

[Thursday, 12 June 1986.]

MR HOUSE (Katanning-Roe) [3.25 p.m.]: I join with other members of this House in congratulating you, Mr Speaker, on your election to the position of Speaker. As I take this opportunity to speak for the first time in the Legislative Assembly of Western Australia, I thank the people of Katanning-Roe for giving me the great honour of representing them in this Parliament. I am very conscious of the tremendous responsibility of the role that I have undertaken to play in putting before this House the views, thoughts, and ideas of the people who live and work in one of the most productive agricultural areas of Western Australia.

As I stand here, I am also very conscious of the distinguished men and women who served in this Chamber and who have served the people of Western Australia in the years since this State was formed, members of all political persuasions who were elected by the people to put their point of view to this Parliament. We are all elected by the people to put our point of view. We go to the people, express our thoughts, and if those ideas are accepted by the people, we are elected. I therefore believe that no matter what a person's political view, we must respect him or her for that view. Although we may disagree with that member politically, that need not prevent us from being his or her friend. I certainly hope that in my time here I will be friendly with my political allies as well as my political opponents.

In every Parliament one must offer one's own thoughts and ideas, as well as those of the people one represents. One must represent the views for which one was elected. But in doing so one must not lose sight of the fact that there are members of this Chamber of all political persuasions and our prime objective and target should be the development of this great State of Western Australia, rather than personal achievement. I will always support legislation which I believe benefits the people of Western Australia, no matter who introduces it. It is time that politicians recognised and acknowledged that no particular party has a mortgage on good ideas and that the people elect us to be positive and constructive in what we do.

I also express my thanks to all members of this Parliament and to the members of the staff of Parliament House who have been particularly cordial and friendly in the way they have received me. I thank them for the help they have given me in establishing myself here.

The 1986 State election will be remembered for the rebirth of the Country Party, now known as the National Party, which will represent in this Parliament the thoughts, views, and ideas of country people. The principles of that party are the same as they were when it was first established in 1914. However, those of us who were elected or re-elected in 1986 come here with a much stronger resolve about what and whom we represent and with a strong will to represent country people who, for some time, have battled to be heard in this Parliament. I pay tribute to our leader, Hendy Cowan, member for Merredin, without whose leadership the election campaign would not have been so successful.

The electorate of Katanning-Roe is typical of many of the rural areas of Western Australia. It has produced enormous wealth for this State over the years and therefore has made much new money for Australia. Its 48 500 square kilometres stretch from the reliable rainfall areas of Cranbrook, Tambellup, Broomehill, and Katanning in the west, along the coast to Bremer Bay and Hopetoun to Lake Grace in the north, to the marginal wheatbelt areas of Newdegate, Lake King, Lake Varley and to Ravensthorpe in the east.

These latter areas also contain many new land farmers - the very farmers who are suffering today as a result of Federal Government policies. In the centre of this electorate is my home town of Gnowangerup, well-renowned as one of the finest merino sheep breeding areas of Western Australia. Gnowangerup's contribution to the sheep and wool industry of Australia is well-known, as it contains many of the leading merino sheep studs in Australia. Also, a small amount of mining is carried out in the electorate of Katanning-Roe and, of course, many agricultural subsidiary businesses are needed to service the agricultural areas.

The greatest asset of Katanning-Roe is the people. I doubt whether many areas could boast so many people of initiative and dedication, who have worked so hard to develop the virgin bush into productive agricultural land and start their shops and businesses from scratch. They want to know whether they can rest assured that they have a future in the country areas of Western Australia. It is general knowledge today that those engaged in our great agricultural industry and the subsidiary small businesses that support the agricultural industry are operating at a loss. It may be possible to carry on any business for some time at a loss but that cannot be done indefinitely. It is therefore essential that something be done at once to enable these people to continue their operations.

If Parliament is to provide a permanent and satisfactory solution we must tackle immediately that problem of rural rehabilitation. On the home front that must be done by expansion of the base of the Rural Adjustment and Finance Corporation, by the lowering of interest rates, by the removal of the tax burden on the cost of inputs into

production of agricultural products, by the provision of incentives for people to live and work in the agricultural areas of Western Australia, and by the freeing up of the overburdensome regulations that restrict transport of agricultural products in Western Australia.

