



PRIME MINISTER

CHECK AGAINST DELIVERY

EMBARGOED UNTIL DELIVERY

NSW BRANCH ALP COUNTRY CONFERENCE
QUEANBEYAN - 10 NOVEMBER 1985

DELEGATES

THE COUNTRY CONFERENCES OF THE NSW BRANCH OF THE LABOR PARTY PROVIDES AN OPPORTUNITY TO EMPHASISE ONCE AGAIN THE CRUCIAL ROLE WHICH LABOR'S STRENGTH IN THE BUSH HAS PLAYED TRADITIONALLY IN AUSTRALIAN POLITICS, AND HAS CONTRIBUTED TO OUR OVERALL STRENGTH IN NSW IN PARTICULAR.

THAT STRENGTH DERIVES FROM ALL OF YOU HERE TODAY - THROUGH YOUR ORGANISATIONS, THROUGH THE NSW BRANCH, AND THROUGH SUCCESSIVE LEADERS OF THE PARTY WHO HAVE WORKED OVER THE DECADES, FIRST OF ALL, TO ESTABLISH LABOR'S DOMINANCE AND THEN TO PROTECT IT FROM THE FORCES OF CONSERVATISM.

FOR ALL THAT, I PLACE ON RECORD MY DEEP THANKS FOR THE CONTRIBUTION WHICH YOUR EFFORTS HAVE MADE NOT ONLY TO THE WELL BEING OF LABOR GOVERNMENTS, BUT TO THE CONTINUING SUCCESS OF THE NSW LABOR GOVERNMENT IN PARTICULAR, AND ALSO TO THE CONTINUING SUCCESS OF OUR LABOR GOVERNMENT IN CANBERRA.

IT IS CONVENTIONAL WISDOM AS JACK HALLAM DEMONSTRATED IN 1983 IN HIS BOOK, "THE UNTOLD STORY", THAT WHILE LABOR HOLDS THE BUSH IT HOLDS GOVERNMENT IN NSW.

SIMILARLY, LABOR'S STRENGTH IN THE BUSH HAS A GREAT BEARING ON OUR EXISTENCE IN CANBERRA.

THE REASONS FOR LABOR'S DOMINANCE OF THE BUSH IN NSW ARE SIMPLE. QUITE APART FROM THE CREDIBILITY OF OUR POLICIES, THE REASONS HAVE BEEN THE CHOICE AND STRENGTH OF CANDIDATES SELECTED FOR COUNTRY SEATS, AND THE WILLINGNESS AND THE VIGOUR OF SUCCESSIVE PARTY OFFICERS AND PARTY LEADERS TO DEFEND AND EXTEND THAT DOMINANCE OVER THE YEARS.

IT BEGAN WITH BILL MCKELL IN THE 1940'S. MCKELL'S GREAT METHOD WAS HIS PERSONAL SELECTION OF CANDIDATES IN CRITICAL SEATS, THE LEGACY OF WHICH STAYED WITH US IN HUMAN FORM RIGHT INTO THE 1970'S WHEN TERRY SHEAHAN REPLACED HIS FATHER BILL AT BURRINJUCK.

THE TRADITION WAS CARRIED ON BY JOE CAHILL IN THE 1950'S AND NOW ITS NEVILLE WRAN IN THE 1970'S AND THROUGHOUT THE 1980'S - A PREMIER WHO HAS LEAD LABOR AND NSW THROUGH ALMOST 10 YEARS AND I BELIEVE WILL CONTINUE TO LEAD INTO 1988 AND BEYOND.

NEVILLE INITIATED THAT HIGHLY SUCCESSFUL PRACTICE OF TAKING CABINET MEETINGS TO THE COUNTRY. ONLY LAST WEEK WE SAW STATE CABINET MEETING IN ALBURY. THIS HAS DONE MUCH TO BRING GOVERNMENT TO THE PEOPLE, TO HELP PEOPLE IDENTIFY WITH GOVERNMENT. IT IS A PRACTICE I HAVE CONTINUED MYSELF WITH OUR OWN CABINET MEETING IN TOWNSVILLE JUST A FEW WEEKS AGO.

