

Mr MAINWARING (Lyons) - At the commencement of my speech I too would like to congratulate Mr Speaker on his appointment to that high office in this House and to wish him well for the term of his office. I would also like to take the opportunity, Mr Deputy Speaker, to congratulate you on your appointment as Deputy Speaker and Chairman of Committees.

I too pledge loyalty to Her Majesty and loyalty and respect to the Governor, and I congratulate all those members who have been elected or re-elected to this House.

I congratulate the Premier on his selection of ministers. I think Tasmania has a government of which we can be justly proud and I do not doubt we will see a high level of performance from it over the coming four years.

It gives me much pleasure to speak in support of the motion to thank the Governor for his speech. The speech outlines the program the Government will put into effect to continue to stimulate the growth and development of Tasmania. The program is a continuation of the policies which have been so successful over the past four years and which have transformed Tasmania into a progressive State with an exciting future.

As a member representing the rural electorate of Lyons, I am particularly pleased to support the proposals to assist the agricultural, mining, forestry and fishing industries - all of which are of prime importance to the electorate and to the State.

The electorate extends from the east coast to the west coast, and from the north coast south to the Derwent. Redistribution prior to the previous Federal election has resulted in one of the larger electorates in Australia. It must also surely be one of the most decentralised electorates in the country. The largest town is New Norfolk with a population of approximately 6 500 and the many other small towns scattered throughout the electorate vary in size from a few dozen to 3 000 or 4 000 people.

It is also an electorate of varied industrial and economic pursuits. On the east coast we have a very important fishing and tourism industry. In the central highlands we have grazing which has been long established in this State and produces products of world class - I refer particularly to superfine wool and sheep. We have a very significant forestry industry. Horticulture is important and in addition to those activities there are also many unexpected things happening. When I came across a furniture factory near Port Arthur it made me realise how varied the activities are in the electorate of Lyons.

Because of the severely depressed prices on the export markets for many of the products produced by the farming and mining industries, many of these towns are suffering downturns in their economy - some more seriously than others. The slump in the prices of copper, tin and other minerals produced mainly on the west coast has brought serious problems to towns in that area. It was only by prompt and decisive action by the Government when copper prices reached a very low level that the Mount Lyell mine was able to stay in business. If that mine were to close the effects on Queenstown would be catastrophic. The Government is to be commended for taking such action on that occasion and I am pleased to note that the Governor's speech sets out future assistance to the mining industry by financing an extensive exploration exercise in the Mount Read, Que River, Hampshire and Waratah areas.

Agriculture has been the hardest hit of all our primary industries and is now suffering the worst economic downturn since the great depression of the 1930s. A combination of factors has brought this about. One of the most important is over-production by heavily subsidised farmers in Europe and some other countries, notably New Zealand. This excess production is being dumped onto our traditional markets at prices which we cannot hope to match and which lower prices throughout world markets. Another factor is the high cost of production on our Australian farms, brought about by our highly inflated economy which has caused wages and other inputs to rise at an alarming rate. A third factor of some importance - it may be of prime importance - is the high rates of interest on farm mortgages and other financial arrangements.

On the other hand, incomes have been slashed because of low prices received - particularly for sheep meats, grains and vegetables. Wool and beef are the only products which are selling at a profit, but even these are being hard pressed by the constantly increasing costs over which the producer has little or no control. The basic problem of costs is that we are producing at highly inflated Australian prices and selling on world markets in competition either with farmers who are producing in a stable economy - like the American farmers with their 3 per cent inflation rate - or heavily subsidised farmers in Europe and, to a lesser extent, in New Zealand.

This situation is not altogether new for the farming industries. Australian farmers have had to live with a problem of constantly increasing costs for a long time. They have achieved survival by mechanisation, by becoming more efficient and by increasing the volume of production per farm - or perhaps it would be more correct to say per farmer. The industry now employs less people and produces more in volume than ever before. The industry has been forced into many changes by economic necessity and by changing market requirements. Many of these changes have been painful for the people involved in them. As a farmer of many years experience, I know at first-hand just how painful some of these changes can be; when economic downturns come, the price of one's product falls to unpayable levels, his commitments must be met and if these economic reversals run against him for any length of time it can be a matter of very grave concern indeed.

