

Australia Needs A Debt Moratorium

Australian food producer Maurice Hetherington was interviewed by Robert Barwick for the Citizens Electoral Council's Weekly Report Jan. 13, 2011 (<http://tinyurl.com/4mv24tk>).



Barwick: We're on the line with Maurice Hetherington from Baralaba in Central Queensland. Maurice is a food producer, a cattle and wheat producer. He's also the former chairman of the CEC, Citizens Electoral Council, for many years. And he's a former councillor on the Banana Shire Council.

Maurice, thanks for joining us. To start with, please describe for the listeners the true economic cost of the Queensland floods, from the standpoint of the functionality of the physical economy.

Hetherington: Oh, there's no limit to this, this is just mind-boggling—the infrastructure that's been destroyed. In a lot of cases the infrastructure was getting old anyhow, so it wasn't capable of handling the water situation. We had one quote here, that the surface water, or the flood waters of Queensland, would cover the entire state of NSW [New South Wales].

So, on the mining industry, which is enormous here in central Queensland—the infrastructure to get the coal out is mind-boggling—the railway lines washed away. It will be a long time getting that back into operation. Gladstone Port Authority has actually shut down, because there's no coal to move; there's no coal coming in, ships are sitting out at sea. There are 18 mines inundated with water. I doubt if you could buy a pump in the nation today, to pump water, because the big guys would have all of them.

So that's the mining industry—mind-boggling—that's one of our main economies here.

The rural industry—well I just feel sad for them. I mean, I'm a 70-year-old food producer, and on the way out. But a lot of the young fellas here, they've lost just about everything, second time around in some cases.

So really, the governments of today are going down the wrong track. The first thing—we're going to have a chronic food shortage in Queensland, chronic. We've got it now, where people are fighting each other in supermarkets to get the pound, the loaf of bread. So that's all gone. We've lost our last food bowl, in Gatton and Helidon. All these other small-crop industries were flooded out a week or two ago, and then yesterday, with Helidon and Gatton—that's the food bowl of Brisbane.

The first thing that I think has to be done is that we have to keep the farmers on the land, and small businesses in their small businesses—that's an absolute priority; and there's no way in the world they can do it in the present system. It has to be a debt moratorium across the board, because they're all indebted up to their ears. Debt moratorium and low-interest credit pumped into the system, as in 2% interest to give them a kickstart and get them going, because they're bled dry, absolutely bled dry.

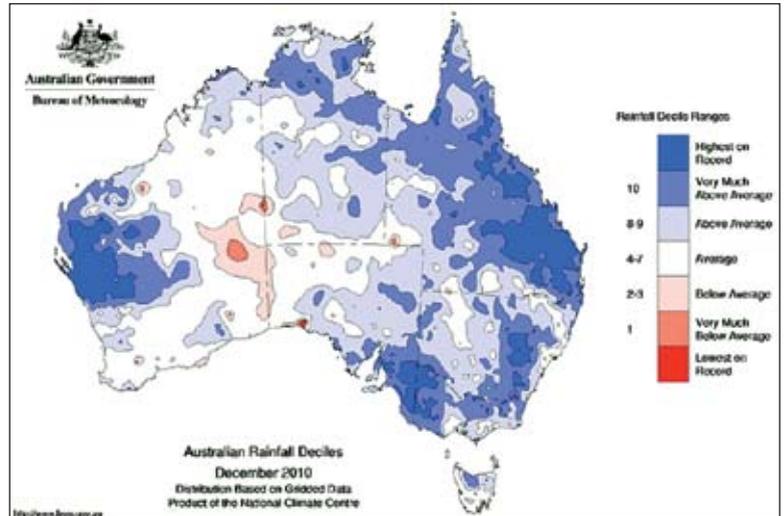
So really, governments have got to go down another track, come back into your old Commonwealth Bank system, or whatever system. There have got to be other methods, other than these little, piddly hand-outs, but the criteria set to get these loans. So I think, really, that's what we've got to do, is keep the farmer viable, producing food, as quick as possible to feed the people.

A Shortage of Milling Wheat

Barwick: It's an important call for a debt moratorium, but can you give people a sense of why that's so important, in terms of the physical challenges that the food producers will be facing in the coming months and year because of this?

Hetherington: Well, there's a limit to how much a koala can bear. You've got people who are carrying debt loads, they were relying on this year's crop; now our wheat crops have gone through, and the bulk of them were sprouted from high moisture. I said two months ago, there's going to be a shortage of milling wheat in

FIGURE 1



this country, because West Australia had massive drought, and Canada and Russia didn't have any wheat. But there will be a shortage of milling wheat. Now, you can't mill sprouted wheat for bread, and that's one of the main food supplements of the Australian people, is bread. Well if we've got no wheat to produce flour, there's a crisis.

