Mr COULTER (Berrimah): Mr Speaker, in rising to speak in the adjournment debate tonight, I would like to draw this Assembly's attention to an addition to the CLP party platform which was inserted at our annual conference on the weekend. That relates in particular to our relations with South-east Asia. The honourable member for Ludmilla has just spoken of the importance of the region to us. I would like to take the opportunity to read the actual motion:

The party recognises that the Northern Territory's future is inextricably linked to that of the developing nations of the region. Accordingly, the party supports: the strengthening of the Territory's association with regional neighbours to advance individual prosperity and regional stability; the development of a constructive regional policy leading ultimately to the concept of a Pacific community; the development of cultural, educational and sporting ties with nations in the region and the concept of a multi-cultural society as a means of building regional goodwill and understanding; the diversification in the Territory's economic base to take advantage of structural changes taking place in the economies of the region; the encouragement of the Territory's business enterprises seeking south-east Asian venture capital, investment and partnership; and greater regional cooperation to achieve economic growth and benefit to all people in the region.

It goes on, Mr Deputy Speaker, but I will not go into it in detail. However, I would like to address some of those issues tonight. We have heard enough rhetoric over the years about the Northern Territory's geographical position within the Asian region and I think it is time that we stopped talking and undertook a little more action. The nations immediately to our north are now the fastest-growing economies in the world. South-east Asia and the southwest Pacific countries have between them a population more than 100 times that of Australia - a population aggressively seeking new economic opportunities and in need of a wide range of items from technical expertise to raw materials and from services to basic foodstuffs. Our geographical location, our climate, the makeup of our population, our long tradition of contact with South-east Asia and a series of other related factors make us the most likely trading partner with that vast market.

The NT government has established substantial commercial and cultural relations with a number of our neighbours. There is no doubt that those relations will develop and expand. The Prime Minister, Bob Hawke, announced recently his wish for a profound restructuring of Australian industry. By doing so, he raised the hackles of vested interests, particularly in the industrialised, south-eastern corner of Australia. The Territory, on the other hand, has no vested interests that will prevent the introduction of new industries, new technology and new managerial and marketing techniques. Our building task is much easier because we have nothing to dismantle. We also witness the
impressive advances of new technology, not only in the finished products but in the manufacturing process. Allied to that is a vast array of services that come with the goods. Those 3 things - goods, technology and services - must be allowed free access across the various geographical boundaries that make up the nations of the world.

We should not believe those who claim that competition will wipe out existing industries and jobs. Competition forces change and, through change, it creates new industries. It helps introduce new technology, new processes and new and more effective ways of doing things. By allowing fresh trade winds into our region, it creates an environment where inventiveness and imagination are not stifled but given free rein so that further innovation and changes become possible. Competition is uncomfortable because it forces the vital forces of industry out of a trough of complacency into a world where only the best survive. That is the world in which the Northern Territory belongs and we have proven that through 6 years of self-government. It is the world that we in the Northern Territory have been promoting since self-government in 1978.

Perhaps more than at any other time in the short history of this nation, we need to think in terms of a global Australian economic strategy to face the challenges of the future. For too long the economic strategy of this nation has centred on what is good for the producers, manufacturers and financiers of Sydney and Melbourne at the expense of the peripheral regions that produce so much of the wealth of Australia and offer such opportunities for expansion. Surely the development of the vast and empty north with untold wealth in the ground and close to the fastest-growing markets in the world is Australia's most pressing question. The Territory is the fastest-growing region in Australia and has been so for the last 6 years. We should be unashamedly pro-development and pro-economic growth because that is the only way to create lasting jobs rather than the make-believe, 6-month work schemes which we are faced with at the moment.

So far we have only pushed the door ajar. What we need to do now is to shove it wide open and let the fresh breeze of the South-east Asian trade winds blow in. Economic indicators leave no room for doubt about the strength and potential of that trade. The projected growth figures for 1984 are 7% for Singapore, 6% for Malaysia, 6% for Thailand, 5% for Indonesia, 7.5% for Taiwan and a magnificent 8% for South Korea. Compare this at a time when the European Economic Community will be lucky to achieve 2% growth and even Japan's mighty machine will be lucky to make 4%.

