



## ECONOMICS MADE EASY

### Part 1

#### 1. Rural Affairs

##### *The Virtue of Farmers (January 1978)*

Fred and I spend quite a lot of time admiring ourselves and each other.

Perhaps Fred doesn't admire me as he should because I was once his member of Parliament, but still we regard ourselves with particular affection and respect because we are farmers.

This feeling of mutual admiration started years ago because people told us that farmers were the last bastions of moral virtue.

"There's something so solid and noble about the sons of the soil," people would claim.

"The rural community may not be as rich or as flashy as their city cousins but they are full of the virtues which the city folk lack."

But I must admit that I used to look at Fred rather quizzically when I heard him described as a paragon of virtue.

Long and intimate association with him has made me well aware that he has as many, if not more, human frailties as the average citizen.

And I'm afraid that Fred, if provoked, could and would say even more about me. But nowadays moral virtue is not greatly regarded so our image has dimmed somewhat.

Then Fred and I used to acquire merit because we produced the export income on which everything used to depend.

On rainy days we used to spend many hours sitting in the smithy polishing our export income earners' haloes.

Then along came Dr Gregory who pointed out that in the last 10 years, since the mineral expansion occurred, the production of even more export income caused the exchange rate to move in such a way as to discourage the production of other exports.

So the production of exports, though desirable, was not necessarily noble.

So Fred and I hung up our export income earners' haloes on a nail and we next appeared as the defenders of things as they were.

"Others can chop and change, and run after each new idea, each new hare that's put up by academics and other well-meaning people," we explained, "but Fred and I are the repositories of the traditions of the past and because of this we deserve and must get, not only a special

place in Heaven, but also a subsidy or two to keep us in the state to which people of our exceptional qualities are entitled.”

We arrived at this conclusion after a considerable mental effort and sank back exhausted and waited to be ushered into the place in Heaven reserved for people with our superior moral and economic virtues.

But then unfortunately I recalled that Professor Hayek had had something to say on this subject. So I went back to this source of uncomfortable wisdom and I quote from *The Constitution of Liberty* (University of Chicago Press, 1960), p. 364:

As in all other fields, if there is to be a continuous adaptation to changing circumstances in agriculture, it is essential that the example of those individuals who are successful because they have discovered the appropriate response to change be followed by the rest.

This always means that certain types will disappear.

In agriculture in particular, it means that the farmer or peasant, if he is to succeed, must progressively become a businessman — a necessary process that many people deplore and want to prevent.

But the alternative for the agricultural population would be to become more and more a sort of appendage to a national park, quaint folk preserved to people the scenery, and deliberately prevented from making the mental and technological adjustments that would enable them to be self-supporting.

Such attempts to preserve particular members of the agricultural population by sheltering them against the necessity of changing strong traditions and habits must turn them into permanent wards of government, pensioners living off the rest of the population, and lastingly dependent for their livelihood on political decisions.

It would certainly be the lesser evil if some remote homesteads disappeared and in some places pastures or even forests replaced what in different conditions had been arable land.

Indeed, we should be showing more respect for the dignity of man if we allowed certain ways of life to disappear altogether instead of preserving them as specimens of a past age.

What a nerve Hayek has to talk about Fred and me as being some sort of appendages to a national park!

Evidently he hasn't heard about our self-evident virtues. Or mine, anyway. I am not quite so certain about Fred's.

### ***Supply and Demand (1)*** (June 1971)

With so many of our rural products experiencing market difficulties it has become the conventional wisdom to say that someone ought to make a realistic estimate of the future demand for a product and then the supply should be adjusted to meet this demand.

This sounds so sensible and so simple that you can't help wondering why it hasn't been done that way ever since Adam started farming. Let's take pigs, for example. The market for pigs is fairly good now; there is plenty of surplus feed grain around, and many farmers are anxiously looking round for profitable sidelines. And pigs have the happy knack of being able to rapidly increase in numbers. So things look all set for a rapid increase in the supply of pig meat.

Now sensible people in the industry, seeing this position looming, say to themselves, “It is silly to allow supply to rise quicker than demand, with the result that the pig industry will get into the same mess as other rural industries. For everyone’s sake we will make an estimate of demand and limit production accordingly.”

When I first heard this responsible doctrine expounded I realised that here was an opportunity to not only do good for my farming electors, but also to pick up a few votes in the process. It is not often, since Eccles came on the scene, that I have been able to do both things at once, so I was eager to begin.

It was only after Eccles had made me really think about what was involved that I started to have second thoughts. The first part of the problem, and the easiest, is estimating demand. It is true that the consumption of pig meat fluctuates from year to year. For instance, the figures for each year between 1966 and 1969 are 107,000; 112,000; 119,000; and 130,000 tons respectively. So there is considerable fluctuation in the demand because there has been no limit to the supply of pig meat during this period. The demand for pig meat will fluctuate with the prices of other meats and these will fluctuate with seasonal conditions and these cannot be foretold.

Still, demand can be correctly estimated sometimes, in a rough kind of way. And, after all, if we have more pig meat than we need, we can export it. If we have less than we need, we can eat other meats, so no one will starve. So let’s accept that you can estimate demand.

The next step is to limit production to the demand and this is where your troubles start. From now on, you are dealing not with an industry, but with a lot of farmers who breed or fatten pigs. Your task is to make them produce the estimated quantity of pig meat. So you find out, somehow, what these farmers produced last year. You then look at next year’s target and allot each farmer an increased or decreased quota. That sounds simple!

But which farmers? Fred used to keep pigs a year or two ago, but not now, so he wouldn’t get a quota, I suppose. He wouldn’t like that and would take it out on me. There would have to be some legal way of stopping him selling pigs. Each farm would have to be registered and the registration would be withdrawn if more than the quota was sold. They couldn’t very well stop Fred producing pigs — after all, he could say that was a decision made by the pigs. But they could stop him selling pigs.

Or could they? I have said before that Fred seems simple but has a way of finding his own way of doing things that people try to stop him doing. If he is anywhere near a State border I suppose he could sell his pigs with impunity. He would have to find someone to buy them but that should not be too hard if the price of pigs was reasonably high. And, after all, I thought that was the idea of the exercise; i.e., to keep the price reasonably high (or even a little higher).

However, let us suppose that Fred is a good boy and doesn’t try to beat the government, though I wouldn’t count on it. But next year let’s say we need more pig meat, because the population has increased. Who gets the increased quota? The people in the industry, of course, they are traditional growers.

This surely means that from now until some time in the indefinite future it is an industry closed to outsiders. But in the pig industry there have been some remarkable technical changes recently. Many of them have been brought about by new people bringing new ideas into the industry. Is this process to stop now? Are there no more technical advances to be made?

Maybe you could overcome part of the last problem by making quotas saleable. This must surely mean that the government would be giving a saleable quota to present growers. This wouldn't be exactly popular with Fred who would find himself with no quota to sell, and no pigs either. He wouldn't like that.

So it is not going to be as easy and as popular as I thought. Blast Eccles! I'll have to think of something else.

### ***Supply and Demand (2) (September 1972)***

In February (1972) at the Outlook Conference in Canberra, Mr Vines, the Acting Chairman of the Wool Commission said: "for wool, the present average deficiency payment of around 80c per kilo may provide a ceiling to current price trends." Almost immediately the price of wool started to rise and is now about 100c a kilo.

I do not criticise Mr Vines. I think that he would be more likely to be right about the future price of wool than almost anyone I know. Yet he is wrong.

One of the reasons why I am modest is that Fred keeps a catalogue of my past mistakes. MPs have a tendency to skate quickly round our past errors and drown them in a stream of eloquence. So Fred keeps a record of where I have erred and when I spoke disparagingly of Mr Vines he trotted out this catalogue. This made me sad.

