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PRIME MINISTER

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"EXPORT NOW" CAMPAIGN

It's a great pleasure to address this conference and to launch the "Export Now" Campaign.

Some people might say that the first thing we should export are our politicians. But in all fairness I must warn you that such action would be viewed by our trading partners as an act of war and in breach of the international conventions against cruel and inhuman weapons. Nevertheless, we must export our goods and services for it's largely by selling what we have that we can get what we want.

What we all want for Australia is economic growth, rising living standards, and greater employment opportunities. This national export campaign concerns all Australians, so it is fitting that there are representatives of all sections of our nation here today. Your presence here is clear evidence of a determination to help Australia "export now". Your leadership is crucial to the success of this campaign.

In the 1960's we had the highly successful "Export Action" campaign and now, as then, we rely on export earnings to pay for our imports and keep the Australian dollar strong. Now, as then, we rely on exports to develop our industries and employ more Australians. Now, as then, the need for exports is compelling, but Australia has changed enormously over the last 20 years.

Just look at our language - twenty years ago "to be busted" meant you were out of money; "to be a swinger" meant that you liked jazz and "to be gay" was simply a mood. Australian exports have also changed dramatically. In 1952/53 our major exports comprised 5 percent manufactures, 7 percent minerals, and 83 percent farm products. By last year those proportions had been transformed to 21 percent manufactures, 31 percent minerals and farm products were only 43 percent -- although we're hoping that this will be up a bit this year.

The markets in which Australia trades have also changed. Our traditional market was the United Kingdom. In 1953 more than one third of our exports went there and there were only a dozen countries to which Australia exported more than \$10 million worth of goods. Today, the U.K. takes barely

four percent of our exports; 64 countries take more than \$10 million worth of our exports; and 22 countries take over \$100 million. It is now Japan that takes a third of our products. China is now our fourth largest export market.

ASEAN is now a major customer -- our exports to ASEAN countries have risen 260 percent from \$329 million in 1971/72 to \$853 million in 1977/78. And, in turn, even in the sensitive areas such as footwear, textiles and clothing, we are a large importer of ASEAN products. If the United States, the E.E.C. and Japan took the same per capita quantity of these items from ASEAN as we do, ASEAN would be selling \$1,000 million more.

On any reasonable comparative basis -- which must include embargoes, quantitative restrictions and subsidies as well as tariffs -- we have an open trading policy. While 40 percent of our exports face significant non-tariff barriers in some world markets less than 7 percent of our own imports are subject to non-tariff barriers. Even in the case of the imports upon which we impose restraint a considerable part of the Australian market is available for overseas goods. For example, in the case of motor vehicles, 20 percent of the Australian market is available for imported cars although I believe that the quality of Australian cars will make it hard for foreign makes to sell in Australia. But if we consider the position in Europe - despite the advantage their manufacturers have - market access is much more restricted. Furthermore, our agricultural goods are almost totally excluded from important world markets like the E.E.C.

A large part of our trading future lies in Asia but to ignore other markets in Europe would be to compromise the national interest. Europe is one of the world's largest and most affluent markets. It is important to us. We object to our efficient producers being unfairly excluded from many parts of that market. And it is not just a question of access to Europe.

Australia's sales in other overseas markets are undercut by European agricultural and wage subsidies which on some counts run as high as \$25 billion. We can spend years developing a market in Asia only to have it taken away from us by subsidised European products. There is no way that a country with 14 million can compete with the subsidies financed by 260 million Europeans. We cannot ignore European policies -- it is not just a question of access, it is also a question of the disruption of other markets in which we sell. As a trading nation we must be concerned with Europe and its policies. And as a trading nation we have to become more competitive. We have to get out and sell; we have to do better than our competitors; we have to get a larger share of markets in Australia and overseas.

Australia is a great raw materials exporter -- but we cannot be satisfied with that. We have abundant cheap energy and we want to process more materials. Together with the States we are examining how this can be done.

We must diversify our markets - overdependence on any one buyer is not good business sense and it is not good export sense. We must diversify our exports. Traditionally Australia has relied on primary industry, minerals and on some manufactures for its export earnings. Australia will be stronger if our exports are more diverse.

