

## Helping out

THE GOVERNMENT'S plans for a Structural Adjustments Board are basically a sensible and essential part of the reform of tariff policy in Australia. The need for adjustment assistance was first pointed out by the Tariff Board a decade ago in an Annual Report. However, the suggestions raised then were steadfastly ignored until the present Government's decision to cut tariffs by 25 per cent, when it was realised, wisely, that it would be necessary to assist firms and employees to cope with problems of adjustment that would inevitably arise. The present proposals, of course, are for an on-going agency and do not relate simply to any difficulties that might arise from the 25 per cent across-the-board cut.

Because they are unfamiliar, the Government's proposals with their elements of Government intervention, the buying out of firms and the guarantee of loans, may give rise to charges of "socialism." Such charges would be unfounded. The aims of the scheme in fact have much more to do with free enterprise and the efficient allocation of resources. The only element that might be called "socialist" is the determination to assist and compensate those affected by changes made. This will be done through temporary income guarantees to employees, closure payments to firms affected and certain other assistance. However, such assistance is only to be temporary and reflects the quite reasonable judgment that it is unnecessarily Draconian to simply throw firms and employees onto the free market on the basis of the devil take the hindmost. That judgment would be generally accepted in today's mixed economy, as it should be.

But the underlying philosophy of tariff reform is much more rigorously free enterprise than the Liberal-Country Party Government was ever prepared to contemplate. It accepts that major areas of

Australian industry are inefficient and/or uneconomic, and that in the interests of the economy as a whole and the national standard of living these industries must be either rationalised into more efficient units or, if that is not possible, closed down. In the past the response to the problems of such industries was to extend ever-higher levels of tariff protection, thereby pushing up costs in the economy generally, distorting resource use and lowering economic efficiency and the standard of living of all Australians.

Such structural adjustments cannot, of course, be accomplished painlessly and the aim of the SAB is to cushion the impact of change on the firms and employees involved. Such an approach is not only socially just, but represents economic commonsense. The community, much less those involved, could hardly be expected to accept the necessary structural changes if they were to take the form of severe disruption, unemployment and heavy capital losses. The operations of the SAB will need to be integrated into any proposals Mr Cameron brings forward on manpower policy. They assume particular importance in the economic circumstances now developing in Australia.

This sensible proposal must not, however, be allowed to develop into an alternative method of keeping uneconomic industries going. In fairness it must be said that the form of the Government's proposals do not suggest that it will be. And it has the advantage over tariff protection, whose costs are diffused and hidden, that it will be possible to put a specific cost figure, in terms of tax dollars, on its operation. The major reservation must be that the Government has still to demonstrate that it can translate its proposals into workable policy. There are some formidable problems involved. Failure can only entail very considerable social and economic costs.

## Argentina after Peron

JUAN DOMINGO PERON was an awkward figure for those who like to classify dictators in left or right pigeon-holes. A working-class woman's illegitimate son who made good in the cavalry, he won power in 1946 in a campaign against the rich and on behalf of the "shirtless ones." He used his power to give more work and pay to the poor, while suppressing free trade-unions. He laid down a legal foundation for social justice while imprisoning rivals and critics from all classes. He harassed the United States and multi-national corporations; yet he was indubitably a Fascist. Inflation, increasing repression, the death of his wife, Evita, and a quarrel with the Roman Catholic Church all helped to bring about his fall after only seven years.

Yet he was no ephemeral force. The mystique of Peronism continued to have quasi-religious force in Argentina, with the aging ex-dictator — living abroad in conspicuous luxury — cast in the role of saviour and with Evita as martyr-saint of the "shirtless ones." And it was to this

mystique that Argentina's generals — having over 20 years tried almost every expedient in search of political stability — turned last year in a bid for national unity.