WE IN CANBERRA HAVE ALSO BEEN BLESSED WITH OUTSTANDING MEMBERS FROM RURAL NSW. I MENTION PARTICULARLY AS AN EXAMPLE JIM SNOW, IN WHOSE ELECTORATE OF EDEN-MONARO YOU ARE MEETING THIS WEEKEND.

NEITHER COULD I LET THIS OPPORTUNITY PASS WITHOUT PAYING TRIBUTE TO OUR OUTSTANDING MINISTER FOR PRIMARY INDUSTRY, JOHN KERIN - A MAN WHO HAS BEEN DESCRIBED BY HIS CONSTITUENCY, FOR BETTER OR FOR WORSE, AS THE BOB HAWKE OF THE BUSH.

IN THIS CONTEXT I AM ALSO VERY GLAD TO NOTE THE NEWS CIRCULATING IN PARTY CIRCLES AT THE MOMENT THAT IT IS LOOKING INCREASINGLY LIKELY THAT SOME OF LABOR'S STALWARTS FROM THE BUSH IN THE NSW PARLIAMENT WILL BE STICKING AROUND FOR A WHILE LONGER YET.

I REFER ESPECIALLY TO HAROLD MAIR IN ALBURY AND BILL MCCARTHY OF THE NORTHERN TABLELANDS.

DELEGATES

WHEN THE AUSTRALIAN LABOR PARTY WAS ELECTED IN 1983, IT CAME TO POWER AS A PARTY WITH A PROUD AND DISTINGUISHED RECORD OF A PARTY WHICH GOVERNED FOR ALL AUSTRALIANS.

IN MY ADDRESS TODAY I WANT TO REFLECT ON THE SITUATION CONFRONTING THE RURAL SECTOR AND TO OVERVIEW OUR RURAL POLICIES - POLICIES OFTEN NOT APPRECIATED BY THE COMMUNITY AND POLICIES OFTEN OVERLOOKED BECAUSE OF OUR OUTSTANDING SUCCESSES IN GENERAL ECONOMIC POLICY.

DELEGATES,

AS WAS MADE ABUNDANTLY CLEAR BY JOHN KERIN IN HIS ADDRESS TO YOU YESTERDAY, THE GOVERNMENT RECOGNISES THE MAJOR CONTRIBUTION THAT THE RURAL SECTOR MAKES TO THE AUSTRALIAN ECONOMY. AND WE ARE VERY MUCH AWARE OF THE GRAVITY OF THE SITUATION CURRENTLY BEING FACED BY MANY PEOPLE IN THE RURAL COMMUNITY. AND SINCE WE ARE A GOVERNMENT FOR ALL AUSTRALIANS, WE ARE TACKLING, AS A HIGH PRIORITY, THE CURRENT PROBLEMS OF THE RURAL COMMUNITY.

THE MINISTER FOR PRIMARY INDUSTRY, JOHN KERIN, AND I HAVE MET WITH RURAL SECTOR REPRESENTATIVES ON MANY OCCASIONS TO DISCUSS ISSUES THAT ARE OF GREAT CONCERN BOTH TO THEM AND TO THE GOVERNMENT. ONE OF THE PRINCIPAL MATTERS ADDRESSED AT THOSE MEETINGS HAS BEEN THE CONTINUING BLEAK OUTLOOK FOR MANY COMMODITIES DUE TO THE WEAKNESS OF WORLD MARKETS.

THE SITUATION OF DECLINE IN NET REAL FARM PRODUCTION IDENTIFIED BY THE BUREAU OF AGRICULTURAL ECONOMICS AND THE BUREAU'S EVIDENCE OF CONTINUING PRESSURE ON FARM INCOMES IS A MATTER OF CONTINUING CONCERN FOR THE GOVERNMENT. WE ARE AWARE THAT THE PRICE-COST SQUEEZE BEING FELT BY MANY IN THE RURAL COMMUNITY IS POSING A REAL THREAT TO THE LIVELIHOOD OF MANY FARMERS AND HAS LED TO A SHARP DECLINE IN THE REAL NET VALUE OF RURAL PRODUCTION.

