



PRIME MINISTER

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ADDRESS AT THE OPENING OF THE P.T. JAMES HARDIE ASBESTOS,
INDONESIA

The factory which the President is opening today, P.T. James Hardie Indonesia, is Australia's largest joint venture investment to date in Indonesia.

Though Australia had not traditionally been a significant exporter of private investment capital, Australian companies have, in recent years, shown a keen interest in participating in projects in neighbouring countries.

Indonesia, in particular, has been a focus for Australian investment and now draws more private Australian investment funds than any other country in the South East Asian region.

This is James Hardie's second joint venture project in Indonesia and a number of other leading Australian companies among them B.H.P., C.S.R., A.C.I., C.I.G., and Monier, also are contributing to the economic development of your country.

The Australian Government is conscious of the contribution Australian private investment, accompanied by technical know-how and managerial skills, can make to the growth of other countries.

Our policy is to encourage such investment, especially on a joint venture basis, provided it is in harmony with the host country's social and economic development plans and its investment policies and procedures. Australian industry was quick to respond to the attitude of your Government to foreign investment. Early approval was given to an investment that has now become a household word in Indonesia - Indomilk - a joint venture between N.V. Marison, and the (then) Australian Dairy Produce Board.

Australian industry's confidence in Indonesia's economy prospects has been expressed in joint venture investment in many fields. Manufacture of steel roofing and wall cladding, aluminium extrusions, industrial gases, zinc oxide, glass containers, roof tiles, ready-mix concrete, drums for oil industry, and in tin mining.

Our own approach to foreign investment in Australia has been to encourage joint ventures while recognising the great contribution that such investment can make to development. At present, the Indonesian Government has approved 46 Australian proposals for joint ventures which together represent a joint commitment of some A\$156 million.

Apart from Australian investment in Papua New Guinea, which is a somewhat special case, Indonesia is by far the greatest recipient of Australian investment. I believe that Australian business has been careful to comply with the wishes of your Government relating to foreign investment.

That Indonesian financial participation should be widened as time goes on, and that a transfer of know-how should take place at all, levels of the joint venture through training for Indonesian employees.

This factory employs a large number of Indonesians in both production and managerial operations. They will benefit from the success of this enterprise. I hope, therefore, that this joint venture will receive the support of Indonesian contractors who require asbestos pipes and sheets, and of course the various Departments of the Government of Indonesia who are substantial users of the products made by this company.

As countries we both recognise the great importance of encouraging the enterprise and initiative and the benefits that can flow from such enterprise to all our people.

I wish James Hardie well.

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