At the top of the list was butter. A few years ago I was grimly warning dairy farmers that they had no reasonable chance of selling butter in the future. Ever since then, the world has been crying out for it.

Not long ago I was warning my meat producers that they were trembling on the verge of over-production. Ever since then the world has been begging for more meat.

I do not see why I should continue this grim recital. I can sum up my experience in this matter by saying that Fred, and my neighbours, watch what I do with close attention; when I buy cattle, they sell. They have found from long experience that I am usually wrong. And I'm not alone in this. The only way to avoid mistakes when prophesying is not to prophesy.

Now the reason why I am baring my breast is not only to keep myself modest, but to ram home the fact that it is dangerous to do what the Labor Party theorists are always advising, ie, to make realistic estimates of the demand situation for a rural product and then adjust the supply to the demand.

Always remember that, if a civil servant had the ability to do this, to correctly foresee the supply and demand situation for any product, he would not be working for the government for long. He would shortly be sitting in the south of France with his feet in a bucket of champagne!

The main reason for the unreliability of the wisest prophesies is that the weather, in Australia or elsewhere, usually does the dirty on us. I used to keep a farm diary and at the end of the year I summarised the year's events. It always began by describing the weather.

Frequently there appeared this comment: "this year the weather, was, as usual, unusual." And evidently the weather round the world works on the same principle. It's usually unusual. If you

only knew in which way it was going to be unusual, you could make reliable estimates of what the markets are likely to be for any product.

I have an old farmer friend who often gave me this sound advice: “when everyone else runs, my boy, you walk. And when they walk, you off like blazes! I would have been much wealthier now if I had listened to him instead of charging off after each new hare started up by well-meaning theorists who prophesied about the supply and demand for a product.

The only thing you know for certain, when foretelling the demand for primary products, is that you are certain to be wrong. Sometimes, with luck, only a little bit wrong, but far too often you will, like me, be seriously wrong.

Fred and his fellow-farmers will blame you for whatever happens. It is best for all concerned to learn from the past, examine the present, but not publicly prophesy about the future. There is no wisdom in it, or votes either.

### ***Limited Resources (1) (January 1970)***

Soon after I became a Member of Parliament I found that, if you were finding the going difficult when making a speech, the surest way to stop people walking out of the Chamber was to refer to “this great country of ours,” or to bring in a bit about “this land of limitless resources,” or “our vast empty spaces.”

As soon as you do this, your image starts to glow a bit and, if you do it fairly frequently, you start to be regarded more as a statesman than a politician. This is nice.

And this theme fits rather pleasantly into almost everything. For instance, if you are urging the Government to increase pensions, you can justify this because we are such a wealthy country with such “limitless resources” and — if you say this loudly enough — you can skate over the awkward question as to where the money is coming from.

So it was a great grief to me when Eccles exploded the pleasant fantasy.

He began by pointing out that if I were referring to “our great open spaces” as a benefit to the nation then I was talking through my hat.

He says that most of the areas that are empty are like that because they are just about useless, and that they can be saved from further deterioration only by great skill, courage and increasing research.

In actual fact, he says that these vast areas are much more a hindrance than a help, and the cost of carrying goods across them presents a very grave barrier to the development of “this great country of ours.”

He then went on to point out that I ought to know, having a rural constituency, that Australia has developed land of such poor quality (and with such a lousy climate) that would remain undeveloped in any other country in the world.

He pointed out that he had seen land under scrub in India and Ceylon which if it had been here would have been developed years ago.

Then he went on to talk about the 90-mile desert in South Australia, the sand plain country in Western Australia and even the tropical pasture lands in the north.

Summing it all up, he thinks that, as far as land resources are concerned, that our “limitless resources” have very definite economic limits and that these limits have been pushed to the maximum.

“And you kid yourselves and your constituents,” he complained in his high squeaking voice, “if you do not recognise that our land resources are indeed limited and, because they are, we have to run in the same economic hobbles as other people.”

This is about the only area of agreement between my neighbour, Fred the farmer, and Eccles. Every time I sound off at a meeting near home that Fred has been induced to attend, he always snorts when I come to this bit about “limitless resources.”

He seems to have a very clear idea of where these limits lie on his own farm. And so did I before I got into Parliament. I know I was looking for land for my son, and there didn't seem to be many limitless resources lying around waiting to be developed. Only the hard places remained.

So there goes another fine flowing phrase.

If Eccles keeps going like this, opportunities for eloquence will be rather limited, and it is going to be hard to get re-elected next time.

### ***Limited Resources (2) (May 1978)***

Because I know something about farming I always get irritated when I hear foolish people talking about Australia's immense agricultural resources, about how fortunate we are to have our great open spaces.

When you hear a chap talking that kind of nonsense you will know that he is either a city slicker or a member of Parliament who has been in Canberra too long and has gone soft in the head.

Those of us who know our great open spaces from grim personal experience know how tough and cruel they can be and what a big barrier they are in the path of “the development of this great country of ours” to use a phrase heard continually in Parliament.

It is interesting to look at a breakup of those land resources about which you hear such easy eloquence. The total area of the country is 769 million hectares (m. hs). Of this, 532 m. hs has a rainfall too low for agriculture fed by rainfall.

People claim that the soils of these arid inland areas are wonderfully fertile. “Things grow so fast after a rain that you pretty well have to jump back when you plant seeds on these wonderfully fertile soils,” they tell you proudly, but this is mainly nonsense.

The reason for this quick response after drought is that the soil has been lying fallow during drought and so becomes pregnant with fertility, particularly nitrogen. But when irrigation water is applied regularly to such soils, their true infertility quickly becomes apparent.

We must accept the fact that most of the arid inland soils would not repay irrigation, even if we had the water to spare to use for this purpose.

But to return to the composition of our land resources that are suitable for agriculture: after deducting the 532 m. hs of arid land we are left with 237 m. hs with sufficient rain for agriculture. Of this, 105 m. hs are too steep and rugged, 55 m. hs too stony or shallow, leaving 77 m. hs suitable for agriculture.

In 1974, this 77 m. hs was being used as follows: 17 m. hs in crop or fallow, 26 m. hs in improved pasture, 7 m. hs used for urban development, and 25 m. hs still undeveloped.

Of this 25 m. hs, 4 m. hs was under cypress pine in NSW and Queensland and 2 m. hs under jarrah and karri in WA. You would be a brave man to suggest the clearing of the latter group with Perth's water supply threatened by salt.

If the 6 m. hs are to be left under timber, that only leaves 19 m. hs available for development for rain-fed farming. And, believe me, that 19 m. hs will take some cracking. They will be rougher and tougher than almost any country has ever tackled. I have seen uncleared scrub in the middle of India and Ceylon which would have been cleared years ago in Australia. We have cleared too much land rather than too little.

But the figure that startled me most was the 7 m. hs under urban development, 7 out of 77 m. hs! When these figures were compiled four years ago, we were using land for town use at a stocking rate of two people per hectare for houses, roads, railways, playing fields, golf courses and so on.

So if the Australian population were to expand at the rate of a few years ago, we would have to look very critically at where we built our future cities. There would then be far greater pressure on the 77 m. hs of land suitable for agriculture to provide food for ourselves and the rest of the world, so we would have to think twice about building cities on it.

If these figures are correct, and they are culled from a paper [Presidential Address to South Australian Branch of the Institute of Agricultural Science, Adelaide, 1976, in the journal of the Institute, September 1976] by Dr Hellsworth, chairman Land Resources Laboratories, CSIRO, so they are unlikely to be wrong, we should not be building new cities at Albury-Wodonga or Monarto but at the head of the Australian Bight, so that we would not be using up our very limited supply of farming land.

