MINISTER FOR THE ARMY

With the Compliments

of

The Hon. Malcolm Fraser, M.P.

Nareen,
Victoria
Tel. Tarrayoukian 44

Parliament House
Canberra, A.C.T.
Tel. 72867
72868
THE DEVELOPMENT OF NORTH QUEENSLAND

I spent a considerable time during this last Senate election campaign in North Queensland. My first port of call in these areas was Mount Isa. The Mount Isa Mining Co. is near the end of a 50% expansion programme costing $130 million which has enormously lifted the production and increased employment in and around Mount Isa.

I imagine a good many people from Southern Australia think of Mount Isa as a dry, dusty spot which would be oppressively hot most of the time. This certainly was not so in my own short visit. I think there is more green grass at Mount Isa than there is at Melbourne at this moment and the people who live in the town have devoted a good deal of time to making the place an attractive and pleasant one in which to live.

A few miles out of the town there is an artificial lake which not only provides a very good water supply but also an attractive place for picnics, water skiing and swimming.

The expansion in Mount Isa was, of course, greatly helped by the upgrading of the Mount Isa/Townsville railway, without which the increased production from the mine could not have been moved to Townsville for export.

After Mount Isa I visited Cairns and Issisfail. This is in the heart of the sugar country and nearly everyone is dependent upon sugar in one form or another. The towns are prosperous and progressive. On the flat country between the mountain range and the sea there is mile upon mile of sugar cane in different stages of growth. The present crushing season has nearly ended and so most of the sugar mills were not operating.

This industry is facing its own difficulties at the present time. In 1963 the average world price per ton of sugar was about £72 stg and this has dropped steadily since that time until in January of this year the average world price per ton was only a little above £13 stg. The present price is about £22.5 stg, which since devaluation has become £25 stg.

The world price of sugar has fallen because of a breakdown in international sugar arrangements which has largely been brought about by the activities of Cuba. Up to a short while ago the Cubans had refused to participate in discussions that could work out a new agreement. These discussions are now taking place and the industry is watching very closely,
hoping that agreement will be reached during the next year. If an agreement is not reached, the outlook for the industry, not only in Australia but in many underdeveloped countries will be gloomy. This is all the more important for this coastal strip in North Queensland because its prosperity is entirely dependent upon sugar.

Once you get up into the Atherton tableland you find a more mixed agriculture. Tobacco and dairying are the main activities in this area, but there is a significant timber industry there and maize and peanuts are also grown in substantial quantities. In past years there was a good deal of mining done on the tablelands, and tin is still mined there.

As an interesting sidelight to the rural and agricultural activities of this area, a Cairns firm has recently won a contract to build 11 LCM's for the Australian Army. These are light landing craft capable of carrying about 60 tons. Each craft itself weighs about 70 tons. They could for instance, carry one Centurion tank. This firm has only been in the ship-building business for about two or three years, but it won the contract against every old and established ship-building firm in Australia. It is doing a very good job indeed and this is a classic example of how a decentralised industry can be successful because of the skill and enterprise of its managers.

On my way south I visited the Army's Tropical Trials Units at Tully and Mourilyan, just south of Innisfail. This is a newly established unit of the Australian Army but is a very important one because it is responsible for testing all our equipment and supplies in tropical areas. This is the area in which King Ranch and the Queensland Department of Primary Industries are having enormous success in knocking down rain forest and developing pastures on which, on a year-round basis, they can go close to fattening a beast to the acre. The rainfall in this area is, of course, one of the highest in Australia, with a yearly average fall of 175 ins. These remarkable achievements are additional to the splendid advances which have been made by the CSIRO Pastoral Research Laboratory at Townsville, all of which is opening up a new pastoral and agricultural future for these regions.

In general I found the roads in this area to be good and certainly in the sugar areas nearly all farms were connected to State electricity of some kind.

One of the inspiring things about this northern part of Australia is the enthusiasm and general spirit of the people who live in the area.
They know the north is developing; they have great faith in its future; they are quite certain that Northern Australia's mining, pastoral and agricultural potential will be playing an ever-increasing part in the development of Australia and that it will become more important to the overall development of this country in the next few years. Everything I saw certainly confirmed this attitude.

WOOL MARKETING

On another subject I would like to mention that I have asked the leaders from the three wool-growing organisations in this electorate to come to a small meeting in Hamilton to discuss the Wool-Board's marketing proposals. I know these are under discussion within the industry itself, and that much discussion will take place on the proposals between the Wool Industry Conference, the Wool Board and the various grower organisations. However, I thought it would be useful for the three organisations, who together represent the woolgrowers of this district, to get together at a small meeting where the problems of the industry can be discussed, if necessary for a full day. I have suggested that the meeting be held on 18 December, and have asked representatives of the Hamilton District Committee of the Australian Primary Producers' Union, of the Kowree District Council and the South West District Council of the Victorian Wheat and Woolgrowers Association, and also an equivalent number of representatives from the Graziers' Association. So far, I am glad to say that the APPU and the Kowree District Council have already indicated that they will be happy to take part in the meeting. I hope the meeting will be useful for the industry representatives. It will certainly be most useful for me and will be a great help in any future discussions which might occur in Canberra.