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**PRIME MINISTER**

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**SPEECH BY THE PRIME MINISTER  
AUSTRALIAN LABOR PARTY WA BRANCH  
RURAL AND REGIONAL SEMINAR  
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At the outset I want to congratulate the West Australian branch of the Australian Labor Party on its initiative in organising this biennial seminar over the last six years, and to thank them for inviting me to deliver the keynote address.

This seminar provides a valuable forum for Labor to outline to Party members and to the wider community the breadth of its vision for the five million Australians who live outside the major metropolitan cities.

Those five million Australians make up less than one-third of the Australian population but they are engaged in producing almost 80 per cent of all the goods we export.

They are, and they will remain, the backbone of the Australia's trade effort for the foreseeable future.

This seminar is timely, because it allows us to focus, as we enter the third century of Australian nationhood, on what Labor has been able to do, and on what we must continue to do, to ensure the continued efficiency and strength of our great primary industries.

When I was first elected Prime Minister in 1983 I promised to govern in the interests of all Australians.

Our record of achievements on behalf of Australia farmers, and country dwellers generally, demonstrates that that pledge has been fully met.

Since we came to Office in March 1983 Australia has had to deal with a series of major economic difficulties, most particularly the collapse in our terms of trade in 1985 and 1986. In each case our responses have made us a stronger country, a fairer country and a country far better equipped to face the future.

Ahead of us lies the task of articulating and pursuing our vision of how we want Australia to grow in the 1990's.

Our vision is an Australia which is fair, prosperous, competitive and independent.

It is an Australia in which all our children will have a full and equal opportunity for the development of their talents within an education and training system which is both adequate and relevant;

an Australia where those who are actively engaged in the productive processes will be equitably rewarded, and where those who are not so engaged - the young, the elderly, the disabled - will be decently sustained by the community;

an Australia whose economy will be able to cope with the challenges of a rapidly changing world, enmeshed in our dynamic region;

an Australia able to contribute to a better and to a more peaceful world;

and it is an Australia in which our national goals of justice and fairness are achieved, not by the savage conflict of competing interests and groups but through national co-operation.

These are goals for all Australians - goals which are equally relevant to people living in the cities and to people living in the country.

When we say we have created over one million jobs,

- when we say we have made a fairer taxation system, which will produce significant personal tax cuts next year,
- when we say we are bringing inflation down,
- when we say we are well down the track to stabilising international debt,
- when we say we have lifted the number of kids staying on at secondary school from 36 per cent in 1982 to 53 per cent in 1987 and we will achieve 65 per cent early in the 1990's,
- when we say we have introduced a new Family Allowance Supplement which delivers unprecedented amounts of cash assistance to the poorest families among us,

we are talking about major achievements for all Australians, wherever they live.

One of the principal characteristics of this Government has been its capacity to achieve these reforms, not through the confrontation which was the hallmark of our predecessors, but through consultation.

And to a rural and regional audience such as this, I can make the proud claim that in few areas has this process of constructive consultation been more productive than in the Government's relations with the Country Women's Association.

Let me take this opportunity to recognise in particular the leadership and drive that has been displayed by the outgoing President of the CWA, Dorothy Ross.

It was at the suggestion of Dorothy Ross that the Government decided to conduct the recent invaluable survey on the needs of Australia's rural women.

But I do not want in this keynote address merely to outline what we have already done. Because the road back to prosperity is a long one which will continue to involve hard decisions for some years to come.

Nowhere is this more true than in the fundamental area of economic reconstruction - an issue close to the heart of all Australians and especially to those involved in the rural economy.

You know only too well the vulnerability of our economy to sharp fluctuations in commodity prices.

Reducing this vulnerability means tackling the task of reconstruction - the hard and long term task of transforming our highly protected, and consequently relatively weak, manufacturing sector into one which can compete on world markets and win; and at the same time ensuring that agricultural and mining industries, already among the most efficient in the world, can withstand the sharp changes in exchange rates and market corruption which presently characterises the world's trading and financial systems.

The response of conservative governments to this problem over the nearly three decades they ruled Australia since 1949 was one of neglect and pretence: neglect of the fundamental realities of Australia's exposed world economic position and pretence that we could continue to support ourselves by simply hiding behind higher and higher tariff walls.

Labor's response has been a determined and deliberate effort to provide the real answers.

In both our international diplomatic initiatives and our reforms of domestic industry structures, we are ensuring that rural industries can continue to generate the national income that underpins Australian prosperity.

First, we are attacking world trading problems, and especially the problem of agricultural trade protection, as the central element of our international diplomacy. This has been a constant and frequent element of my own presentation of Australia's views in a number of international forums - forums such as the EMF Symposium in Davos, January 1987, the GATT in Geneva in October 1987 and most recently during my trip to the United States in June.