Well, then, we've come on now with the smaller crops, the mung beans and chickpeas—that's one of the big crops up here. They're all gone. And then you come down to the watermelons, potatoes, onions—the small croppers around—well they're all gone.

Barwick: When you say gone, you mean washed away by the flood?

Hetherington: Washed away, washed away.

And then the tractors—mind-boggling too. Look, this stuff [the floods] came up so quick that people didn't have time to do much about saving their machinery. Well, you know a tractor is big dollars; the tractor is the lifeblood of the farmer. Without a tractor, he's going nowhere, and they're an exorbitant cost.

Yes, they have to change the system. We cannot go down with this system and say, "Oh well, we'll throw you some crumbs to keep you going." There's an issue here of depression, and that type of thing too. It hasn't sunk in yet, but there's going to be a lot of sad farmers around the place. Because most of them are old anyway, you know. Let's face it, all our sons are working in mines and things. The majority of the farm now

is run by off-farm income—well, the smaller farms anyway.

Physical Infrastructure Devastated

Barwick: And what's the state of the physical infrastructure around you, like the roads and the bridges and rail?

Hetherington: Absolutely devastated. You know, the bits have been washed off the top of roads, bridges destroyed. When you get a bridge over a major waterway destroyed—you're not going to fix that in three days—that's serious infrastructure. But the roads, of course, they'll get by; they've got a five-ton load limit on them—a lot of the roads. Well, how the hell are you going to get a semi-load of cattle to market on a five-ton load limit? And grain, or whatever you're shifting? So everything's ground to a halt, absolutely ground to a halt, and the rivers are still in full flood anyway, so there's a limit to where people can go.

Rockhampton's an interesting exercise—completely cut off, running out of food. And now Brisbane—that's the irony of it. The Brisbane people no doubt would have thrown money in the billy [cooking pot] to help the country people, on that money they were raising. And now they're in the same boat—we should probably give it back to them.

People Have To Eat

Barwick: So Maurice, in your view, if the government insists on a free-market response to this—a little bit of money to prime the pump, but otherwise, let the market take care of who survives and who doesn't—what can food producers in Queensland be expected to face?

Hetherington: It's all over, if they do that—we've had enough of this free-market looting. We've never got a fair price for our commodities right down the line; the cartels have always made the profits. *There has to be a massive paradigm-shift in the system now, and this is the wake-up call.*

Even years ago, we used to fight against this cashless society system. Well, there's a generation out there now who realize their plastic card's not worth a cracker, they've been buying a Mars Bar with a plastic card; now they can't get credit, they're stuck out somewhere in some town on holidays with a bunch of kids to feed, and they've got no finance.

So finance, fuel, and food are the three big issues for

the next two months, and from then on, getting the show going.

But it is, it's an *enormous* thing. We've had plenty of cyclones in Queensland, but we usually get them in a section of Queensland, but this has wiped the whole state out. And now it's heading down your way [to Melbourne, Victoria] of course. That's the thing.

And we're only just starting on the wet season too, I might add. They've predicted another five cyclones before March. So. I'm not being a gloom-and-doomer; I'm just facing reality. This is reality, and people have to eat, and if they haven't got people producing food, they've got nothing to eat!

Barwick: So you're calling for a debt moratorium as the most important thing the government can do straightaway?

Hetherington: Well that's the first light that'll give the farmers a bit of incentive to get into the mud. And, you know, there's a thousand miles of fences to fix up here for a start.

And there's another issue too: We need a workforce, big time! But we can't bring them out on the farms now, with all these safety regulations and bureaucracy—that's ridiculous—that's all got to go by the board. You know, indoctrination, or whatever they call it, you've got to be inducted to start a chainsaw, or accredited, or some other rubbish.

Now it's all over. We have to get serious now, in the workforce here. We've got these blokes in these detention centers. We're fattening them; they're sitting doing nothing. Bring them out here, and put them to work. They can fix fences. I'll soon show them how to do that. But then, you've got minimum security prisoners—put them to work, because we haven't got the workforce out here to get these fences back up, and just your general maintenance, not heavy maintenance, but general maintenance. And fences,—you've got no idea the amount of fences that have gone—unbelievable.

Barwick: Well, Maurice, thanks very much for that, I think you've given the listeners a good sense that they're not really getting through the media, which tends to focus on the more sensational things. The physical economic cost is quite stark and this underscores the need for—as you said—a paradigm-shift in the way government functions, if Australia is going to survive this.