There is a whole new world opening in front of our eyes just as the new world opened in front of the eyes of Australia's pioneers. This world has to do with the formidable potential for trade with our immediate neighbours to the north. It is there that we look to continue and expand our development. The establishment of a free trade zone in Darwin is the next logical step in that development. We should not drop the fight to make the Commonwealth build the Alice Springs to Darwin railway that was promised as long ago as 1910 and as recently as March 1983 by the present Prime Minister. We should make Darwin an entrepot for the region and for the rest of Australia.

The answer lies in what the Territory is precisely about. It is about taking calculated risks for large rewards. I would like to conclude on this point. Just as early Australians had the forethought to develop the Snowy Mountains hydro-electric scheme which provided the electrical muscle for the production centres of the south, we must provide the north-south railway to provide the land bridge in the north because, if we sit back, the markets will be taken from us. The Hill Report, that recommended against the railway, developed its justification on the basis of existing freight movements and not
on potential freight and other advantages that could emerge as a result of the new rail link. The Stanford Research Institute International has reviewed this document and believes that further study is warranted prior to abandoning the idea. Isn't it strange how somebody has to come in from another country to tell us what to do? We cannot see the forest for the trees. This document briefly describes their conclusions concerning the inadequacy of the study and provides some new ideas on ways in which a rail link between Darwin and Alice Springs might be justifiable economically and help promote international trade between Australia and Asia.

SRI went on to say: 'In general, the analysis and conclusions developed by the report showed no imagination and were overly conservative. The only benefits developed were for cost advantages that might accrue from moving freight volumes known at the present time'. I submit that our southern brethren have still forgotten that we are up here. 'Projections were based on expected increases in these volumes rather than on potential changes in freight distribution and transportation networks that could occur within Australia because of the additional track. These projections therefore were conservative'.

Mr Deputy Speaker, it is obvious the real benefit of a rail line between Darwin and Alice Springs would be the ability to improve the international trade link between all of Australia and the Far East. This type of forward thinking was not contained in the report. SRI indicated their thoughts on what might occur and what should be studied prior to dismissing the idea. They say Darwin is approximately 2000 to 2500 miles closer to Far Eastern and northern markets than is Sydney. An Asian-bound vessel, therefore, must traverse an additional 4000 to 5000 miles to stop at the port of Sydney as opposed to port facilities at Darwin. This distance translates into about 10 days of steaming time or as much time as required to move cargo from the west coast of the United States to Japan. These extra costs make Australian exports less competitive in Far Eastern markets and add to the cost of imports from the markets. With a rail link at Darwin, Australia would have the ability to consolidate shipments to and from the Far East and to develop the unit train container or flat car concept that has proven to be both popular and profitable in the United States. Unit trains can move cargoes to their ultimate destinations more quickly and at less cost than numerous stops by ocean liners.

In addition to helping make Australian exports more competitive, the port facilities of Darwin could be enhanced to provide container and other facilities that handle large volumes of cargo to be distributed throughout or collected from the rest of Australia. Such single port or limiting port service is becoming more popular with carriers. Minimising time in port is important because of the increased capital costs involved in the larger and more sophisticated vessels. With the great and varied resources of Australia and transportation costs, a critical factor for most bulk commodities, efforts should be taken by the Australian government to minimise transportation time and costs involved in moving these products to ports. The rail link from Darwin to Alice Springs is such an activity and should be seriously considered. In addition, helping to move general freight cargoes into and out of the NT will benefit not only its citizens and consumers of Asian products but its labour force as the ability to generate new jobs associated with increased exports expands.

The reality is that, unfortunately, short-term, political considerations have created a political myopia which is seriously damaging the prosperity of future generations not only in the Northern Territory but throughout Australia. By international standards, Australia has long been a major trading nation but our share of the world trade has fallen continuously since the 1970s. This is due in part to our manufacturing industries which are not sufficiently export-oriented or competitive. The protection policies adopted by governments in post-war years have encouraged inward-looking, import replacement industries. The high tariffs and quotas directly increase the cost of imported goods and, in the long term, create inefficient and uncompetitive local industry. As a result, exchange rates have been kept higher than they would otherwise have been, further restricting the competitiveness of our efficient export industries. Protectionist
policies have given enormous bargaining power to our union leaders. This power has been exploited ruthlessly with corporate managers for short-term gains, pricing school leavers out of jobs and exporters out of the export market and costing consumers plenty. What is needed is a more enthusiastic and vigorous government effort to support industries in negotiations for new markets. It is my intention to outline these new markets and the potential growth industries in more detail during this sittings.