

But for the Government's Help

John Hyde

The price of wheat has fallen by 40% compelling us to restrict our budget. Such is life. We can live with it. But why should the Shire rates increase by 6 or 7 percent this year? Like many another citizen, I can't help wondering whether government is worth its price.

I know that it is governments that maintain law and order. With the help of volunteer armies in time of crisis, governments have kept the foreign aggressor from my door, and prevented my car being stolen more often than every year or so. I appreciate this.

Further, I realise that government provides me with a currency that loses value at only 8% per year, and that in this regard my government is better than some governments. Governments build roads for my truck at less than twice the cost that private enterprise could build the same roads. And if, because of the accumulated effect of their taxes or for some other reason, I fall in a financial hole, then they will give me social security payments. I suppose I should be grateful for these things also. But I must admit that there have been times, such as when dagging whethers, when I have tended to be obsessed by matters like the dole paid to healthy lads who will never wield a pair of dagging shears. In fairness, I should admit that I no longer dag whethers, but, given the present value of sheep, if I did, I suspect I would be even more cranky about the cost of government than I am.

At a recent "wool meeting" one speaker reminded me of dole payments of an entirely different order---namely, the millions of dollars paid by the WA Government to a few of St George's Terrace's higher flyers. The known cost of WA Inc including the cost of the cover-up is over \$800 million. Peter Falconer, a well-known Western Australian farm management consultant, pointed out that this sum is enough money to pay Western Australian farmers \$160 for every tonne of wheat they produce or 444 cents for every kilogram of wool. On the cost side of farmers' ledgers, \$800 million is enough money to

subsidise fertiliser purchases by \$666 per tonne or diesel fuel by approximately \$5.26 per litre---i.e. by more than enough to provide these inputs for free.

Farmers aren't asking for such subsidies. They would, however, like to escape some of the taxes required to subsidise other people. They are finding it hard to pay the taxes that finance doles of millions of dollars to the then Premiers' mates---doles which enabled those mates to go on gambling sprees and enjoy some highish living.

Talking of the cost of gambling sprees financed by taxes, the Wool Corporation's activities have much in common with WA Inc. Speculation (in wool rather than land and shares) was financed by taxes on wool and by borrowing. Then, when bankruptcy threatened, the debt, like Rothwells' debt, was guaranteed by the general taxpayer. Throughout, there has been a considerable reluctance to be frank with the relevant taxpayers. The important common factor is government, because only government can authorise the raising of money by compulsion.

Let me cite just a few other examples of the ubiquitous Government "help" we could do without. We are replacing the septic system at the farm homestead miles from town where the effect on other people's health is zero, but by threatening to remove our plumber's licence the Shire health inspector has wasted about \$2000 of our money and much reduced the effectiveness of the septic system.

The Main Roads Department is threatening to resume a strip of our land so as to plant trees to provide a passage for birds. The cost in fencing alone of this government antic is ridiculous. Yet the Department will not plant the trees on the adjacent railway reserve because the Railway Department is "hard to deal with".

The McColl Report estimated that, if the statutory monopolies were to get out of our hair, farmers would save at least \$10 per tonne of grain. Writing for the Australian Institute for Public Policy, Denis Hussey showed that in some cases this cost was much higher. Protecting the motor industry adds \$4500 to the cost of every farmer's car. The Government-owned ports of Melbourne and Sydney are only half as productive as those of Northern Europe, North America and Singapore. Because they are protected from open competition, Australia's ships have operating costs 35% higher than the OECD average. The labour productivity of our railway system is only 20% of of North America's. Telecom has 60% more employees per unit of services than leading telephone companies overseas. Etc.

The joke, "I'm from the government and I'm here to help you" needs no explanation. The cost of Local, State

and Commonwealth "help" is so high that, if only governments could stop burdening farmers with the cost of "helping" them and others, then the rural crisis would become a boom.

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