



# the IPA review

THE INSTITUTE OF PUBLIC AFFAIRS — MELBOURNE, VICTORIA

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## Editorial

A decade has passed since the war. It is fitting that we should begin the first "Review" of this year with a broad interpretation of the post-war world economic and social scene. We have been fortunate to secure a paper written specially for us by a famous Australian, Sir Douglas Copland, which will contribute to a clearer understanding of the significant trends that are occurring. His extensive background of experience and his recent work as Chairman of the Economic Committee of the United Nations make Sir Douglas uniquely qualified for this task.

The time is also appropriate for a stock-taking of our own position in Australia. Australia has come a long way since the war. We have been passing through a period of unparalleled development. Population has increased by over 1½ million. There has been a spectacular expansion of secondary industry. Increases in yields and output bear witness to the remarkable advances in application of scientific and mechanical methods to primary industry. Vast new public projects are proceeding in every State of the Commonwealth.

These immense forward strides have not been achieved without giving rise to stresses and strains in various parts of the economy. Some of the cracks have been plastered over but they are making their presence felt increasingly. Our costs are threateningly high. The continuation of import restrictions (introduced three years ago) is clear evidence of a persistent difficulty with the overseas balance of payments. After a brief period of stability further inflation may be pending. The export market is becoming more selective and competitive. Australia is confronting serious trading problems. The rigidity of certain articles in the General Agreement on Trade and Tariffs (G.A.T.T.) is making it difficult for us to protect traditional markets.

The easy days are over. It is becoming clear that much of Australia's rapid post-war development has been nourished and sustained by wonderful post-war prices for wool and other export commodities, and the large inflow of overseas capital which these encouraged. Indeed, the dependence of the economy on a single commodity, wool, has in recent years given rise to a growing unease. It was with this in mind that we arranged in this "Review" for a symposium of views on the policies that Australia should follow in the event of a steep recession in export income. (See pages 19-28) Fortunately, this does not seem likely at the moment, but it is as well to be prepared. Far too little thought has been given to a matter which could conceivably become one of the utmost urgency.

If the development and economic progress of Australia is not to be slowed down and if the improvement in living standards is to be maintained, it is difficult to avoid the conclusion that we must now look increasingly to our own efforts. Greater national productivity has become a pressing, inescapable need. This is perhaps the great economic challenge which faces us over the next decade.

It will be successfully answered only by management which gives able and enterprising leadership, by willing and friendly co-operation between employers and employees, and by more effective work at every level.

A handwritten signature in black ink, reading "George Coles". The signature is written in a cursive style with a large, looping initial "G".

Chairman of the Council.