One has only to travel through any country district in Tasmania today to note the changes which have taken place over the past couple of decades. There are hundreds of farms which were relatively prosperous - small holdings - which are now hobby farms. Many farms of all sizes have been amalgamated and many people who were dedicated farmers and country workers have had to find alternative employment. This has been a very painful process, but all these changes are brought about by the hard economic facts of living by exporting and they have resulted in Australia's having the most efficient farming industry in the world.

There is no doubt that our farmers are in serious trouble at present. The most frustrating aspect of the situation for the farming community is that very few people, either in government or in the community at large, understand just how serious the problem is. Probably the most frustrating part is a strong feeling in the farming community at present that the Federal Government, which really has the power to help, does not understand just how serious the situation is and is not sympathetic to finding answers to those problems. Even well-established farmers on big properties with little or no debt service are operating on a no-profit basis. Our farmers need help.

The problem for us in this House is that a State is limited in what it can do in a situation such as this. The Commonwealth has the real power to help. It could take steps to lower interest rates; it could remove all Federal taxes on farm inputs, such as sales tax on drenches and other farm requirements, farm vehicles and plant. It could reduce the price of fuel. The reduction now in the pipeline is welcomed, but the situation will not be rectified until our Australian farmers can buy fuel at the same price as their overseas competitors, all of whom buy fuel cheaper than we can. It could drop the proposal for a capital gains tax, a tax which has already devalued the worth of properties and small businesses. There are other moves the Commonwealth could make to help the situation, even if only to assure the industry that it is important to Australia and is not on the chopping block for extinction, an impression many farmers have as a result of the policies of the Hawke Government to date.

Our Tasmanian Government will take whatever steps it can to alleviate the problem. I note with approval that we are to press the Commonwealth to help make the Closer Economic Relations Agreement with New Zealand work better. There is no doubt that New Zealand has been dumping heavily subsidised farm products onto local Australian markets to the severe disadvantage of our Tasmanian farmers. The past few days have brought news that the Prime Minister is to go to the United States of America to try to persuade that country not to do anything in its trade war with the European Economic Community which will adversely affect our farmers. The Americans are proposing to fight fire with fire. They intend to subsidise their farmers in various ways to enable

them to counter the dumping of surplus EEC production onto world markets at give-away prices. I believe this trade war in agricultural products is inevitable. The present situation has reached the stage where something must give. There are so many cheap products in world markets now that the whole trade is falling into a state of chaos. Unless something is sorted out, it will be only a matter of time before we will be unable to export anything at all.

The Europeans have refused to negotiate in any meaningful way about the problem and other countries, especially the United States of America - one of the few countries which has the national wealth to be able to indulge in a trade war - are becoming very impatient. There could well be a period of chaos during which many smaller traders like Australia will be hurt. The various trading nations will eventually be forced into accepting some sensible arrangements and markets will return to normal. Nobody knows how long that will take; all we can do is hope that it will come about sooner rather than later.

I am pleased that the Prime Minister has been persuaded of the importance of this problem and that he has agreed to undertake the mission. He will have the backing of the farmers in this at least. But the time has come when the Australian Labor Party must come out with a broader and more detailed agricultural policy, a policy more suited to the times we are living through now. I notice that our State Opposition - the Labor Party in Tasmania - did not produce a detailed agricultural policy in the recent election campaign and the agricultural policies which have been followed to date by the Hawke Government are quite inappropriate and are actually damaging the Australian agricultural industry. Let us hope it is not damaged irretrievably.

