the best results possible for the producer interests they serve.

In making its decisions on policies affecting rural industries the Government has been very conscious of the unique circumstances facing primary producers:

- Despite popular opinion I can't make it rain or prevent floods.

The Government has nevertheless taken steps to reduce the impact of these natural phenomena, and to cushion the effects of swings in market prices on the rural sector.

We have retained and made more flexible the Rural Adjustment Scheme to facilitate the process of structural change and to help overcome short term difficulties.

- Only last week we announced additional assistance of \$5.5M under Part A of that scheme to help sugar cane growers in Queensland and New South Wales.

The Government has also supported marketing schemes which have featured mechanisms to buffer the effect of short term fluctuations in prices.

In taking these decisions, the Government has recognised the close relationship between fluctuations in the prosperity of rural industries and the prosperity of the large numbers of people servicing those industries.

- The work of the Australian Rural Adjustment Unit has focused attention on the close linkages that exist in this part of the economy.

We have also been conscious of the often very special circumstances of those in the rural sector. These circumstances include isolation from the major population centres and the services located in these centres and the established pattern of families working the same property, sometimes for generations.

Such circumstances have influenced our approach and decisions on a range of issues:

- The Pensions Assets Test includes special provisions in recognition of the special circumstances surrounding some farmers.
- Our final decision on Land Rights Legislation will reflect consultations with a spectrum of community groups, including those from the rural sector.
- Rural communities will also have better access to telecommunications through AUSSAT and better transport facilities as a result of the Bicentennial Roads Program.

Our concern for the rural community as part of the wider Australian community is evidenced by these and other decisions. The stance we have taken does, I believe, represent a fair compromise between the competing claims of different sectors of society.

I think it is a mark of our success as a Government that the balance we have struck is genuinely appreciated by Australia's rural community. The improved empathy and understanding which now exists between the Labor Government and those in rural areas is something we as a Government welcome. In large measure it is due to the untiring efforts of our Minister for Primary Industry, John Kerin, and to the co-operative spirit with which rural producers have been prepared to address the Government. I see maintenance of this spirit as an important factor in Australia's continued economic prosperity.

The future work of the Rural Development Centre, in focusing on issues relating to the economic and social environment of rural areas, will be a valued contribution to the ability of Government to continue to reach informed and fair decisions affecting rural Australia. Certainly a Labor Government will never underestimate the importance of such decisions.

It will be among our greatest challenges and most important responsibilities as a Government to get those decisions right. I am sure we shall continue to do so.