On the overseas front we must be more aggressive in the marketing and export of our products. Strong promotion programmes are required and will also need to be supported. As a long-term measure the Australian Government should continue to promote trade negotiations, to foster general reductions in the level of assistance to foreign agriculture, and to retain and expand markets for Australia's rural commodities.

I believe that we should establish an all-risks crop insurance scheme similar to the scheme operating in Canada. Such a scheme would be a guarantee that farmers in the wheatbelt areas of high-risk farming would receive a minimum base return per hectare of crop planted. This insurance plan would need to be underwritten by the Government. However it is my opinion that it need not necessarily be a net cost to the Government as pressure for financial assistance would be removed from the Rural Adjustment and Finance Corporation.

I believe also that we must encourage and indeed direct the Commonwealth Development Bank to play an expanded role in financing agriculture for both farmers and country businessmen. The CBD has many experienced and competent officers, while it is my belief that the trading banks, the building societies, and the insurance companies which have become involved in rural lending have often created problems for their clients with very poor advice from people not qualified to properly assess agriculture.

Mr Speaker, I sought entry into the Parliament of Western Australia to ensure that the people in the country areas of Western Australia were represented by a true country voice, by a party and people which represented their best interests. I want to ensure that those people in Western Australia who live outside the great metropolitan area enjoy their full share of the development, wealth, and prosperity of this State. Living in the country are the wealth makers of Western Australia, not the wealth takers. For too long the rural areas of Western Australia have been bled dry and not enough has been given back.

It is axiomatic that the independence of rural towns and, indeed, of all country people rests on the stability of primary industry, yet today rural industries and farmers are burdened with excessive pressures, many of which are beyond their control. Excessive Government charges, taxes on inputs, the crippling cost-price squeeze, and serious world market difficulties for such products as wheat are now making the plight of farmers and country townspeople untenable. There is a desperate and immediate need to compensate our rural industries and farmers for the economic predicament in which they are now struggling. The persistent deterioration in terms of trade of primary industries, the increasing costs of production, the excessive Government charges on inputs, and high interest rates mean that farmers and country business people are going bankrupt. There have been virtually no overall rises in the price of agricultural commodities in the past five years.

No matter how bad the international agricultural situation is, it is undeniable that many domestic policy decisions that have been made by both the present Labor Government and the previous coalition Government are directly adding to the burden of rural Australia.

The basic weakness afflicting country people is their lack of political strength in comparison with their economic worth to the nation. Rural representation in this Parliament and in the Federal Parliament has steadily declined throughout this century as urbanisation has increased. Over the past decade, primary producers and country people have lost their most effective political voice as some of our former parliamentarians lost sight of those who put them in Parliament.

Governments must take steps now to keep people on the land and in country businesses by getting off their backs, and getting their hands out of their pockets. Over the last decade, by further investment of capital, intelligent management, and sheer hard work, the volume of rural production has risen, despite droughts and all the other things that have happened in country areas. Such an increase in any other branch of secondary or tertiary industry would have brought substantial additional profit to that industry.

Yet the farmer's net indebtedness to the financial institutions has risen enormously. Consequences to the nation are plain and will be seen as the capital inflow, through lack of new money being earned by agricultural exports, slows down.

The Bureau of Agricultural Economics forecast a 24 per cent fall in the real net value of rural production in 1985-86. The terms of trade for Australian farmers - that is the ratio of prices received to prices paid - are likely to continue to deteriorate and the average farm income is forecast to fall significantly in 1986-87. Rural indebtedness rose by 21 per cent from June 1984 to June 1985 and it is expected to rise even further in the short term. Under the present price and cost outlook at existing levels of interest rates, it is likely that around 7 per cent of farmers will have difficulty maintaining viability in the short term, while a further 20 per cent will have problems in the longer term. The total rural debt in Australia is now \$8 billion.

The problem of cost-price squeeze on our rural industries and the need to compensate them for the economic predicament in which they are struggling is very clear. The persistent deterioration in the terms of trade in the primary industries is shown by the fact that prices received today are only marginally higher than they were 10 years ago. Government meddling, unfair taxes, and large protection of other industries are increasing the average cost of each Australian farm by about \$9 000 per year.