RECOGNISING THESE PRESSURES THE GOVERNMENT IN THE LAST BUDGET HAS PROVIDED A SIGNIFICANT ASSISTANCE PACKAGE FOR THE FARM SECTOR IN WHAT WAS OTHERWISE A VERY TIGHT BUDGETARY SITUATION.

WE THEN AGREED TO PROVIDE A FULL REBATE OF THE EXCISE ON DIESEL USED FOR ELIGIBLE PRIMARY PRODUCTION, SAVING FARMERS 2.4 CENTS PER LITRE FOR THEIR DIESEL FUEL. THIS MAKES PRIMARY PRODUCERS THE ONLY GROUP IN THE COMMUNITY TO RECEIVE A FULL REBATE OF DIESEL EXCISE.

IN THE BUDGET WE ALSO ANNOUNCED THAT THE REMAINING DUTIES ON IMPORTED GRAIN HARVESTERS WOULD BE REMOVED, AND THAT AN EQUIVALENT LEVEL OF ASSISTANCE BY WAY OF A BOUNTY WOULD BE PROVIDED TO LOCAL MANUFACTURERS. THIS DECISION TOOK EFFECT FROM 21 AUGUST 1985; AS A RESULT, LEADING MANUFACTURERS HAVE ALREADY REDUCED THE PRICES OF THEIR GRAIN HARVESTERS.

TAKEN TOGETHER THE FULL REBATE ON DIESEL FUEL AND THE REMOVAL OF THE DUTIES ON GRAIN HARVESTERS WILL SAVE FARMERS ABOUT \$46 MILLION IN A FULL YEAR.

THE GOVERNMENT HAS ALSO TAKEN POSITIVE STEPS TO ASSIST SPECIFIC INDUSTRIES, FOR EXAMPLE

THE MEAT AND LIVE-STOCK INDUSTRY WILL RECEIVE \$7 M OVER THE NEXT 4 YEARS, TO ASSIST INNOVATION IN THE MARKETING OF MEAT, PARTICULARLY IN EXPORT MARKETS. THOSE FUNDS WILL BE USED TO ENCOURAGE THE FURTHER USE OF OBJECTIVE MEAT EXPORT TRADE DESCRIPTIONS, LONGER TERM EXPORT MARKET STUDIES, AND OTHER PROJECTS WHICH WILL LEAD TO THE ADOPTION OF A NATIONAL MEAT AND LIVESTOCK TRADING LANGUAGE, WHICH IS NECESSARY FOR THE DEVELOPMENT OF A COMPUTER ASSISTED LIVESTOCK MARKETING SYSTEM.

WE HAVE ALSO INCREASED BY \$3.6 M THE AMOUNT OF FUNDS MADE AVAILABLE IN 1985/86 FOR WOOL PROMOTION. THE PRESENT FUNDING ARRANGEMENTS WERE INTRODUCED IN 1984 FOR A 5 YEAR PERIOD AND GUARANTEE THAT THE GOVERNMENT WILL PROVIDE 1.2% OF THE GROSS VALUE OF THE AUSTRALIAN WOOL CLIP. THIS YEAR'S CONTRIBUTION IS SOME 14% HIGHER THAN LAST YEAR'S, AND IS ALMOST 50% UP ON THE \$20M ALLOCATED IN EACH OF THE FOUR YEARS PRECEDING THAT.

THESE ARE BUT TWO EXAMPLES OF OUR SPECIFIC MEASURES. THE GOVERNMENT HAS ALSO PUT FORWARD MAJOR PROPOSALS FOR THE RESTRUCTURING OF THE SUGAR AND DAIRY INDUSTRIES. BOTH THESE INDUSTRIES ARE OF CRITICAL IMPORTANCE TO AUSTRALIA'S ECONOMIC AND TRADING PERFORMANCE.

