



PRIME MINISTER

SPEECH BY THE PRIME MINISTER, THE HON P.J. KEATING, MP

**EDGELL - BIRDS EYE POTATO PROCESSING PLANT
ULVERSTONE, 23 AUGUST 1993**

I'm very pleased to be here in Ulverstone.

Some mainland Australians are inclined to think of Tasmania as coming along behind the rest of the country - as a beautiful billabong cut off from the mainstream of the rest of Australia.

But in fact - as we learned on the evening of March 13 - in many ways Tasmania leads the way.

For some time now Tasmania has had some of the model export industries of Australia - innovative, premium quality industries of the kind which Australia can and must have to succeed in the modern world.

There are tremendous prospects for Australian industry in the nineties and beyond, and no sector of industry has greater prospects than the food industry.

Today I am here to congratulate the people at this plant for their initiative.

I am also here to urge everyone in the food industry to get behind the program being developed by my colleagues, Simon Crean and Alan Griffiths, and the Agri-Food Council to treble the level of food exports - high quality clean food exports - by the year 2000.

McKinsey and Company have estimated that by the end of the decade the food market in East and South East Asia will be worth in excess of \$200 billion per annum.

We in Australia are very well placed to take advantage of this growth: for the first time in our history we have the advantage of proximity to our major markets; we have a highly efficient agricultural sector; we have enormous agricultural capacity; we have a much better understanding of what is needed to succeed in Asia - better marketing, better delivery, better product.

And, crucially, we also have the elements which make this plant such an exciting reality - we have innovative food processors and a union movement which is behind Australian industry, including the food industry.

It is a measure of the collective spirit driving the initiative and a clear indication of its potential strength that we have on the Agri-Food Council, along with the leading manufacturers, Martin Ferguson from the ACTU, the CSIRO and the National Farmers Federation.

Above all, it demonstrates a mutual understanding of the economic imperatives facing Australia - the economic and social imperatives: our national wealth depends on our ability to export, and on this also depends our ability to create jobs. Exports and jobs go hand in hand.

We're inclined to talk ourselves down in Australia - we're inclined to underestimate both our chances and our ability to grasp them.

I don't underestimate them. I think the best chance Australia has ever had awaits us in the Asia-Pacific - and, indeed, in the rest of the world.

And I think we have changed so dramatically in the last decade there can be no question of our ability to succeed.

I could read you out a lot of figures which prove beyond doubt that we are much more competitive than we were a decade or even five years ago.

I could statistically demonstrate how the economy is changing in size and shape, and changing as we need it to change.

I could provide all the evidence needed to convince a reasonable person that, despite our problems and despite the legions of naysayers in the press and among some elements of the business community, we Australians have good reason to be very confident about the future and equally good reason to be proud of how far in recent years we have come.

Yet I think the best evidence I can produce today is this project itself.

For it is in many ways a model of the change which is occurring around Australia now and which will secure our future.

It is a model for its vision and for its execution. The vision is of Australian food exports to Asia. The execution is through cooperation and World Best Practice.

The redevelopment of the Ulverstone Factory has been assisted by both the Commonwealth and the State government.

The Commonwealth provided \$620,000 to assist training and re-training of employees and a best practice program.

State Government support has included assistance with acquiring the site and a workplace reform program.

This was useful strategic help, but the driving force, of course, has come from a company with sufficient faith and vision - not to say resources - to invest \$30 million in making the plant the most modern and efficient in the world.

The project has required a shared vision - a shared belief.

It has required the company and the unions to come to fundamental agreement.

The Company signed the Agri-Food Council Memorandum of Understanding on workplace reform and introduced innovative workplace agreements which - among other things - allow the plant to stay open 24 hours a day, seven days a week, processing 220,000 tonnes of potatoes a year.

I understand the next step along the road to securing significant export market in Asia is to increase the supply of potatoes at a competitive price.

When Simon Crean and I were in Mackay in March this year launching Labor's rural policy statement, we said that we would be introducing a world best practice scheme for farmers.

With the allocation of \$11.2 million in the Budget we have now delivered on that election commitment.

The world best practice program will help get the linkages between production and processing working more efficiently.

Because we do not expect growers to carry the burden of this alone, we will be making grants available to industries seeking to improve these linkages across the whole of the rural sector.

Today I am pleased to announce that the first project to be supported under that program will be a farm best practice program for vegetable growers in Tasmania.

As I said, Tasmania is very often in the lead.

Due to the initiative of the Agri-Food Council and, in particular, the Minister, Simon Crean, Tasmanian potato growers and processors are going to work together in a three year program of farm best practice with the aim of lowering production costs and increasing yields by at least 20 per cent.

The program will involve a joint investment of about \$800,000 over the next three years, with contributions from both the Commonwealth and State governments and from processors.

It is a very practical operation: by working in small discussion groups, farmers will identify the obstacles to higher yields on a paddock by paddock basis.

This is a good program for the industry and for Tasmania. It is a good project for Tasmanian farmers.

But more than that it is a good model for the way we in Australia can and must work to guarantee the nation's economic future - to create jobs and to realise our potential as never before.

It is a model because it is inclusive, cooperative, clever - it speaks of the recognition that in the markets of Asia lies so much of our future prosperity and so many of our jobs.

But the people I want to congratulate today are the people who made this plant possible and who are continuing to work towards its success.

The management, the staff and the growers whose vision, belief and energy are giving Ulverstone a great new future and playing their part in doing the same for their country.