The total cost to the rural sector across Australia is \$1.5 billion a year. We have five Government-control cost factors which contribute to this: Excessive tariffs on imported goods, excessive spending and buying by Federal, State, and local government, the rigid labour market, overregulated service industries, and Government charges and taxes on inputs such as fuel.

Governments are taking our wealth from the country areas to allow the cities to live above their means, and above our means too, I might add.

Agriculture funds a substantial part of other industry. It cannot continue to live and prosper in an environment where Australian farm inflation rose at the rate of 7 per cent in the last financial year, while in one of its major competitors, the United States, farm inflation rose at the rate of 4 per cent.

In Australia we have a 38-hour week with higher pay and extra holiday pay. In the United States, employees work more hours per week at standard pay rates.

It is my belief that Australians have not been living in the real world, and unless we come to our senses and realise that we must compete on the world market and have a cost of production which allows our products to be sold overseas competitively, this nation could be headed for bankruptcy. The so-called "lucky country" reached the crossroads five or six years ago when we had a choice either to take the easy road in the short term, with overseas borrowings to shore up our falling standard of production, or we could have taken the hard road to greater prosperity in the long term. Unfortunately for the future of this nation, I believe we chose the easy path and we must now turn back. We must restore our level of competitiveness and restore the world's faith in Australia, and we must look very hard to the future.

All Governments over the last decade have been caught in the dilemma of, on the one hand, the inability to summon up the courage to strike hard at programmes, functions, and authorities which are overspending and wasting money. I know everyone talks about reducing taxes, but the tax burden keeps rising. The chief problem is that we need to reduce Government spending and every member of the community will have to be responsible and play his or her part in re-establishing the future of Australia.

I now turn for a moment to the role played by women in the agricultural areas of Western Australia. It is my belief that the role of women in agriculture has been largely overlooked. While in the cities we have a greater realisation of the role women play in the development of this State, that contribution has already been made for many years by women who live in the country. They have worked alongside their husbands developing their land and building their homes, and many of them have lived with their families in atrocious conditions - and still do in some areas of my electorate - without suitable housing, running water, telephone facilities, and State Energy Commission power.

To their great credit, the resilience of these women has never been questioned and their determination to play a part in the development of this State has always been very sound. Unlike many women in the cities, they share with their husbands the pressure of the business decisions which have to be made on a farm. They share the desperation of rainless seasons and the risks of fire and flood. But above all I believe country women worry most about the future of their children. They worry about the fact that in many country areas the standard and availability of education is not as good as it is in the cities. They worry about the fact that many of their children - some as young as five years of age - spend nearly three hours a day on a school bus travelling to and from school, while the teachers in this State agitate for shorter working hours. Country women worry that the sporting facilities provided for their children in country towns are not up to the same standards as those found in the city. They worry that when their children do leave school they will not be able to find jobs in the country areas.

Country women worry about the availability of doctors, nurses, and medical facilities in the country, for some of these facilities are hundreds of miles apart and in emergency situations children could die before they get proper medical attention. This is not something that women in the city worry about, but it is something which concerns country women greatly. They worry that the facilities provided for their children in all sorts of spheres are not of the same standard as they are in the city. This, I believe, is very unfortunate and Governments must recognise and rectify these problems. The country women of whom I speak are the finest people one could ever wish to meet. They complain very little and contribute a great deal to the wealth and prosperity of this nation and they would like to see some of that wealth returned to the rural areas for the benefit of their families.

I would like to speak for a few moments about the youth of country areas in Western Australia, because these young people are the future of this State, and of this nation. We have an inherent responsibility to leave this

State a better place than we found it so that those young people have better futures. Unfortunately, over the last couple of decades there has been a trend towards greater selfishness by all people; we have spoiled and disillusioned young people and almost convinced them that they do not have to work for a living, or be responsible, but that they can simply put their hands out for all sorts of Government help. Unemployment has sapped their confidence and dignity. I believe that we have given them a too high expectation of what we can provide and we now desperately are going about trying to provide it.

We must create jobs for the young people of Western Australia, particularly for young people who live in country areas. I believe we can do this through the decentralisation of industry. The rural areas are a great place for young people to live; it is a fact that the crime rate is lower and there is less usage of drugs. The young people in the country have more pride and initiative. We must encourage this and encourage them to live and work in the rural areas of Western Australia.