We must exploit our advantages in abundant resources; our highly skilled labour force; our management and production talents.

We need to embrace, not reject, the new technology. By doing so new industries will develop, new products will be sold, and more people will be employed.

During part of the 1970's there were reasons why our manufacturing exports did not increase as fast as we hoped. Inflation eroded our competitiveness. Costs in Australia sky-rocketed. Average weekly earnings in Australia increased by 45 percent over the two years 1972/73 to 1974/75. The investment allowance was discontinued. Uncertainty delayed investment decisions. So it was perhaps understandable that Australian manufacturers lagged behind in world markets.

But we are now in a position where Australian industry can compete. We are more competitive than at any time during the last seven years. Contracts are being written for products and in markets that would have seemed beyond reach only a few years ago. But it is up to Australian manufacturers -- and of course our traditional exporters as well -- to take full advantage of the opportunities we have in world markets.

The timing of the "Export Now" campaign is no accident. It has been made possible by Australia's success in lowering inflation. Lower inflation creates confidence and is a vital stimulus for our exporters.

The Government has also introduced a package of measures to assist exporters, although I cannot think of a better incentive than having a lower inflation rate than that in your competitor's country. There is: the expanded Export Market Development Scheme, which assists exporters to develop new markets; the Export Expansion Grants Scheme to encourage exporters to expand their markets; the Australian Overseas Projects Corporation to assist Australians with large-scale projects overseas; and the Export Finance & Insurance Corporation which now has an expanded charter to allow it to provide export credit, and limit some of the risks of overseas ventures. The recently established \$50 million credit line to China is an excellent example of the way in which E.F.I.C. funds can back Australian exporters entering new and expanding markets.

Australia's trading opportunities are vast. One need only look at the Middle East to see the possibilities for our exporters of foodstuffs, materials, manufactures, consultancy services and know-how.

Australia is already capitalising on this new market. In the five years to 1977/78 our exports to the Middle East grew at an annual rate of 41 percent. That is only a beginning -- and the outlook for oil revenues suggests further massive increases in the wealth of some countries in this area.

The opening up of the China market presents further exciting opportunities for Australian traders. Our export sales to China have been increasing at over 40 percent a year. We are a technologically and industrially developed middle power. We can contribute to China's modernisation and, because of our geography, because we are a middle power, we are better placed than many to take advantage of the new opportunities opening in China.

In the region of the East and South East Asia many countries are rapidly industrialising and real incomes are growing at a rate faster than more advanced economies.

Singapore, Hong Kong and South Korea are prime examples -- all offer excellent prospects for Australian exporters. India has a real interest in obtaining long term and reliable supplies of hard coking coal from Australia. There is no shortage of opportunities -- the time has come for a united effort by all Australians to take advantage of them.

The success of this campaign is important. It will require determined, sustained effort, marketing flair, and ability to perform when contracts are won.

Shortly the three winners of the Governor-General's award for export excellence will be announced, but there are many more organisations which have achieved notable export successes. A Melbourne-based company has won a multi-million dollar contract to supply and erect a number of motel units in China - complete with cars! Wormald International sold the Chinese a fire protection system for a power station.

We have companies exporting plastic kitchenware to Japan, door knobs to the United States - that should open some other markets, concrete pipe making technology to the U.S.S.R., visual education equipment to Africa and South America, Analog computers to many countries, and fishing boats, quarrying and mining equipment to South East Asia. Many other examples could be given of Australian companies - some even labour intensive - exporting effectively.

• "These "export experts" have shown the enterprise that Australia needs. There is a world of opportunity awaiting them and companies like them and the Government has shown its determination to provide the backing to support their efforts.

It is vital for Australia that our companies make export part of a long term strategy for growth. A strong and growing export sector is a prerequisite to a strong and growing Australia. It deserves the highest rating in our priorities.

It is through our own efforts that we will be able to export more and create more jobs. To achieve export growth we need to act now -- we must "export now".

Ladies and gentlemen, I have great pleasure in opening this conference and launching the "Export Now" campaign.

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