Hello Ladies and Gentlemen...

The basic strength and importance of the relationship between Australia and the United States has been highlighted anew in the past few days by the visit of the Prime Minister, Mr McMahon, to Washington.

His talks with President Nixon emphasised again the continuing validity of the ANZUS treaty, now ratified by the fourth successive United States administration, and one of the cornerstones of our Pacific Partnership with that country.

Mr McMahon has stated that the President has assured him America has no intention of pulling out completely from the Asian region.

Indeed the build-up of Soviet influence in this region will continue to be matched. To facilitate this the United States Secretary of Defence, Mr Laird, has discussed the use of Western Australian bases by US Naval forces. These bases are at Cockburn Sound and Learmonth.

With the new role of Mainland China both regionally and internationally, the visit by Mr McMahon and his top level discussions with American officials will have far-reaching consequences in furthering our alliance.
I would like to turn again to the serious financial squeeze brought about by rising costs and falling farm incomes which we are caught up in.

The government has introduced responsible fiscal measures aimed at slowing the rate of inflation, including a considerable reduction in immediate government expenditure, a review of Tariff protection of many industries, and a reduction in the migration intake.

However continuing industrial disputes and excessive wage claims are continuing to push the inflationary spiral. In addition the Labor Party has now given its support to the ACTU's campaign for a 35-hour week.

Figures prepared by the Department of Primary Industry indicate how seriously such a reduction in the working week would affect farm income.

For example if total farm labour costs, including the owner's labor, were considered the cost of producing each bushel of wheat would rise by 6 cents. When freight charges and materials are added the rise in production costs would be 14.3 percent, or 13 cents a bushel... a reduction in profitability which would be quite disastrous.

As far as woolgrowers are concerned it is estimated that introduction of a 35-hour week would increase total on-farm labor and transport costs by 20 percent.

Other primary industries would be similarly affected.

As the Minister for Primary Industry, Mr Sinclair said recently that, by pursuing the policy of a 35-hour week, the Labor Party, demonstrates how little it concerns itself with the rural industries.

He said those in country areas who are tempted in this time of economic stress to turn to that Party need to be conscious of the consequences any switch in political allegiances could bring.
As far as woolgrowers are concerned it is estimated that introduction of a 35-hour week would reduce net incomes by 40 per cent.

In the dried vine fruits industry there would be a reduction of one-third in net farm income. In the dairying industry, according to the Department of Primary Industry's figures, the net income would fall by 37 per cent.

Other primary industries would be similarly affected.

As the Minister for Primary Industry, Mr Sinclair, said recently those pursuing the policy of a 35-hour week demonstrate little concern for rural industries.

He said people in country areas who are tempted in this time of economic stress to turn to that Party need to be conscious of the consequences any switch in political allegiances could bring.
The Bureau of Agricultural Economics in Canberra has just issued a comprehensive publication on the "Rural Industry in Australia".

It is an excellent booklet which gives complete details on all aspects of the rural industry at the present time, including Physical Environment, Land Settlement, an examination of the Rural Industry and the Economy, and Government Assistance to the Rural Industry.

Farmers, teachers, and others who would like to have this important information readily available can obtain copies of the booklet from the Bureau of Agricultural Economics, or write to me personally at Parliament House and I will forward you a copy.

-----------------

It has been my privilege in the past few days to carry out two operations on behalf of the Colleges of Advanced Education.

The first was in the House of Representatives last Thursday when I introduced the Bill to establish the Australian Commission on Advanced Education, the new controlling body for the colleges.

The second was on Friday last when I had the honor of presenting diplomas to graduates at the Warrnambool Institute .... young people who are very much proof of the success of this new tertiary education concept.

There are now more than 40 colleges of advanced education throughout Australia ... brought about in just six years since the programme was first begun. They are offering an extremely wide selection of courses, many to degree standard, and provide a vital alternative to students who do not wish to go to University but require higher education linked directly with particular vocations.