A report in the newspapers during the last week indicates one part of the Government's attack against rural communities.

In the electoral maps put forth under the impending re-distribution that the Government wants, the Labor Party has recommended the abolition of five country electorates. These seats could be re-distributed in city areas. Country seats would be made very much larger than they are now.

Wannon which has 53,000 voters in it would have about 65,000 under Labor Party proposals. It is already a very large area with people living in every corner of the electorate. It would make proper representation more difficult and would weight the political power very much in the cities.

We have always known that this is a Labor Party objective but now we see it in its full form. The Labor Party is out to destroy the influence of the country people in the Federal Parliament.

The Meat Industry

The very difficult position facing the Australian beef industry does not seem to be understood by people. It is worth noting that if it was not for the falling beef prices inflation would now be running at an annual rate of 25 or 26 per cent, instead of 20 per cent indicated in the last quarter.

Unfortunately, we have had a culmination of slack demand in the United States, high slaughterings in the European Economic Community and a total ban on imports into Japan. High U.S. slaughterings are being caused partly through very high grain prices which make it uneconomic to put cattle through feed lots and secondly there has been a very severe drought in the U.S.

Japan is in real economic trouble with high inflation and balance of payments problems, largely as a result of rises in the price of oil. Her reason for banning beef imports was because of balance of payments difficulties.
We know of the traditional selfishness of the European Economic Community in relation to agricultural products. The E.E.C. is reducing its beef numbers and there is a virtual embargo on imports.

Australia's three major markets have closed up at one and the same time and the quantity of our beef exports is halved. Prices have fallen by two thirds.

One fortunate aspect is that there is a good season throughout the whole of Australia and as a result more stock is being kept on farms. Producers hope that prices will improve. However, if there is an autumn drought the situation could be very difficult for many people and cattle will be forced on the market in Australia.

In northern Australia, where beef is the only source of income and where the major production is for export beef not of a kind that we use in Australia, a real crisis is developing. There is an urgent need for carry on finance, for liquid capital to enable producers to get through the present difficult period. In the current credit squeeze such funds are unavailable.

There is a real danger that unless finance is made available a large proportion of the meat industry could pass into the hands of a few large companies. Individual producers would not have the resources to enable them to survive the sort of situation that is developing in Queensland. They could therefore be forced to sell out at disastrously low prices to those with access to large financial reserves.

I would believe that only Government action could stop this happening. The need is urgent.

Politics and Slogans

Some of the slogans used at the last May election sound a bit hollow now. The Government was reminded of this last week when there were two debates on the economy. One of the quotes used in the debate was in the Prime Minister's May statement in which he said:

"In Australia alone there is no unemployment. In Australia alone unemployment and inflation do not march side by side."

Last September the Minister for Labour, Mr Cameron, said:

"We can easily get out of the situation we are in at the moment. It will soon be forgotten."

The prize for the most extraordinary and contradictory statements, however, goes to Dr Cairns. In July he said:
"Unemployment is insignificant and is carefully under control."

In August he said:

"Australia would probably have 150,000 or 200,000 unemployed in the next 12 months."

In September he said:

"Action by the Government to slow inflation will produce unemployment."

Two days later he said:

"Inflation could be attacked without resorting to unemployment."

A mass of contradictions. A Government not knowing in which direction it is going. Is it any wonder that there is no confidence in the business community and that job opportunities are falling and unemployment is, tragically, rising rapidly. The latest figures reveal that it is now 190,000 people in seasonally adjusted terms.
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