So the next time you catch a politician talking about our great open spaces, look at him with a jaundiced eye.

### ***Northern Development*** (June 1970)

My wife Mavis is just about frantic to find a wave of enthusiasm for me to ride to the firm beach of popularity. And ever since I wrote that foolish article questioning immigration the need for instant popularity has become more urgent than ever.

So Mavis and I have been wracking our brains for a subject about which I could pound the ears of my party branch meetings during the winter recess.

We have now come up with “Northern Development” as the big, new subject.

This idea has immediate attractions. First, not many people know much about northern development so my own ignorance will probably pass unnoticed. And, anyhow, I have discovered since I became an M.P. that ignorance of a subject is no barrier to eloquence.

And I have also noticed that the further you live from problems, the easier solutions appear.

For instance, the good citizens of Melbourne are recognised for having the most firmly fixed ideas about Aborigines, kangaroos and northern development.

Distance evidently lends enchantment (or something) to the view.

So Mavis and I picked on Northern Development. And I became almost excited when I started to study the subject.

There were many fine, flowing phrases lurking there, like “untapped natural resources” or “our immense national heritage” and even “the desert shall blossom as the rose,” although I admit the last has rather a tinny sound since Eccles’ lectures on irrigation.

And when I found that the rainfall of Katherine was a magnificent 35in compared with that of my own farm of about 18in, then I felt that I had really struck pay dirt and I almost decided to go up there and have a look for myself.

But I’m glad I didn’t now. It wasn’t Eccles who stopped me in my tracks this time, but Fred the farmer. I thought that Fred would be all excited to hear about the new frontiers opening up before him, but he wasn’t.

The reason was that he had been there.

He began by saying that the very wet “Wet” and the very dry “Dry” season of the Northern Territory posed very grave agricultural problems, particularly when coupled with the high temperatures at germination time.

And old Eccles chimed in, saying that he had read that there is hardly a cash crop known to tropical agriculture that hasn’t been tried and proved an economic failure in the Top End at least 50 years ago.

He even went so far as to suggest I ought to read the Forster Report which evidently deals with the subject in a dull way.

Then both of them together started to talk about Humpty Doo rice and Tipparary grain sorghum and said that these were grim modern examples of people rushing in with lots of enthusiasm, courage and money, and no sense at all.

Then old Fred told me some of the successes, how an annual legume called Townsville lucerne looked as if it was going to do for northern Australia was sub clover had done for the south.

He evidently knew of many examples where, by wise planning and courageous spending, Townsville lucerne had been established over big areas of the Top End and how this was altering the whole structure of the cattle industry — the natural industry of the area.

But the story of the gradual spread of a dull plant like Townsville lucerne doesn't seem like much of a subject for eloquence, not nearly so exciting as "feeding the hordes of Asia" and that kind of thing.

So Mavis and I have decided not to go North, but instead I am going to get some slides about northern Australia from the tourist bureau and I am hopeful that we will be able to give some quite nice talks about the subject.

We will just have to hope that no one turns up who knows the area!

### ***Irrigation*** (March 1970)

I am becoming acutely aware that Eccles has dried up the wells of my eloquence. He has weaned me from subjects which I used to tackle with enthusiasm and acclamation.

So it was with real urgency that I prepared a stirring statement on the benefits of irrigation, and had the warm feeling that, by so doing, I was restoring my waning popularity.

And good stuff it was too. There was a heart-rending paragraph about water being the lifeblood of the driest continent in the world. Then another about the innate fertility of the soils of the inland, and how they could be made to blossom as the rose when irrigation water was applied.

Then I followed with a moving picture of the ravages of drought and how this great scourge would disappear when we stored more water.

I admit I finished writing the speech with tears in my eyes. In my blurred vision, I could see a touching picture of happy homesteads dotted around the arid interior, with streams of lifegiving water gurgling past the door. And I could hear, in my mind, the stirring speeches made as each new dam is opened by splendid statesmen with bowler hats held reverently across their stomachs.

Then like a fool I showed the masterpiece to Eccles, who read it with obvious distaste and then burst into tears. After he had recovered, he set about me.

He started by saying that it was nonsense about the supposed fertility of the arid soils of the interior, that in most cases they only responded quickly to the infrequent rain because they were fallow for most of the time. But when irrigation water was regularly applied, their supposed fertility quickly disappeared.

He then went on to point out that, in almost all Government-instigated irrigation schemes, the dam and the irrigation channels were paid for by the taxpayer and the debt on them was serviced by the taxpayer.

The capital cost for the engineering works was frequently much over \$200 for every irrigated acre, all found by the taxpayer for which no direct return could be expected.

The water charge levied on the irrigators was only expected to cover the cost of the distribution of the water along the channel, with no element to cover the interest on the capital cost.

"But it doesn't stop there," he whined. "In many cases, the taxpayer not only generously subsidises the price of irrigated land, he's often expected then to subsidise the cost of the

products grown on the subsidised land. If that isn't economic nonsense, then I don't know what is." He instanced butter and cotton as two quick examples.

"But what about drought? Look what irrigation does to prevent the ravages of drought!"

I thought I had him there, but he went on to explain that any irrigation area based on pasture usage had to be stocked each year, whether there was a drought or not, otherwise it meant there would be irrigated pastures not being used.

So stock are carried on irrigation farms each year (and usually to capacity) and when drought comes, there is little room for any extra stock.

He then went on to say that if the justification for irrigation farms was to supply baled hay to starving stock in drought time, then it certainly would not apply to feeding sheep.

This can be much more cheaply done by feeding grain, and not hay. Eccles is certainly right here, as I know from my own drought feeding experience.

Eccles went on to say that he certainly would not take the stand that all irrigation schemes, particularly private enterprise schemes, were failures. But he said that he was sick of the blind acceptance that storing water was automatically good, just because nice speeches can be made about it.

He said he could think of a great many better ways of spending the taxpayers' money to assist primary producers than by spending large amounts of money to grow more and more produce which was increasingly difficult to sell, because there was often too much of it already.

I heard Eccles attacked in Parliament. It has made my heart glad. I have often wanted to put him in his place, but to tell the truth, I'm rather frightened of the man!

### ***The Ord Dam*** (March 1970)

Last week I got into trouble with old Eccles because I became enthusiastic about irrigation schemes in general. He lectured me severely then, and has been at it ever since, but has been concentrating particularly on the Ord River dam, which seems to infuriate him, for some reason.

I remember when the government decided to give Western Australia the green light to go ahead with the big dam on the Ord, how my bosom swelled with pride to think that I was associated with such a splendid project. I remember too, that I made some particularly stirring speeches which were particularly well received in the cities, but with a notable lack of enthusiasm in the country.

I have noticed before this tendency for people in the cities to be enthusiastic about land development and other problems they know nothing about. For instance, the worthy citizens of Melbourne are always giving tongue about kangaroos, or problems associated with aborigines or northern development. In fact, ignorance of the subject seems a positive advantage, as you can then let the imagination and tongue run free.

But Fred the farmer, and others of his ilk, received the news that we were going to spend a lot of money on the Ord dam with irritation, and muttered something about the decision being activated by base political motives, whatever that may mean.

They could not see why, as taxpayers, they should be dobbing in their hard-earned dough at the rate of about \$300 for every irrigated acre in order to grow cotton that was only profitable if subsidised. I thought that this was rather a mean, petty attitude to take and gave them a burst about developing Australia, and the defence of “this great country of ours” and so on. But Fred the farmer and his friends said that they had heard all this before and asked me to have a talk with Eccles.