We are taking an active role in the Uruguay Round of the Multilateral Trade Negotiations especially through our leadership of a major new force in trade negotiations which we initiated, the Cairns Group of fair trading nations.

In each of these forums we have made it clear that there is a continuing threat to free and fair world trade.

This threat comes from three main sources:

- the restrictive agricultural policies of the European Community and the USA's reaction to those policies,
- Japan's reluctance to open its markets,
- the large trade imbalances between the major economies, and their counterparts in inappropriate domestic fiscal policies.

Efficient agricultural exporters, including Australia, are fed up with being caught in the crossfire of competitive subsidisation by the US and the European Community.

We are also fed up with being illegitimately denied access to markets.

It is true that in recent times we have had some significant successes. For example, new arrangements have been negotiated with Japan which, over time, will dramatically increase the Japanese market open to our beef producers.

As a result, Japanese beef imports will grow at 60,000 tonnes a year for the next three years.

The Labor Government can point to a number of ways in which our trade diplomacy has produced tangible and lasting results for Australian primary producers.

But the reality is that more needs to be achieved, quickly.

So we will continue to press our case to free up markets and to ensure efficient producers like Australia get a fair go.

The next opportunity for progress will be the mid term review of the current round of multilateral trade negotiations which will be held later this year in Montreal.

Australia will be seeking a commitment from other nations to the early winding back of agricultural subsidies as a downpayment on an overall strategy over time to eliminate trade-distorting subsidies.

In all of my international presentations, I have made a point of saying that Australia is practising what we are preaching on tariff matters.

In the May Economic Statement the Government announced a package of structural reforms designed to improve the efficiency of primary industries in the context of a more general package to speed our industrial reconstruction.

I do not wish to be exhaustive, but our main objectives in primary industry have been threefold:

- to enhance the productive capacity and life opportunities of non-metropolitan Australians through, for example, improving the access and relevance of education and training programs;
- to develop a more responsive and productive industry structure by providing clearer market signals to producers and lower costs through substantial reductions in protection given to manufacturing; and
- to provide a more efficient infrastructure for primary industries, for example through more efficient grain handling arrangements, and increased funding for soil conservation and disease eradication.

Economic reconstruction is too frequently seen as something which affects only the big cities and only the manufacturing sector.

The truth is that rural industries and rural residents have a key role to play in the creation of new and better rewarded industries in Australia.

If agriculture in Australia is to reach its true potential in our third century it will do so by positioning itself at the forefront of new technology.

Biotechnological change is extremely rapid. Industries that keep up with it will be the prosperous industries of the future.

In order to keep our place as one of the world's foremost agricultural nations we must also become one of the foremost in research and development.

To achieve this we must allow - indeed encourage - that industry to operate in the international market place.

I have every confidence that Australia has the potential to foster an agricultural research and development industry, selling its services into growing markets such as China, the Soviet Union, the Pacific Basin, and perhaps even Europe and the United States.

The Government will continue to support research across a broad range of agricultural industries. We will continue to provide matching funds for research. Indeed we stand ready to contribute to each industry research fund up to 0.5% of the gross value of production in the particular industry.

Ladies and gentlemen,

At the outset of my address I said that this was a timely seminar because, in our Bicentennial year, it focused our attention on what we must do as a nation to ensure the continued efficiency and strength of our primary industries.

This seminar is also timely in a more specific sense because it coincides with the renewed speculation from the conservative side of politics about the amalgamation of Liberal and National Parties.

That leading National Party figures such as Doug Anthony and Peter Nixon should see merit in combining forces with the Liberal Party is a significant development in Australian politics.

They have identified a number of trends in rural Australia that they argue put a question mark over the continued separate existence of the National Party.

Let me quote one sentence from a recent newspaper article by Doug Anthony on the amalgamation issue which highlighted one of these trends:

"The rural zeal against city dominance that gave birth to the (National) Party in earlier days has become more temperate with improvements in health, education, communications and rural industries."

What Doug Anthony does not state explicitly - but what obviously is at the root of his concern - is that those improvements in health, education, communications and rural industries have largely taken place since the conservatives have been out of office.

They are improvements which have been delivered to rural and provincial Australians by State and Federal level Labor Governments.

My colleague the Minister for Primary Industries and Energy John Kerin has spoken about the way in which Australian politics has been characterised by "myths" about rural Australia

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- the myth that the erstwhile Country Party is the "natural" party of the bush
- and the equally potent and dangerous myth that Labor has nothing of relevance to say to much of the rural constituency.

I believe the achievements of Labor in Government, and our vision for the future, have comprehensively put those myths to rest.

The truth of Australian politics today is that it is Labor governments, at the State and Federal levels, that have the real interests of rural and regional Australia at heart.

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