



## PRIME MINISTER

FOR MEDIA

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### LABOR'S RURAL AND REGIONAL ACHIEVEMENTS

Labor has implemented an effective plan to improve the primary industries and resources sector over its seven years in office:

- . Maximising the sector's competitiveness through general economic policy decisions
  - floating the dollar
  - deregulating the financial sector
  - lowering company and personal tax rates
  - setting achievable and economically justifiable wages targets
  - fiscal surplus and expenditure restraint
  - lifting productivity, as the latest OECD figures show
  - lifting employment and investment opportunities
    - .. Access Economics' list of \$49 billion in major investment projects under construction, or committed includes \$7 billion in the mining sector - including in Mount Isa - and another \$7 billion in the value adding manufacturing sector - also including in Mount Isa
    - .. country areas have fully shared in the strong job growth we have created.
- . Maximising returns through both an active international trade policy and reforms to statutory marketing authorities
  - improved access for beef to Japan, Korea and other major markets

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- successful GATT case against the US on sugar
- support for the Wool Corporation
- flexibility for the Wheat Board
- creation of the Australian Horticultural Corporation
- development of the Cairns Group of agricultural free traders
- the Asia-Pacific Economic Co-operation initiative
- the Innovative Agricultural Marketing and Marketing Skills Program to enhance our export opportunities

Minimising costs

- abolition of tariffs on most of the sector's inputs (eg mining machinery, tractors, harvesters) and reductions of most others
- the estimated annual cost savings to agriculture and to mining of our 1988 tariff cuts is \$460 million each by 1992
- full rebate of diesel fuel excise for primary producers
- a workable Income Equalisation Deposits scheme.

Improving the research and development base of the sector

- agricultural research programs now receive more than \$125 million in dollar-for-dollar Commonwealth grants; industry directs this research
- energy research, including potential alternative energy sources.

Conservation measures

- Labor (in 1983) recognised the national significance of land degradation and instituted direct Commonwealth assistance, via the National Soil Conservation Program
- the Decade of Land Care has brought together the National Farmers Federation, the Australian Conservation Foundation and the Commonwealth in a \$320 million long term initiative for land rehabilitation, tree planting and bushland conservation

- use of export controls to ensure forests are managed sustainably
- the Resource Assessment Commission will serve to inform and where possible reconcile conservation and resource development interests
- creation of the Murray-Darling Basin Commission, the Bureau of Rural Resources, the National Resource Information Centre, the National Afforestation Program, the forest inventory
- administering quarantine; feral animal control; and biological control of pests and weeds from a conservation perspective, as well as completing the brucellosis and tuberculosis eradication program and upgrading exotic disease preparedness
- effective fisheries management.

#### Transport reforms

- we implemented the recommendations of the Royal Commission into Grain Handling, with estimated cost savings to the grains industry of up to \$10 per tonne. It took a Labor initiative to overturn the anti-competitive practices of some States. Australia and its grains industry are the beneficiaries
- International shipping has seen the implementation of pro-competitive elements of the Trade Practices Act, in order to provide our export industries with some leverage against shipping cartels
- we are reforming the waterfront by replacing 3000 older, less skilled workers with 1000 better trained staff, tied to company employment, not a pool. Competition for labour, and pro-active efforts by the Waterfront Industry Reform Authority will see a break-down of inefficient management and work practices
- we are also prepared to encourage the States to both provide greater importer-exporter input into their port authorities; and to ensure that the terms and conditions their authorities offer to private stevedoring firms enhance competition

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- coastal shipping will achieve OECD-equivalent manning levels by 1992: up to one-third fewer crew members than when we took office. With the large-scale introduction of new and efficient vessels, multi-skilling and successful pioneering of new shipping trades such as BHP's triangular services, our coastal shipping is becoming increasingly competitive. Continuing Voyage Permits offer a substantial opportunity for appropriate use of foreign flag shipping, including in new resource projects (eg China Steel).

Social initiatives, as outlined in the December 1989 Rural and Regional Policy Statement, which referred to measures and programs to

- inform country people of their rights to Commonwealth programs and services
- review the current system of tax zone rebates, in view of apparent anomalies in boundaries
- take the special needs of country residents into account, both in mainstream and special programs, concerning health, education and training, transport, communications, women's affairs and Aboriginal affairs.

#### Future Reform Process

To further our micro-economic reform agenda, the Structural Adjustment Committee of Cabinet will meet early in the next Hawke Government with a broad range of reports in prospect, as responses to the Garnaut Report, covering

- future tariff levels
- international aviation deregulation, including trans-Tasman trade aspects
- telecommunications reform, including AUSTEL reports on common user services; and cellular mobile phones; also the future role of the three telecommunications operators
- a second international air freight carrier and management of traffic at Sydney Airport.

We are also pursuing a series of Industries Commission references on mining and mineral processing, electricity, domestic pricing of raw materials, statutory marketing arrangements, dairy, sugar and railways. These reports, as they become available over the term of our next Government, will provide the mechanism to approach a new wave of State-based micro reform issues. We have taken the tough decisions in the past and we will again.

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We will also

- . use the report of the Drought Policy Task Force (due shortly) as a basis for an explicit and stable policy on drought that responds compassionately to major droughts, conserves productive resources, and encourages farmers to prepare for drought and mitigate its effects
- . use the report of the review of Commonwealth Statutory Marketing Authorities, in consultation with industry, as the basis of further reforms to enhance their
  - achievement of marketing objectives
  - accountability to both industry and the Parliament
  - commercial flexibility
  - role in encouraging further processing in Australia.

And finally, there is the impact over our next term of the initiatives which I have announced in recent days

- . the Provincial Cities and Rural Highways roads program is for country areas only: \$100 million per year for the most important new roads projects
- . the availability of early breast cancer detection services in regional areas, designed to save several hundred lives over the next three years
- . rural and energy research must benefit from the national research centres initiative, given that some of Australia's most important research priorities lie in that area
- . assistance for disadvantaged schools
- . and child care, particularly the commitments to relief from fees at commercial centres, given that these are more likely to develop as a result of the special needs of country towns.