I did this. I asked him why it was that cotton-growing on the Ord has been so disappointing compared to cotton-growing on the Namoi River in New South Wales. Eccles said that the Ord is a tropical area, and hosts of pests that plague cotton grow naturally all round the cotton crops. This means that the cost of insect and disease control in the Ord area is more than in non-tropical areas where the pests and diseases do not have this natural advantage. He pointed out that the big expansion in the world’s cotton acreage was in the arid irrigated areas. The cheapest cotton in the U.S.A. is not now grown in the deep South, but in the arid areas of California. In fact, to keep cotton-growing alive in the Deep South, the U.S.A. government has made it impossible for the Californians to grow more than a limited quota of cotton. And what’s more, it was this restriction on the Californian grower that drove him to the Namoi area in Australia.

I then asked Eccles about the other crops. According to him, we could grow sugar there by there doesn’t seem much sense in growing more sugar when we have difficulty in selling what we have. People were optimistic for a while about growing sorghum, but no one in Australia has yet demonstrated that they could make money growing irrigated grain sorghum on a large scale.

“But what about irrigated pasture?” I asked. Eccles says that no one in Australia has yet been able to demonstrate that you can fatten cattle on irrigated tropical pastures and make money. If you are not interested in making money, well and good. “But speaking as an economist,” he complained, “I can’t see much sense in setting up a great big scheme to lose money.”

I have a brainwave. When the big dam is opened, we ought to make a recording of the splendid speeches that will be made at the opening ceremony, and we could sell the records to people in the cities. They ought to be worth quite a lot.

### ***Droughts (March 1972)***

I have a country electorate with much low rainfall country. Mavis and I thought of launching a campaign urging the Government to either abolish droughts or to protect Fred and his fellow farmers from the effect of drought.

We felt that there surely must be votes in this. We are used to seeing TV programs about droughts, showing the parched, cracked soil in the bottom of water holes and the bleached bones of cattle carcasses.

Usually there is a picture of a housewife wiping the tears from her eyes with her apron so that she can peer hopefully at the horizon searching for a rain cloud no bigger than a man’s hand.

Good heart-wringing stuff it always is!

Then there is usually an interview with a leader of the local community who is asked with menacing overtones: “What is the Government in Canberra doing about this?”

“Nothing,” he replies with a catch on his voice, “nothing at all — they don’t care.” You can’t help booing!

So we made up a statement with phrases like, “the driest State in the driest continent in the world,” and “this dread spectre that stalks our land” and “the desert shall blossom as the rose,” and we were well away.

We resisted the temptation of overdoing it and asking the Government to abolish droughts, but we certainly intended to demand that the Government forecast when droughts were coming and to protect Fred and his fellow farmers from them when they did arrive.

Good stuff it was too.

Bitter experience has taught me not to let Eccles see this kind of effusion, but I took it to Fred with some pride.

He read it with difficulty because some of the words were indeed rather long.

Then he said sourly, “Well, you may get votes out of it, my dear fellow” (he always calls me this when he is displeased with me), “but it’s a lot of nonsense and you know it too.”

I’m afraid Fred is right. There is only one really effective measure that we can take against drought in the inside country and that is to have a lot of conserved fodder to feed our stock.

But I know from my own farming experience that the best person to conserve fodder is me, not the Government.

The Government can help by taxation concessions on fodder conserved and that kind of thing but the biggest part of the problem is mine.

I should not expect the Government to store fodder for me when I can do it cheaper myself.

And the more the Government conserves fodder for me, the less I will do it for myself.

The same thing happens if you have a bushfire. The chap who gets most of the relief money is the chap who isn’t insured.

The provident person who insured himself only gets abuse if he lines up for assistance. “Why should we help him?” people snarl, “he was fully insured.”

So the next time he doesn’t insure; why should he?

The same with drought — the Government comes clumsily to the rescue (and the Government is so big that it can’t help being clumsy) so there will be less incentive for the provident farmer to do his own providing.

If the Government comes in it will, in both fire and drought, help the wrong person in the wrong way in a great many cases. And it will certainly destroy the incentive of the farmer to help himself.

This is one of those rare periods when there is not a bad drought in any large area in Australia. At this time too southern Australia is packed with stock.

I am told that Victoria has 25 per cent more stock than before the 1967 drought. We know that each year brings a drought one year closer.

We would prepare for it with more enthusiasm if we knew that the responsibility was ours and not the Government's.

We should be given financial inducements to encourage us to prepare for drought but, I repeat, it is really our job, not the Government's.

But there are no votes in this kind of thinking. Blast Fred!

### ***Disaster Relief (February 1974)***

As the picture unfolded of the recent floods, first in western Queensland and north-western N.S.W., and then later the tragic floods in Brisbane, we quickly heard from the most responsible quarters the demand for some kind of disaster relief plan so as to be ready for similar disasters.

This demand usually had two prongs. The first was that there should be a much better organisation ready to tackle similar calamities. Evidently N.S.W. has the pre-eminent organisation of the States and many people pressed for the establishment of even better organisations in other States, and they usually coupled civil defence and disaster action together and this seems sensible.

The only real problem here is how much money and resources to devote to the organisation. It is easy, after disaster strikes, to say we ought to have a bigger and better organisation. But putting more resources into this means less money is being devoted to other pressing and more popular purposes. It isn't easy to know how many resources to tie up in this way. If we knew that a disaster was imminent we would know how much effort to spend in tackling it. But disasters don't behave in such a nice well-regulated way.

All you can do is to make the best judgement you can, sure in the knowledge that if disaster doesn't strike, you will be criticised for not doing other more popular things. And if disaster comes, you know you will be criticised for not doing enough. Life is indeed hard!

The second part of the demand is for money to be set aside for relief. This is an understandable reaction, particularly as the harrowing television pictures appear on the screen. "Why doesn't the government have a fund set aside for generous and immediate help?" people ask angrily and understandably.

Mavis is one of these and for once her reaction was not motivated by baser political motives. "You must do something quickly dear", she advised. "I'm not worrying about votes this time. Look at the plight of those poor people in Brisbane. Make the government hold a large fund in reserve so that we can be both generous and merciful."

But it isn't as easy as that. "What kind of disasters should we have in mind", I asked hopefully, "only floods?" "Of course not, dear", she said. "Bushfires too, and all other natural calamities."

“Do you want me to help everyone who suffers in such disasters?” I asked. “Or only the ones in real need?” “Of course, only those who really need it”, was her swift, feminine reaction. But that means that the chap who has insured himself against floods will get nothing because he wouldn’t be in real need. That’s not much incentive for him to pay for flood insurance.

And what about small disasters? It is usually as painful for a farmer to be burnt out in a small fire as in a big one. Does Mavis mean that all farmers who suffer from small natural disasters should be helped?

And what about droughts? Some districts are drought prone and so land is cheaper there. Are people there to be helped in the same way as people in less drought prone districts? And a chap who conserves fodder at great expense to meet drought when it comes, is he not to be helped while his more careless and happy-go-lucky neighbour gets relief just because he didn’t help himself?

And is rust in wheat a natural disaster? It seems so to the chap whose crop is lost in this way.

So it just isn’t as easy as Mavis thinks.

### ***Exporting Birds*** (September 1970)

Fred thinks I have gone a bit soft in the head. He suspects that I got this from riding around in black cars in hot weather. He has had a sneaking suspicion about this for some time, but now he has discovered that I am, in part, responsible for preventing the export of budgerigars and other parrots, he thinks all doubt has been removed.

He has found that these parrots are eagerly sought after overseas. He has been told that prices up to \$3,000 a pair are obtainable for our birds in other countries. He also knows that many of these birds exist in pest proportions in Australia and that he himself has had a great deal of trouble keeping many of these birds from making a nuisance of themselves on his farm. So the poor simple soul can’t quite see why we are not exporting them and making good money out of it.