WE HAVE ALSO MADE SIGNIFICANT MOVES TO ADDRESS THE PARTICULAR REQUIREMENTS OF THE WHEAT INDUSTRY. APART FROM THE RESTRUCTURING OF THE WHEAT BOARD WE HAVE REGISTERED STRONGLY OUR CONCERNS WITH EUROPEAN SUBSIDIZATION POLICY AND WITH THE IMPLICATIONS OF THE AMERICAN ENHANCEMENT PROGRAM. WE ARE PLEASED TO SEE THAT THE SUBSIDY PROBLEM IS NOW TO BE ADDRESSED IN THE MULTILATERAL CONTEXT OF THE GATT. THIS IS WHERE SUCH ISSUES SHOULD BE TACKLED AND RESOLVED.

OF COURSE THE GOVERNMENT'S CONTRIBUTION TO THE RURAL ECONOMY IS NOT LIMITED TO THE DIRECT MEASURES THAT I HAVE JUST DESCRIBED. MOST PEOPLE WOULD AGREE THAT THEY ARE MUCH BETTER OFF IN A PERIOD OF LOW INFLATION THAN WHEN PRICES ARE RAPIDLY RISING, AND IT IS IN THIS GENERAL AREA OF ECONOMIC MANAGEMENT THAT THE GOVERNMENT HAS BEEN MOST EFFECTIVE ON BEHALF OF THE PRIMARY PRODUCER. THE GOVERNMENT'S POLICIES OF SOUND ECONOMIC MANAGEMENT ARE WORKING TO THE BENEFITS OF RURAL INDUSTRIES:

- THEY ARE CONTAINING INFLATION
- THEY ARE REDUCING UNEMPLOYMENT
- AND THEY WILL BE MAINTAINING THE ECONOMIC GROWTH WE HAVE BEEN EXPERIENCING, FOR A THIRD SUCCESSIVE YEAR.

THE GOVERNMENT IS DETERMINED TO CONTINUE THESE POLICIES, AND IS DETERMINED TO ENSURE THAT ALL AUSTRALIANS CAN SHARE IN THE REAL BENEFITS WHICH WILL FLOW FROM THEM.

DELEGATES,

IT'S ALMOST REDUNDANT TO SAY THAT THERE IS A NEW MILITANCY IN THE BUSH. FARMERS ARE CONCERNED OR FRIGHTENED ABOUT THE THREAT TO THEIR LIVELIHOOD FACED BY SHRINKING MARKETS. AS WELL, THEY ARE NOW FEELING THE CONSEQUENCES OF DECADES OF SHORT-TERM, QUICK FIX PALLIATIVES APPLIED TO OUR FARMING SECTOR. THE LONGER-TERM, FUNDAMENTAL PROBLEMS WERE IGNORED, AS HAS NOW BECOME ONLY TOO APPARENT, AND AS THE NATIONAL FARMERS' FEDERATION HAVE POINTED OUT TO THE NATIONAL PARTY.

FARM COSTS, I POINT OUT, HAVE RISEN ABOUT 6% A YEAR SINCE WE CAME INTO OFFICE. THEY ROSE BY AROUND 12% A YEAR UNDER THE CONSERVATIVES. THE ACCUMULATIVE EFFECT OF THAT, JUXTAPOSED TO THE WORLD TRADING SITUATION, IS WHAT IS AFFECTING FARMERS INCOMES AT PRESENT.

BUT MORE THAN THAT ECONOMIC SITUATION, FARMERS ARE IN TURMOIL OVER THE DOMESTIC POLITICAL SITUATION. QUITE RIGHTLY, THEY FEEL BETRAYED BY THE NATIONAL PARTY WHICH HAS CLAIMED TO REPRESENT THEM FOR SO LONG BUT WHICH, AS I HAVE ALREADY SAID, LET THEM DOWN SO BADLY. THE NATIONAL PARTY FAILED THEM IN GOVERNMENT AND IT IS FAILING THEM IN OPPOSITION.