The electorate of Katanning-Roe places great faith in its young people. There is a realisation there that most young people have a great desire to take their place in the forefront of development in this agricultural area. However, it is also evident that the country areas are not adequately compensated for the wealth they produce for the cities. People have to follow the wealth to get employment and because the wealth from the country areas is drained to the cities, the young people are draining from the country areas to the coastal strip. Greater efforts must be made by the Government to see that this does not continue, that industry and a sounder agricultural base are provided for these young people to work in a country environment.

Government must encourage business in the country to employ apprentices. There must be flexibility in pay rates for juniors to encourage greater employment of the young. I know there are many young people who would benefit from being able to negotiate wages and conditions with their employers. These young people are now a major wasted resource, living on the dole. There are those who want to job-share, work shorter hours, or work under arrangements suitable to themselves and their potential employers, but they are told by those employers that the rules prevent it. The problem is even greater in small country towns than in the cities where jobs are harder to get, and consequently everything possible should be done to encourage employment opportunities in country areas. Young people in Australia do not want handouts; they want the opportunity to work and earn a fair day's pay for every day of their labour. Australian youth does not want to waste time moving from one unemployment scheme to another at the whim of politicians.

Country towns and businesses face a grave crisis, and indeed it is a time of survival for them, while their city cousins prosper, aided by deficit Budgets produced by a succession of Federal Governments. Rural people face a bleak future. Never before have the truck drivers, shearers, waitresses, nurses, shop assistants, insurance salesmen, and others, been so well aware of their dependence on the prosperity of the farmers. While some Government assistance has been directed at the farmers, very little assistance has been directed at keeping the subsidiary industry people in the country living and working with their families. That is where they want to work, to live, and to raise their children.

I urge this Government to give consideration to these people and to make it attractive for them to live in the country. Although the bush produces a unique and wonderful lifestyle, we live today in an age where people require and demand services equivalent to those of their city cousins. No longer can we expect country people to be the poor relations.

There is in the country a growing militancy, not just of farmers but also of small businessmen and their employees, and there is a growing awareness that Governments over the last decade or more have not given the people in agricultural areas a fair go. I urge this Government and the Federal Government to listen to what is being said in the bush and to respond to our request for assistance before too many of us are driven from the land and from our jobs in country towns.

Small business in the country, as I said, is in particular trouble and I have already spoken of those who are self-employed or employ perhaps two to 10 employees. These people are involved in all sorts of subsidiary agricultural industries. They are machinery dealers providing mechanics and maintenance to farmers, builders, food outlets, trucking firms, furniture and clothing suppliers, and a whole range of others who seek to live and work in the country.

We must support these people by getting Governments, both Federal and State, off their backs, and the hands of Governments out of their pockets, by providing a better transport system and allowing flexible working hours and the reduction of penalty rates for weekend work. We must give them access to long-term, low-interest-rate finance in order that they may establish their businesses in country areas.

Small businesses are the lifeblood of country towns; they need to be encouraged to build up their businesses and to prosper. Important among these things, in order to keep these people in the country, is the supply of medical facilities, the encouragement of doctors to practise in rural areas, and of dentists, solicitors, and others to also

service these country towns. In short, not only must it be profitable for them to operate but also we must make it attractive to them and their families.

Madam Acting Speaker, I congratulate a whole succession of State Governments that have contributed in a positive way to the development of this State; and we have a lot to be thankful for. The development of the water scheme, the development of the telephone systems in our areas, the development of the State Energy Commission, the continuing development of roads, the extension services offered by the Education Department and many others - most of which our city cousins take for granted, but which we in the country have had to fight for and pay for as though they were a privilege and not a right. I hope this Government will continue that development into the country areas.

In closing, Madam Acting Speaker, I repeat that I come to this House to represent the interests of country people and I make no apology for being biased in their favour. But I am also prepared to listen to the arguments put forward by others and I hope they will afford me that same privilege. Although they may not always agree with everything I say, I hope I can make a real and lasting contribution to the proceedings of this Parliament and the future of this great State of Western Australia.

[Applause]