When I mentioned this to Mavis she burst into tears. “You are in enough trouble now, dear,” she sobbed, “by expressing scepticism about this sentimental campaign for kangaroos. They may be in pest proportions and ruining your electors’ sheep feed, but the good people of Melbourne love kangaroos and the sweet way they hold their front paws. You have done enough damage to your political career by going against the kangaroo lobby. For goodness sake don’t get yourself involved in this bird business.”

Then she went on to paint a poignant picture of pretty innocent birds cruelly smuggled through Customs in suitcases, the birds often drugged so they would not make a sound and so give themselves away. She embellished this sordid scene by giving the smuggler a foreign accent and a beard. By the time she had finished, I could see myself losing votes in a steady stream so I hurried back to Fred and upbraided him for getting me in such hot water.

Fred however, was quite unrepentant. He pointed out that the only reason these birds were smuggled out in this sordid fashion is that their export is illegal. If it were legal and the trade was under the surveillance of the Customs Department or some other authority, then this kind of cruelty could be prevented.

He went on to draw quite a different picture of two pretty love birds on a padded perch in a gilded cage, being given V.I.P. treatment through Customs, while merino rams enviously watched them. On the aircraft they would be fussed over by anxious hostesses with whom they (if well-trained) could chat happily. They could fly as they have never flown before — and a lot easier. They would probably get champagne with their bird seed for breakfast. And throughout the journey they would be thinking of the luscious life that awaited them, with the knowledge that their only duty would be to procreate their kind in luxurious surroundings, with every anxious encouragement — opportunities Fred has never enjoyed!

They would compare this prospect most favourably with the life they had left behind them, being buffeted by every breeze that blew as they flew anxiously around Fred's farm, trying to eat his crops, while he stalked them angrily with a shotgun.

When Fred painted this picture I began to see why he thought I had gone soft in the head, as well as in the heart. No one minds chooks having their heads cut off and being exported in that form. No one minds lambs having their throats cut and being exported in that form, and bringing in almost no money at all. But the picture of birds being exported in luxurious comfort at profit to themselves and their owners, brings tears to the eyes of the sentimental citizens of Melbourne. It's a funny business.

I know that Fred would be altogether against these birds being cruelly treated. But this doesn't have to happen. In fact, we could make sure it didn't happen. That being so, for the life of him, Fred can't see why we can't take advantage of anyone silly enough to pay \$3,000 for a pair of birds which, were they at home, would probably be shot by Fred or eaten by sparrow hawks.

Tomorrow I'm going to the doctor to have my head examined.

### ***Merino Embargo (July 1978)***

Fred and I want to congratulate the government on having the sense and courage to partially lift the merino ram embargo. We regret that they did not lift it altogether, but, on the other hand, I suppose that we can count ourselves lucky that we are not being lumbered with yet another enquiry by some great committee or other.

There was a time when I used to be in favour of the embargo but I grew out of that foolishness years ago, when I saw some fine wooled, large framed Rambouillets in Nepal which had been imported from the U.S.A. Then later I saw some equally large and fine wooled Russian merinos in India. I know now that there is plenty of other fine wool genetic material in other parts of the world and we delude ourselves and others when we deny that this is so.

Fred used to be in favour of the embargo for a nasty, mean reason. He thought that the embargo helped keep down the price of merino flock rams, and, as he bought a batch of flock rams every year, he thought the embargo must be a good thing. Of course, he never admitted in public that this was his motive, but he told his wife one night when they were exchanging pillow confidences, and his wife told Mavis so that is how I found out. But later he realized that the overseas demand would only be for top stud rams because only these would justify the high freight and handling charges involved. And he now knows that, if merino stud breeding is more profitable, then more effort and intelligence will be devoted to breeding good merinos, and if this happened, Fred would be able to buy better flock rams.

Fred has always been rather ashamed of his meanness in this matter, as he is very keen to help overseas aid projects such as Community Aid Abroad. When he found that other countries wanted to use our merino blood but we wouldn't let them have it, he used to go quite red behind his ears.

Now that I am no longer a Member of Parliament, I can admit that I have always been rather sceptical about the superior genetic worth of our merinos. There were many top merino stud breeders in my electorate and I used to rather fawn on them. When I went to their field days, I used to give tongue about their dedication, and how I knew that they were only in the game for the good of the country and similar nonsense. Then I would usually end up by giving them a burst about how the whole world was hungry for Australian merino blood. But I never really believed it myself. I have seen the way these top sheep are prepared for show and sale and I am rather suspicious that a diet of port wine and olives may not be the best preparation for a ram who is going to live in Rajastan. If one of these luxuriously reared rams were suddenly to find himself battling for a living with the goats of that tough country he would probably go quite pale. And if he got a quick look at the wives they had picked out for him, with their big fat tails and mottled colours, he would probably demand repatriation.

However, if you want to demolish the case for the embargo in one simple paragraph, all you have to do is to point out that, if it is right to export polwarths, as we have been doing for years, then why not merinos? I bet that most of the people who so vociferously claim that the export of fine wool blood is bad for Australia, couldn't tell the difference between a merino and a horned fine wool polwarth. That really is the end of the argument as far as I am concerned.

Fred and I are always suspicious when we hear people giving tongue about our heritage, particularly when this heritage argument is used to justify the embargo. Years ago, a few people went to great trouble and expense to try to breed better sheep. A few were outstandingly successful but most would have made more money if they had stuck to breeding flock sheep. Stud breeding is not really a licence to print money. It is a strangely fascinating business and there is always the lure of the pot of gold at the end of the rainbow, that you are about to fluke a great break-through to a new blood line. But generally it doesn't work out like that; and if it did surely the thing to do would be to have a go at it yourself?

Why the woolgrower who buys merino rams should now expect to have some say in a referendum as to whether merino rams should be exported is beyond me. The next thing such people will want is a referendum to ask meat workers if they are in favour of the export of live sheep. Both decisions should be left to the people who own the animals.

### ***Going Against the Tide*** (March 1973)

Recently, I attended the Agricultural Outlook Conference, in Canberra. This was the third one, and I have attended them all.

I have to go, because Eccles is always there, full of foreboding, and I know he wouldn't like it if I wasn't there to listen to him.

And this year I persuaded Fred, the farmer, to come also.

The previous two conference were indeed sad occasions.

We all sat around beating our breasts and listening to various prophets of doom spelling out their dire warnings of imminent and inevitable disaster.

We were told how we would all be forced to walk off our farms, how it would be foolishly optimistic to expect the market for wool to rise above 90c a kilo, and so on.

This year, everything was different. Wool is now bringing about three times more than we were told we could expect; the world is clamouring for wheat and, indeed, all cereals, and there seems to be no end to the demand for meat from many countries of the world.

There were some commodities for which the outlook was not so rosy, such as sugar, dairy and fruit products.

And there were many farmers who were unable to supply the products that are in such great demand, because of drought conditions. So it was not a happy picture for everyone.

But it was a much improved situation to that which confronted us at the two previous conferences.

I thought Fred would get excited at the good prospects that were presented this year. But he received the good news with the same equanimity as he received the bad news of the past few years.

I got quite cross with him. I complained:

Look, Fred, why don't you let yourself go for once and be happy? Here you have a picture of unrelieved optimism with all the wise ones telling you how strong is the demand for everything you grow and all you do is look as mournful as a dyspeptic bloodhound. Why not try to smile, at least?

He couldn't bring himself to do it. He told me then that when things look blackest he always expected them to get better. But when they looked well, he expected them to get worse!

You have heard me talk of "Eccles Law," which says that prices must rise if money wages increase faster than productivity.