The bid was failing badly. Peron's economic discipline, based on rigid prices-and-incomes restraints, was producing bankruptcies, shortages, black markets, strikes. Urban guerilla movements were irreconcilable and indestructible. His own Peronista movement was badly split between the conservatives of his old State-controlled trade-union movement and a new radical generation. His death — the end of a sickness which began soon after his election last September — ends a chapter of near-failure. The new President, his widow, has none of the ability and charisma of Evita and seems bound to be a figure-head, probably a temporary one. Argentina's retreat to mysticism is over. More seriously, so is its brief, already fading reprieve from division, volatility and violence. Presumably the Army will have to shoulder its burden again.



## The Blue Mountains —

By IAN HICKS

THE Blue Mountains — three words which hardly need explanation. Everyone knows they mean quiet, remote fastnesses of unspoiled bushland, slashed by steep escarpments watered by crystal creeks, dotted with quaint villages.

In fact, that is what they meant — once. And without a swift and determined rescue operation the gap between what used to be and the ugly reality will become an unbridgeable chasm.

For the Blue Mountains are teetering on the edge of environmental catastrophe.

Already most creeks in the mountains are contaminated by effluent, some of them so badly that they are unfit for bathing. Indiscriminate rubbish-dumping and chemical run-off have severely damaged their natural vegetation.

The irony is that the natural attractions of the Blue Mountains are the seeds of the district's destruction.

As more and more suburbanites flee polluted, congested Sydney in search of peace and fresh air, they destroy the very thing for which they search.

One of the greatest destroyers is the motor car, which sours the air with exhaust fumes and turns the Great Western Highway into a rumbling ribbon of steel.

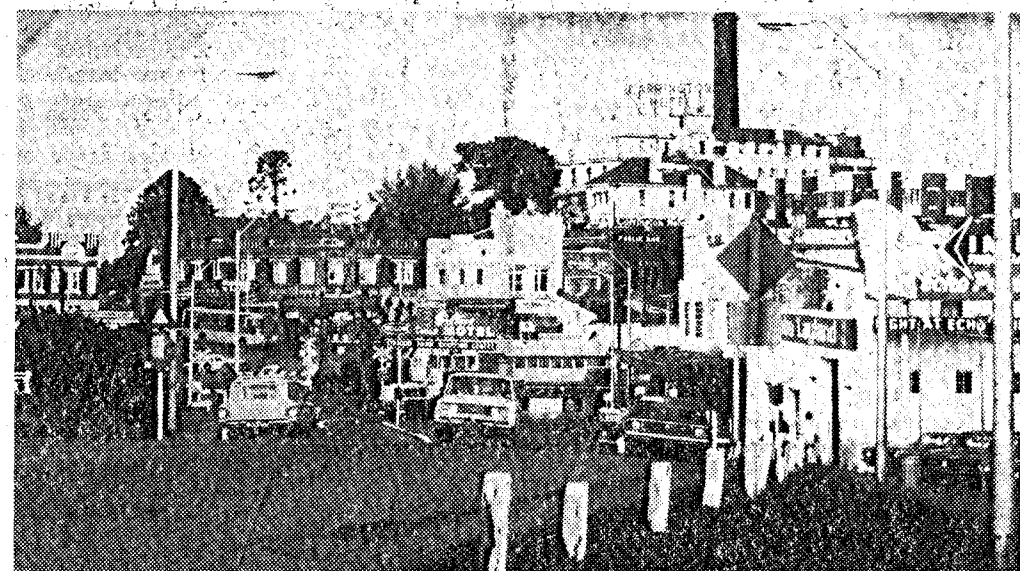
Somehow a balance needs to be found between the preservation of the Blue Mountains and the needs of the people who live there or who visit the area.

The first step towards reaching that balance is taken in a \$50,000 strategy plan prepared for the Blue Mountains City Council by Urban Systems Corporation. The money was provided by grant from the Federal Department for Urban and Regional Development.

The plan notes that the mountains already have a draft statutory planning scheme; it has attracted more than 3,000 objections and has already been modified by development appeals.