BUT JUST WHAT DOES THE NATIONAL PARTY STAND FOR? WHERE DO THEY STAND ON PRIVATISATION, ON STRUCTURAL CHANGE, ON DEREGULATION? IS THEIR POSITION THE SAME AS THE LIBERALS? DOES IAN SINCLAIR AND HIS COUNTRY PARTY CRONIES WANT TO SELL OFF:

- TELECOM
- TAA
- THE AUSTRALIAN NATIONAL LINE
- AUSSAT - THE AUTHORITY ADMINISTERING AUSTRALIA'S DOMESTIC SATELLITE
- THE HEALTH INSURANCE COMMISSION
- THE AUSTRALIAN INDUSTRY DEVELOPMENT CORPORATION,
- THE HOUSING LOANS INSURANCE CORPORATION,
- THE COMMONWEALTH BANK AND
- THE PIPELINE AUTHORITY

THE LIBERALS AND THE NATIONAL PARTY ARE IGNORING IN THE IDEOLOGICAL STANCE THEY ARE TAKING ON THIS ISSUE THE SOCIAL COSTS NECESSARILY ABSORBED BY OUR PUBLIC CORPORATIONS. THEY WOULD EMBARK ON AN INDISCRIMINATE ATTACK ON A WHOLE RANGE OF SERVICES GENERALLY REGARDED AS BASIC TO THE QUALITY OF AUSTRALIAN LIFE AND ESSENTIAL TO RURAL AUSTRALIA.

ALL THE CONSERVATIVES REALLY WANT TO DO IS TO SELL OFF THE PROFITABLE AREAS OF GOVERNMENT ACTIVITY, WHICH CONTRIBUTE TO PUBLIC REVENUE, LEAVING EVEN HEAVIER BURDENS ON TAXPAYERS TO PICK UP THE SLACK TO KEEP ESSENTIAL GOVERNMENT SERVICES OPERATING. IN REALITY, THEY WANT TO IMPOSE EVEN GREATER COSTS ON THE RURAL PEOPLE - THE PEOPLE FROM YOUR TOWNS AND CITIES WHO DEPEND SO MUCH ON TELECOM, AUSTRALIA POST, TAA, THE ABC, THE COMMONWEALTH BANK, TO NAME BUT A FEW OF OUR MAJOR NATIONAL GOVERNMENT ORGANISATIONS.

WE CERTAINLY DO KNOW WHERE THEY STOOD IN THE NOW DISCREDITED FRASER GOVERNMENT. MESSERS SINCLAIR AND HUNT - ALONG WITH NIXON - STAND CONDEMNED FOR THEIR ROLE IN THAT GOVERNMENT WHICH, FOR EXAMPLE, CUT WOOL PROMOTION SPENDING, TRIED TO SELL OFF THE WOOL TESTING AUTHORITY, HALVED THE INTEREST RATE SUBSIDY FOR THE AUSTRALIAN WHEAT BOARD AND REACTED TARDILY TO THE NEEDS OF FARMERS DURING THE DROUGHT.

THE LITANY OF THEIR FAILURES AND LACK OF CONCERN FOR FARMING INTERESTS WAS ONLY EXCEEDED DURING THAT PERIOD BY THE LIBERALS.

DURING THOSE YEARS THE LIBERALS MADE NO PRETENCE OF BEING INTERESTED IN RURAL OR FARM POLICY AND ALL THEY CAN NOW PROMISE FOR THE FARM SECTOR IS DEREGULATION AND PRIVATISATION.