Well, now we must introduce "Fred's Feeling." Fred feels that, in farming, things will shortly be different from what they are expected to be, and certainly will be different from what they are now.

I have mentioned before how I used to keep myself poor by chasing after each hopeful hare that got up. Then an old farmer friend took me aside and said:

Look, my dear boy, don't do it. You will never make any money if you listen too carefully to too many people. You will find that you are doing what everyone else is doing.

And he spelt out his golden rule, which was:

When everyone else runs, you walk. But when they walk, you take off like blazes.

Fred's philosophy is similar. He listens with respect and appreciation to the advice he receives from the Bureau of Agricultural Economics and from other experts.

He is particularly attentive when they are spelling out what has happened in the past and what is the position now.

It is only when they start telling the future that his attention begins to wander. He is glad to get their opinions on the future but he's a little sceptical about them.

He knows from past experience that there is only one certainty about market prophecies, and that is that they will always be wrong in some degree.

The only uncertainty is how far they will be wrong.

So at this conference, Fred received with lugubrious calm the news that everything was going to be perfectly splendid.

“Fred’s Feeling” — (you couldn’t call it a law) — teaches him that if things are bad they will soon be better, and if they are good, they will soon be worse.

It is advice worth keeping in mind just now.

### ***Small Farmers (1) (August 1970)***

With my farmer constituents getting sourer — particularly with me — I realise I must pull a large, imposing white rabbit out of the political hat pretty soon. Mavis and I have had many discussions about which particular rabbit would attract most attention and so make me more attractive to my people. We have decided to espouse the cause of the small farmer and to demand that he be subsidised back to prosperity.

There is an important reason for this choice. There are more small farmers than big farmers and if I plead their cause successfully and so keep them on their farms, not only will they love me, but the businessmen in the country towns will also love me, for obvious reasons. So I shall get lots and lots of votes and this is good.

The first time I tried beating this new drum I was surprised at the enthusiastic reception that I received. It was almost moving. I admit that it was good stuff, there was enough about “birthright” and “heritage” and that kind of thing to let the audience know that I was just not treating the subject from a mundane, economic viewpoint, but was rather more a man of vision than perhaps they had realised.

Then to show that I was well abreast of today’s problems, as well as an authority on the past and prophet for the future, I gave them a burst about the “traditional wheat farmer” and how he could get particularly favourable treatment when wheat quotas were allotted. As the area in which I was speaking had been growing wheat for over 70 years, the hall was full of “traditional wheat farmers”, so this statesmanlike utterance was received with excited and prolonged applause. However, as I waited for the cheering to die down, I couldn’t help feeling glad that I was speaking in an old wheat district. If I had been in a new wheat district, where the people had lower quotas because they were not traditional growers, I suppose I would have had to handle the subject rather differently.

I was gratified with the reception of most of the audience, but Fred’s reaction was not only gratifying — it was downright surprising. You see, Fred is not a small farmer so I could not

quite make out what made him so excited. After each of my promises to help the small man, he would give off a loud, “Hear, hear,” and I thought I heard “Amen” once or twice.

After the vote of thanks, which took a good while, Fred took me around the audience and introduced me proudly to everyone, which is something he hasn’t done since I got into parliament. Then he took me home for supper and after a lot of questioning I found the reason for his excitement.

Fred has an English farmer friend who farms about 2,000 acres in a southern county. This is a really big farm for England. About every other year his friend comes to Australia to get away from the English winter and to “avoid” (I think that’s the word) taxation. He usually reaches Fred’s farm some time in March where everything is looking dry and miserable and Fred says that he (Fred) always looks hopefully underneath the plate after a meal because he hopes his friend will feel sorry for him and leave a 20 cent tip there.

After the meal they sit down and compare the figures from their farms. The Englishman not only farms well but he keeps his books well. In one column he enters the subsidy that he receives from the British government, and the size of the subsidy staggered Fred. “No wonder you can scoot around the world all the time,” Fred said, “you surely can’t justify this kind of generous treatment from the government.”

His friend replied, “Fred, my boy, I shall be all right as long as there are enough small poor struggling farmers around me.”

Now I see why Fred was so excited. He realises that if the government starts subsidising the small farmer back to prosperity, most of the money will go to the larger farmer. No wonder he reckoned I was a statesman!

I talked the matter over with Eccles who told me that most of the dairy subsidy went to those who needed it least. He said that if the nation felt that it was necessary for social reasons to safeguard the position of the small farmer, then it would have to be treated as a social and not as an economic problem. The generally accepted subsidy solution would not be suitable.

So it looks as if Mavis and I will have to find another rabbit to pull out of the hat. This one died soon after its first performance.

### ***Small Farmers (2) (May 1971)***

The government’s recently announced Rural Reconstruction Scheme has three parts — Debt Reconstruction, Farm Restructuring and Retraining for those who wish to leave the land. Let’s have a look at Farm Restructuring.

A short while ago, at a meeting in my district, a big raw-boned bloke at the back of the hall got slowly to his feet and complained that the farms in our district were getting bigger and that the country towns were getting smaller. He then truculently asked what I was going to do about it. “After all, you are our Member — we pay you enough, goodness knows. Surely you can answer a simple question like that!”

Usually, when people adopt a belligerent attitude like this my footwork is pretty to watch as I change from one position to another, blaming first my State colleagues, then local government, or someone else — anyone but me. But in this case I took a long breath and told him that I had

a sure and simple cure for the problem. This was a bit of a shock to the audience who are unused to my having a definite opinion about anything, so they listened expectantly. Only Mavis started to fidget.

I then explained if they wanted farms to be smaller, all they had to do was change back from tractors to horses. Our farm were once shaped around the area that a ten-horse team could handle. But as we changes from horses to tractors, and then to bigger rubber tyred tractors, the farms tended to grow in size until they fitted the area that an efficient power unit could handle.

So with the small country towns. In our district, townships were spaced along the railway line and the distances between them were decided by the distance you could conveniently cart wheat with horse teams, and the distances you could conveniently travel in the trap to do your shopping. So I told them if they wanted healthy small townships, all they had to do was to sell their cars and go back to the horse and trap.

Mavis started to sniff at this stage and she signalled to me to sit down before I told them any more unpalatable home truths. "Tell them what they want to hear," she complained as we drove home, "don't tell them simple truths like that. You'll never get on if you do that, dear."

However, the big bloke at the back of the hall seemed to think there was a lot of sense in what I said. Of course he didn't say so then but he sidled up to me as we were having a cup of tea afterwards. (It would have helped if he had said it publicly.)

The farms in our district have been getting bigger since the district was first cut up from station properties into farmers that suited horse teams. Any government action that prevents the aggregation of farms that are too small, into economic-sized family farms is bad for farmers, although it might be good for getting votes.

There is far too much nonsense talked about our farm lands falling into the hands of big companies. If you want to get an extra loud cheer, add the bogey of "overseas-owned" and you are well away. But the plain fact is that in the mixed farming areas, and that is the system common to most of southern Australia, the economic-sized family farm will do the large company farm (overseas-owned or not) like a dinner. It is true that there are some economic advantages that come with large-scale farming, but there are also a great many disadvantages. The chief of these is that nobody works for other people quite as well as they work for themselves. This is particularly true when it comes to caring for stock.

Anyway, the likelihood of large lumps of overseas capital being channelled into farming at this stage seems a little remote. I'm sure if I had a lot of money (even if I lived overseas) I would consider myself soft in the head if I put it into farming, particularly if the taxation advantages for city farmers were withdrawn. So the process of farm aggregation will go on — and indeed should go on, to encourage the formation of economic-sized family farms.

