This week I would like to talk with you about events in Canberra, to say thank you...about emergency assistance for woolgrowers and the psychology of inflation.

THANK YOU

I would like to sincerely thank the hundreds of well wishers who sent me telegrams or letters of support over the past few days.

In what was a period of great personal stress, the letters and telegrams were a comfort for Mrs. Fraser and myself.

The recent days have not been easy and the many messages of support have been greatly appreciated in such a difficult period.

I do not wish to comment further on the events that took place in Canberra which have now passed into the pages of history.

However, if there is anyone of you listening who wish to pursue the reasons for my recent actions in Canberra I will certainly make available a copy of the recent Hansard.

I believe that the past is past. We must now look forward with renewed vigour and confidence to the future.

I also believe that the full co-operation of all members of the party, in and out of Parliament, will bring success in the 1972 General Election.

There will be a lot of hard work to be done over the period of the next 20 months be everyone in the Government.

I can assure all of you that I will be working for Wannon in particular and for Australia as I have in the past.

As a private Member of Parliament I will be maintaining my interest in Defence policies....the problems of inflation which must be overcome...and in particular I will be devoting time to the great and acute problems of the wool industry.
WOOLGROWERS ASSISTANCE

Woolgrowers who are listening to this programme should be aware that applications received after March 31 under the scheme for emergency assistance, because of the decline in wool incomes between 1968-69 and 1969-70, will not be accepted.

The original closing date for the receipt of applications was November 30, last year. This was extended to January 8 by the then Minister for Primary Industry, Mr. Doug Anthony.

The extension was granted to ensure that all woolgrowers who were eligible for assistance, but who might not be aware of the details of the scheme, would have had time to lodge their applications.

A reasonable time was given after January 8, to allow for unavoidable delays in communications between applicants in remote areas and accountants in Capital cities.

According to my colleague, Mr. Ian Sinclair, who is the present Minister for Primary Industry, a few applications are still arriving and, where there is a valid reason for their lateness, they have been accepted.

Mr. Sinclair has also advised me that as it is now more than two months since the extended closing date for acceptance, no applications from woolgrowers that are received after March 31 will be considered for the payment of financial grants.

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INFLATIONARY PSYCHOLOGY

There is a need for a new pattern of behaviour in the Australian community's approach to wages, prices and investment.
I believe we must work to bring about a change in the national psychology of inflation.

This change is necessary if we are to break out of the inflationary complex in which rapid wage and price rises are becoming built into community expectations.

An inflationary psychology in the community tends to compel people to offset the effects of inflation by seeking higher and higher wages and prices to protect themselves.

In this way, inflation feeds on itself.

The Government is determined to give a lead to the community in trying to change this type of thinking.

I suggest that as a nation, we just cannot allow this psychology to continue.

Over the last six years the index of prices received by farmers has fallen by 7.3 per cent, while the index of prices they paid has risen by 19.8 per cent.

This is an intolerable burden for many farmers, and the current rate of inflation is aggravating the problem and placing many more farmers in an intolerable position.

Country communities are suffering and net rural income is declining.

Businessmen, storekeepers and local Government authorities are unable to pass on any more of these increased costs to their communities.

This is affecting development and employment, and is aggravating the already disturbing drift of population out of rural areas.

I am not attacking the responsible unionist or businessman, but it must be understood by the whole community that it is not the number of dollars in the pay packet that counts, but what each of these dollars will buy.
Increases in the pay packet are a cruel illusion when the buying power of each of these dollars is eroded by inflation.

There is a real need for wage and salary demands to be geared to real increases in productivity.

The Government has taken a lead by measures to reduce the demand pressures in the economy.

Complementary action is needed, and this action must be taken by the Australian people as a community.

Responsible restraint by unions and industry is needed.

Price control as a means of controlling inflation has been discredited by the experience of those countries which have tried it.

Surely it is far better to approach the problem of inflation with an informed and responsible community itself, finding solutions rather than bringing in bureaucratic controls.

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