BOTH THE LIBERAL AND NATIONAL PARTIES HAVE IN THE PAST TAKEN THE RURAL VOTE SO MUCH FOR GRANTED THAT INAPPROPRIATE POLICIES TO MEET SHORT TERM POLITICAL NEEDS HAVE BEEN IMPLEMENTED. THE BIGGEST COSTS TO THE FARM SECTOR ARE THE RESULT OF A SECONDARY INDUSTRY PROTECTION AND, LATELY, FUEL. FUEL PRICES ROSE ON AN INDEXED BASIS BY A STAGGERING 40% - YES 40% - IN 1979-80 COMPARED TO 8% THIS YEAR WITHOUT A SQUEAK FROM THOSE WHO CLAIMED TO REPRESENT THEM POLITICALLY.

UNLESS THE NATIONAL PARTY SAYS IT IS GOING TO WIPE OUT THE IMPORT PARITY PRICING POLICY IT INTRODUCED, THE FLOAT OF THE AUSTRALIAN DOLLAR WHICH IT HAD NO OPINION ABOUT AND SECONDARY INDUSTRY PROTECTION WHICH IT FOSTERED, ALL ITS BLEATS ABOUT FARM COSTS ARE MERE HUMBUG.

DELEGATES,

THE TRADITIONAL STRENGTH OF LABOR IN COUNTRY NSW IS ONE OF THE FOUNDATIONS UPON WHICH IS BASED THE STABILITY OF OUR GOVERNMENT, BOTH IN MACQUARIE STREET AND IN CANBERRA.

I KNOW THERE IS NO NEED TO TELL YOU OF THE IMPORTANCE OF MAINTAINING THIS STRENGTH THROUGH FUTURE ELECTIONS. BUT NEVER FORGET THAT IT IS ONLY THROUGH YOUR EFFORTS COMBINED THROUGH OUR EFFORTS IN MACQUARIE STREET AND IN CANBERRA THAT WE CAN STAVE OFF THE CHALLENGE TO OUR STABILITY BY THE CONSERVATIVE FORCES.

WHAT THIS REQUIRES IS AN AWARENESS BY YOU AND ALL FELLOW PARTY MEMBERS - AND THROUGH YOU, AN AWARENESS BY THE PEOPLE AT LARGE - OF WHAT WE HAVE DONE FOR THE RURAL SECTOR AND WHAT WE SHALL CONTINUE TO DO AND OF HOW ECONOMIC GROWTH IS IMPROVING LIVING STANDARDS AND PRODUCING HIGHER PROSPERITY FOR ALL AUSTRALIANS.

DELEGATES,

OUR VISION FOR THE FUTURE IS ONE WHICH RECOGNISES, RATIONALLY AND OBJECTIVELY, THE CHALLENGES, THE PROBLEMS, THE DIFFICULTIES, AS WELL AS THE GREAT OPPORTUNITIES, WHICH WE ALL FACE TOGETHER IN THIS DECADE AND BEYOND.

IT IS A VISION FOR A NATION GROWING STRONGER YEAR BY YEAR BY THE WISE AND FULL USE OF ITS RICH HUMAN AND MATERIAL RESOURCES, AS A PARTNER IN THE WORLD'S MOST DYNAMIC ECONOMIC REGION, FOR A NATION BECOMING YEAR BY YEAR MORE EQUITABLE AND MORE FAIR, IN WHICH TRUE EQUALITY OF OPPORTUNITY FOR ALL IS NO MERE SLOGAN BUT A LIVING REALITY AND FOR A NATION CONSTRUCTIVELY, PERSISTENTLY, UNREMITTINGLY CONTRIBUTING TO THE SUPREME OBJECTIVE OF A WORLD AND A REGION AT PEACE, FREE FROM THE THREAT OF NUCLEAR HOLOCAUST.

IT IS A VISION IN WHICH YOU AND YOUR BRANCHES' CONTRIBUTIONS ARE VITAL - VITAL TO THE CREATION OF AN AUSTRALIAN SOCIETY BASED ON FREEDOM, JUSTICE, EQUITY, AND A SOCIETY IN WHICH WE ARE SECURE AND PEACEFUL.

I COMMEND YOUR EFFORTS TO DATE AND THE FEDERAL AND STATE GOVERNMENTS LOOK FORWARD TO YOUR CONTINUED SUPPORT.