### ***Decentralisation (October 1970)***

Mavis is getting very concerned about what she calls "my image." "You must make it glow a bit, dear," she is always chiding. "It's no good always writing about wool and shipping and tariffs and dull things like that, you must use more imagination and vision. You may be right about the matters you discuss, but believe me, you are awfully dull. Let's look around for something nicer."

So it was with some excitement that we realised that the subject of “decentralisation” had so far escaped our attention. The more we looked at it, the more attractive it became. And when Mavis realised that we could tie it in with “pollution” (the subject of the year) she fairly purred with satisfaction.

Then, to top the lot, we realised that Fred would probably approve because he knows that some farmers will want to leave their farms and sell out to their neighbour to make the two farms into a unit that is more economic.

We knew that Fred would not like any of his fellow-farmers to be forced to live in Sydney or Melbourne and so add to the inevitable physical pollution and moral degradation which he associates with city living.

So Mavis and I worked up a really stirring speech about decentralisation. It was liberally larded with fine flowing phrases about “rural heritage” and “yeoman stock” and that kind of thing. We then confidently trotted it around to Fred to admire.

I wish we hadn’t. Fred didn’t even read it all. He just waded through enough to find that it was about decentralisation, then he stopped and said, “No, please, not another speech about decentralisation — I just can’t bear it. I have been listening to such speeches for 50 years, yet a greater percentage than ever of our people live in capital cities.”

Fred’s attitude saddened me and infuriated Mavis, so I took the problem along to Eccles who regarded my manuscript with distaste, and then proceeded to tell what he would do if, by some miracle, he was ever elected to Parliament.

He said it was no good trying to do anything about decentralisation until the whole community, as a whole, realises it has a problem worth parting with good money to solve. Up till now that has not been so. All that people have wished to expend on decentralisation has been eloquence.

Now, and only now, were people coming to realise that it was perhaps worthwhile for those who lived in cities to actually pay good money to keep other people from joining them there, and so add to their problems of transport, pollution and moral decay that always seems to accompany lemming-like city living.

Eccles says that, if we are at this stage, and he hopes we are, then the way to tackle the problem is not to make pious speeches about setting up industries in country towns all over my electorate, but to concentrate on one large town, and force-feed it with resources, to get it big enough so that industry will want to go there.

This sounds politically attractive until you realise that it will mean that city people will have to go without things, such as another university, to enable a university to be built in the chosen country centre.

But far worse, it is going to mean that I will have to make a deliberate choice to concentrate on one country centre and to leave the next one alone.

Only country people know the bitter rivalry that exists between country towns. And as I would only have perhaps one town being helped and about 20 neglected, then I realise I would be losing votes in a steady stream.

It's a bit like choosing the Belle of the Ball. I used to embark on this exercise with enthusiasm as I thought it would give me a respectable excuse for intimate examination of the candidates, and not even Mavis could complain. But I have learnt from bitter experience, that the one to whom you award the prize is probably not old enough to vote, but those who don't get prizes have hundreds of fond relatives who will hate you forever.

There are no votes in this business!

Well, "decentralisation" is looking a bit like that. I will have to think of another good throbbing subject.

### *State Quotas (March 1973)*

Two weeks ago Fred said that had he the choice he would prefer a lower first advance for his wheat and have no quota rather than a bigger first advance coupled with a contribution of quotas. Since then my phone has been running hot with farmers telling me what they thought.

Some claim that quotas are necessary to protect the small, traditional wheat farmer. They say that if they were discontinued wheat growing would tend to shift to those States which have bigger farms or other natural advantages for wheat growing. Many see West Australian farmers as the villains of the piece. And, no doubt, small West Australian wheat growers see the big wheat producers in western New South Wales or in Queensland as the people to fear.

Eccles says this is a queer kind of argument. When he asks those who argue this way whether they really want legislation to prevent wheat being grown in those States or areas which are best suited to it, there is usually a long painful pause. Then they say they have another appointment and drift away. The argument certainly looks a bit strange put in this bald way.

The dairy industry is going through the painful process of giving birth to a quota scheme because of Britain's impending entry to the EEC. Eccles is watching the process anxiously to see what the progeny will be like. One of the points at issue is whether quotas should be fixed on a State basis, whether, for instance, Queensland should be allotted a quota based on its past production. If this happens it will slow the shift of the industry from Queensland to Victoria which has been going on for some time.

Now Victorians are not the most popular people in Australia. They are richer than other people and they are more self-righteous. And they pinch our best footballers or play the wrong code. They indeed have many attributes that people resent, but the fact remains that Victoria has natural advantages for dairying.

The average production per cow in Victoria is about twice as high as in Queensland: 348 gallons in Queensland compared with 708 gallons in Victoria in 1971. I have heard some Queenslanders say sourly that this is because the Victorians squeeze the teats harder, but I suppose it is really because Victorians have better cow country, not that they are better at milking.

Because Victoria has these natural advantages, the industry has been gravitating towards Victoria by economic pressure. To fix Queensland quotas by past production history would be to slow this economically desirable change.

If we are going to try to arrange our farming affairs according to State boundaries we really do make nonsense of the concept of being one nation. I used to think that Section 92 of the Constitution, which forbids the erection of trade barriers between the States, was put in to help lawyers who grow rich arguing the question.

I didn't think it really mattered to the ordinary fellow on the farm, or the simple citizen. But I can see now that the framers of our Constitution last century realised Section 92 was vital to the whole idea of us being one nation.

If we are going to regulate our farming according to what State we are in we might as well go further and divide ourselves into districts. My own district has been settled for a long time, for over 100 years.

Should I, for that reason, have a better right to grow wheat than other areas that have better natural advantages for wheat growing, just because my great-grandfather started growing wheat before other farmers who started 50, 20 or even 10 years ago? It seems an odd kind of argument when you put it that way.

Mavis wants me to enter the national anthem competition. She thinks it would give me a good opportunity to blow my own trumpet. Eccles also wants me to enter; he thinks I ought to be able to have at least one verse about tariffs.

### ***Tobacco (March 1979)***

Before I became a Member of Parliament, I regarded the farmers in our district as fellow farmers and referred to them as such.

But when I became a member it did not take long to refer to them as being part of the farming industry, or being more specific, as part of the wheat or wool growing industry.

This certainly sounded more pretentious than simply calling them wheatfarmers or woolgrowers, and being pretentious is a very important part of being a member of Parliament.

But now that I am back on the farm again, I find that I have reverted to thinking of myself as a wheat and sheep farmer, not as part of an industry.

I am reminded of the story of an American school mistress who was giving her class a lesson on the history of the American Indians.

When she had finished she asked: "Has anyone in the class got any Indian blood in his veins?" Little Tommy put up his hand. "How very interesting Tommy," she gushed. "Which tribe?" "It wasn't no tribe, ma'am," Tommy replied, "It was just a wandering Indian!"

This tendency not to recognise that farms are worked by individual farmers has some queer side effects.

For instance, at the recent Agricultural Outlook Conference, there was some discussion about the possibility of persuading the US to remove the very damaging tariff against our wool if we were to lower our barriers against the importation of tobacco.

Some of us had heard an official attached to the US Embassy state that this was more than a possibility and, if this could be arranged, then the benefit to our woolgrowers would be considerable.

But one of our officials at the conference pretty well buried the argument when he told us that the last time this was seriously discussed, the then Minister for Trade had said sourly that he was not going to sacrifice the small tobacco industry to benefit the huge wool industry.

The enunciation of such unexceptionable sentiments was too much for the conference whose members were no doubt attracted to the picture of the gallant minister standing guard over the tiny, weak tobacco industry, and holding at bay the great strong, bullying wool industry.

I admit that even I wiped a furtive tear from my eye when the official sat down.