This scheme is seen as negative, static and inadequate, mainly because it fails to recognise "deep-seated and fundamental conflicts" in the area.

The strategy plan maintains that no single solution will suit



Visual blight — the Great Western Highway at the entrance to Katoomba.

## on the verge of catastrophe

the entire Blue Mountains region.

It therefore proposes five alternative development strategies — the fourth is largely the existing statutory scheme — and suggests that different alternatives might need to be adopted in various parts of the region, even between neighbouring towns.

Broadly, the alternatives range from minimum to maximum growth of housing, industry and commerce, and the various services each requires, within the Blue Mountains.

The first alternative — the green alternative, if you like — would provide for a population of 47,000; that's about 7,000 more than the present population.

Urban growth would be confined to redevelopment of existing built-up areas, plus a limited amount of new construction on sites covered by building permits already issued.

There would be no flats and little medium-density housing.

The only transport programs would be improved roads for through traffic —

perhaps a four-lane highway to the Orange-Bathurst growth centre — and tourist traffic.

And there would be a maximum effort to conserve, restore and protect the natural environment through major acquisitions of privately owned virgin land and undeveloped subdivisions.

This plan would even involve buying back subdivisions for which some services and utilities have already been provided, and the cost would be high — about \$95 million.

So what would the fifth — let's call it the grey — alternative look like?

Its most striking point is that it would provide for a population of 275,000-plus.

Accessible areas of the mountains would be as crowded as Pitt Street at Friday lunchtime, "wilderness" areas would become a joke, and the Hawkesbury Basin and natural park areas would be grossly polluted.

A ribbon of urban development would unwind through the lower mountains, converting the Great Western Highway into another Parramatta Road.

The views which draw people to the mountains would be seriously impaired; there would be a huge fire risk; historic buildings and Aboriginal sites would be lost for ever.

The grey plan would not be all bad, of course; for housewives and young people, particularly, the Blue Mountains would become a livelier place in which to live, with expanded job opportunities and leisure facilities.

But a vast number of people would still be commuting to and from Sydney — perhaps as many as 70,000 compared with 10,000 under the "green plan."

With peak-hour trains running every three minutes, fewer than half of the number of commuters in the "grey plan" could travel by rail. The rest would have to travel outside peak hour, or by car on a 12-lane highway.

Finally, the services for a population of 275,000-plus would be huge — about \$100-million would be required for water supply and sewerage alone.

It might seem that the "green plan" should automati-

cally be accepted, but that would hardly be fair to the people who live in the mountains today.

There is an urgent need to correct the weird social imbalance that divides the Blue Mountains into two distinct areas — the Upper and the Lower.

In the Upper Blue Mountains there is a predominantly aged population; the young have fled to Sydney, leaving serious social problems in their wake.

In the Lower Blue Mountains, where population growth is booming, there are thousands of young people with nothing to do but get into trouble.

Young couples move into the area and the husband begins the weekday drag to and from the office, spending between three and six hours in a train, or more on the roads, each day.

Add to that time his eight-hour stint in the office and you get the number of hours each day — 11 to 14 — that his wife spends alone or with young children in an area where she has no friends and no community facilities with which to break the monotony.

For such people — frightened widows, bored teenagers, lonely wives — the beauty of the view tends to pall after a while.

The strategy plan asks the questions inherent in the future development of the Blue Mountains, suggesting possible solutions and putting the arguments for and against each.

In summary, it provides no answers, merely poses one question: "How long will the conflicts and problems emerging from growth in the mountains be allowed to continue before controlling measures are taken or before irreparable damage to the environment occurs?"

"The Blue Mountains City Council must decide now whether to pursue clear and positive planning policies or whether to continue with an ad hoc approach to development and conservation."

How to embrace the former and abandon the latter?

The first step is to exhibit the plan — and as widely as possible — so that local residents and, indeed, anyone interested in the future of one of Australia's greatest natural assets can say what they think of it.

There is unlikely to be a scarcity of comments.