However in spite of the present difficulties we must look to the future. As I have already said, farmers have survived hard times in the past and, although many will fall by the wayside during the present difficult times, good times will come again. I am confident the industry will survive in the longer term. As always, the present hard times are prompting many farmers to experiment with new crops and livestock ventures. Everywhere I go in Lyons I find people trying out new ideas. Our Tasmanian climate, and the blessing of a wide variation in soils between the districts, make Tasmania an ideal place for many enterprises. The essential oils industry is gradually becoming well established and the floricultural industry is already much bigger than most people realise and has the potential to grow into a very significant money spinner indeed for Tasmania. Both goat farming and deer farming have the potential to develop into significant industries in their own right and there are many other activities going on in this search for new enterprises which are too numerous to mention in the time available to me in this speech tonight. I would simply like to add that many of these trials are being given a great deal of help by the Department of Agriculture and the university. Both organisations are playing a very important part in the search for new crops and new enterprises.

None of these enterprises can succeed without good marketing. I am delighted that the Government is to proceed quickly with the setting up of the Tasmanian export development task force. In my opinion this is one of the most important proposals by a Tasmanian government to stimulate local industry that we have seen in this State for a long time. Success in this area has the potential to stimulate growth in many of our existing industries and will make it possible for new ones to get started. Good marketing is important to any venture but it is crucial to the new specialised industries which we hope to encourage in the future.

The task force will not be a marketing authority in its own right but will be staffed by skilled people who will have the expertise to help Tasmanian businessmen find and develop markets. That is where business needs assistance. The most difficult part in exporting is identifying the market and then developing it to the stage where trade can proceed in an orderly and reliable way.

The fact that Tasmanian producers are looking for a lead towards better marketing of their products was brought home to me in a dramatic way a few days ago. With the help of the Department of Agriculture, last Friday the Tasmanian Floricultural Association

held a seminar on marketing at Rutherglen at Hadspen. It was titled 'From the Farm Gate' and was addressed by three of the leading Australian experts on the marketing of farm products - who travelled from Sydney and Melbourne to attend - and also by Mr Chandler, the Managing Director of the Tasmanian Development Authority and several successful Tasmanian growers and marketers of specialised agricultural crops.

The fact that the registration fee was \$35 per person and that when the organisers had received 250 applications they had to close the books - they subsequently received another 60 applications - gives some indication of the demand for this kind of activity. The attendance at the seminar impressed on me the need for marketing help in Tasmania and the quality of the seminar itself and the papers given certainly convinced me that the present situation could be improved upon greatly.

The seminar started at 9 a.m. and did not finish until 5.30 p.m. Incidentally, the people present included about 50 or 60 women which was a little better than usual; at most farm functions the participants are predominantly male, so it was very pleasing indeed on that occasion to have such a significant involvement by the womenfolk. All those people stayed there till the end, which was not a bad performance - it was a long day. It is just an indication of the quality of the papers which were given and the interest those papers generated.

I would like to close those few remarks about the seminar by paying a tribute to the organisers, particularly Mr Col. Fleming who is the Secretary of the Tasmanian Floricultural Association. Many members will know him from his activities in the Department of Agriculture. It was mainly through his leadership and work that the seminar was organised and conducted.

In conclusion, I am very much aware that I have devoted my time in this speech almost exclusively to agricultural matters. I would like to assure the House that I am not a one-issue man and that my interests are wide-ranging. In due course members will hear from me on a wide range of subjects. But the fact is that I regard the present crisis in our primary industries as the most important problem facing the nation and I cannot think of any more important subject to speak about and to emphasise in the House tonight. If we fix agriculture and mining, the unemployment problem will be fixed and the balance of trade problem will automatically be fixed. That is how important these industries are to the country.

The program put before us in the Governor's speech is progressive, imaginative and exciting and it will do much to continue to advance the welfare of all Tasmanians.

Mr Gray - Hear, hear.

Mr MAINWARING - I look forward to being part of the team to put that into action and I thank the House for its indulgence on this my first speech to the House.

Government members - Hear, hear.