It was only when I had returned home and was mooching along behind a slow mob of wethers, that I realised that the minister had been talking nonsense.

The wool industry is not a great big monolithic monster but is made up of a lot of sheep farmers like Fred and me.

And it is nonsense to talk of not sacrificing the tiny tobacco industry to the huge and prosperous wool industry.

Rather we should be examining if it was worth risking the welfare of 90,000 woolgrowers to safeguard the prosperity of 1000 tobacco growers.

Last year I asked Eccles to find out what it was costing Australia in direct subsidies and excise revenue foregone to protect tobacco growing in Australia.

The most recent figures he could get were for 1972-73 and these showed that that year it cost the taxpayers \$1334 for each hectare of tobacco grown in one form of subsidy or another.

That these figures were right then I do not doubt, but I cannot say if they have changed much since.

If they have, no doubt I will be quickly corrected.

Since writing about this last year, I have read a recent BAE article which says that, in addition to the assistance to the tobacco grower I have mentioned, tobacco growing is now so profitable that it has been found necessary to issue quotas to tobacco growers and if you haven't got a quota you cannot grow the stuff.

And the BAE says that if a grower can get such a quota, the value of his property will be increased by an average of \$27,000, so the right to grow tobacco is rather valuable.

The picture we have in our minds of the poor poverty stricken tobacco grower gets further blurred when you look at the BAE figures of turnover per farm.

These show that 6 per cent of the cereal/livestock farmers had a turnover of over \$100,000 per farm, while the corresponding figure for tobacco growers was 5 per cent.

It would be even more interesting to see the figures for return on capital.

And fancy being paid \$1,000 a hectare each year not to grow tobacco which is the idea I am promoting!

Fred is now scouring Australia, trying to buy a tobacco farm. But it has to have a quota.

I don't think he can find the money. He is only a sheep farmer.

### ***EEC Farming Policy (July 1979)***

Eccles always tells me that, when there was a butter bounty, most of the bounty money found its way into the pockets of the men who needed it least, namely, the biggest and best dairy farmers who produced the most butter. He says that, if we really want to help the poor dairy farmers, we should make a direct payment to them instead of spraying money around encouraging the big farmers to produce even more butter to add to our problems.

This lesson does not yet seem to have been assimilated by the countries in the European Economic Community. The justification for their very expensive (to them) and damaging (to us) Common Agriculture Policy (C.A.P.) is that it is thought to be essential that European agriculture be kept healthy and flourishing so that the farmers will be there to fall back on if war came again. The lessons of the past loom large in their minds. They remember how Britain had to rely on home grown food during the war. 'We will never let our agriculture run down again,' they say. 'We must subsidize farming though it damages us as well as our trading partners. It is true that doing so is costing the E.E.C. about \$A11,500,000,000 a year, the lion's share of our budget, but we must do so in order to have a healthy agriculture in case of war.'

Years ago, the British used to justify subsidizing farming because farmers and farm workers were regarded as superior cannon fodder and could be depended on to rush to the colours in time of war. But I have not heard this argument put forward in these days of black box warfare.

If the reason for pampering European farmers is to have a healthy agriculture on which to rely in a future crisis, the result has been an expensive failure. It has encouraged their farms to remain an uneconomic size and in many cases has induced their farmers to grow the wrong crops. Their farming would be far more resilient and better able to meet future challenges if it had not been coddled and so made unhealthy.

When I pointed this out to an English farmer friend of mine, he admitted that I was right but countered by saying that in the past we had done the same with dairying and were busy doing it with citrus now as well as with many secondary industries. Any government action that delays the inevitable though painful adjustments, damages those very industries that governments are trying to help. My friend admits that, though European farming is superb at its higher levels, it is unhealthy at its lower levels. And, looking rather shamed-faced, he admits that it is the gradual realization of this fact that will destroy the C.A.P. in the end. Its staggering expense will be seen to be giving the wrong result in making its farming sicker instead of healthier.

But my friend hopes that this lesson will not be learnt until he has swanned around the world for the last time. For he is a big farmer and so gets the lion's share of the money that is supposed to keep the small uneconomic farmer going.

## *Petrol for Farmers (November 1979)*

As Mavis and I stand quietly on the banks of the political stream watching the torrent of events and words go hurrying past, Mavis is always looking for some cause to come bobbing by which I could adopt as my own, to carry me back into parliament. Mavis wants this more than I do; my life is full enough, keeping one bound ahead of the banker with Fred chewing my ear. But Mavis yearns for times past, when she was treated with an outward show of respect when she attended functions as the Member's wife. She loved sitting in the platform, fondling her posy of flowers and looking benignly down on lesser ladies in the audience. She always had ready an especially thin smile for the wives of my State parliamentary colleagues if she was placed above them in the peck order. And always there loomed the fond hope that some day, somehow, I might be made a minister and so get a State funeral in the end.

For a while I was attracted to the cause of less government intervention. This is becoming increasingly popular as we all see how disastrous government intervention has been. But when Mavis discovered that Eccles was keen for me to die on that barricade, her enthusiasm quickly evaporated. She said firmly:

If Eccles is for it, I am against it. Look what happened when he pushed you into the tariff battle. You would have been a minister by now if it wasn't for that wretched man, instead of having to work for your living.

So I had to let the fair cause of less government intervention go bobbing out of sight.

Then one day a really exciting and imposing craft came cruising by; indeed it looked like a floating band wagon. Its name, "Cheap Petrol for Farmers," was proudly emblazoned on its side. Its crew were a mixed lot. There were some lightweight politicians, some farming industry leaders on the make, a few Freds to do the stoking and some really smartly dressed gentlemen.

When Mavis saw this imposing craft she tried to push me into the water to make me swim for it. But I was unwilling to do this; I was frightened that, when I reached it, those already there might stamp on my fingers as I tried to clamber aboard. But I agreed to Mavis calling a meeting at our place a week later so that we could form our "Cheap Petrol for Farmers Party." About fifteen people turned up. The local fuel agent was the first. He came in a large car with a gleam in his eye. There were some farmers and other local identities. Fred was there too but he sat well back. I couldn't help noticing that everyone came in separate cars, instead of giving one another a lift.

Mavis moved quickly and I was made president. She thought that this was better than chairman. Then we drew up a manifesto spelling out the reasons why farmers should get cheap petrol. We said that we were entitled to special consideration because we produced the exports that were essential to the country's survival and we only did this because of our noble natures, not because we were activated by a mean motive like money. Then there was a bit about having to take our kids to school and how cars were necessary to get to the doctor. Past experience has taught me that a touch of sentiment is desirable when preparing political platforms.

The doctor rather spoilt things by asking where he fitted into the scheme of things and then the undertaker asked rather plaintively if his too wasn't an essential service. "Particularly State funerals," he added with a low cunning typical of the man. But the fuel agent quickly came to our rescue. "Just you leave those little details to me," he said quietly. "You get the petrol into the district and I will soon share it around." He would too, he is a smart man.

We then arranged to meet a week later and everyone went away, each in his own car. But Fred stayed behind and I could see that he had something on his mind. He took me aside and gave me a real lecture. He said grimly:

My advice to you is to keep this silly idea away from Eccles. You know, and I know, that we farmers have used petrol carelessly in the past because it was cheap. And you know that the only way to stop us doing this is to make petrol dearer. You can lecture us until you are black in the face and we will clap like madd at the end of your speech, then we will go away and do what the price signals tell us to do.

I have a sinking feeling that Fred is right. I know that I use petrol carelessly. And I know too that, if farmers get cheap petrol, it will be impossible to stop it being sold on the black market to our non-farming friends. But how am I going to explain this to Mavis?