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PRIME MINISTER

CHECK AGAINST DELIVERY

EMBARGO 7.30 PM

SPEECH BY THE PRIME MINISTER
OPENING OF WORLD TRADE CENTRE
MELBOURNE, 30 SEPTEMBER 1983

I AM SURE YOU SHARE WITH ME THE SENSE OF PLEASURE AND GRATIFICATION AT BEING ABLE TO ATTEND THIS CEREMONY. THE MELBOURNE WORLD TRADE CENTRE IS THE FIRST WORLD TRADE CENTRE TO BE ESTABLISHED IN AUSTRALIA. IT IS PART OF AN IMPRESSIVE NETWORK. SINCE THE FORMATION OF THE WORLD TRADE CENTRES ASSOCIATION IN 1968, 33 WORLD TRADE CENTRES HAVE BEEN BUILT, 8 MORE ARE UNDER CONSTRUCTION, AND 29 ARE BEING PLANNED. THIS IS AN IMPRESSIVE RECORD OF SUCCESS.

OF COURSE THE ASSOCIATION IS NOT ONLY ABOUT BUILDINGS - AND THIS ONE IS TRULY IMPRESSIVE IN ITS CONCEPTION AND DESIGN. THE ASSOCIATION ALSO AIMS TO ENCOURAGE MUTUAL ASSISTANCE AND CO-OPERATION AMONGST MEMBERS AND TO PROMOTE INTERNATIONAL TRADE.

IT IS LOGICAL THAT THIS FIRST WORLD TRADE CENTRE BE ESTABLISHED IN MELBOURNE. MELBOURNE IS THE BASE FOR ABOUT HALF AUSTRALIA'S BUSINESSES AND THE PORT OF MELBOURNE IS THE LARGEST CONTAINER PORT IN THE SOUTHERN HEMISPHERE HANDLING ABOUT 40% (IN 1981/82) OF AUSTRALIA'S CONTAINER CARGO TRADE.

IN THE FUTURE I WOULD EXPECT AN INCREASING EMPHASIS UPON USING WORLD TRADE CENTRE FACILITIES. I HOPE THAT THE CONCEPT, AS IT IS DEVELOPING, GOES FROM STRENGTH TO STRENGTH AND THAT THE ASSOCIATION IS CONTINUALLY ABLE TO ADAPT ITS FUNCTIONS AND ACTIVITIES TO MEET THE NEEDS AND OPPORTUNITIES WHICH ARISE IN THE INTERNATIONAL TRADING SPHERE.

THE OPENING OF THE CENTRE COINCIDES WITH A RECOVERY IN U.S. ECONOMIC ACTIVITY, ONE THAT HAS BEEN QUITE VIGOROUS IN ITS EARLY STAGES. THIS RECOVERY CAN BE EXPECTED, IN TIME, TO SPREAD TO OUR OTHER MAJOR TRADING PARTNERS, BRINGING WITH IT THE PROSPECT OF IMPROVED GROWTH IN WORLD TRADE. ALREADY THIS HAS BEEN REFLECTED IN IMPROVEMENTS IN SOME COMMODITY PRICES - A SHIFT OF DIRECT BENEFIT TO SOME AUSTRALIAN EXPORTING INTERESTS.

AT THE SAME TIME WE SHOULD BE WARY OF EXAGGERATED OPTIMISM ABOUT THE RECOVERY. THE LONG AWAITED WORLD RECOVERY WILL BE ACCOMPANIED BY FIERCE COMPETITION FOR THE LIMITED SHARE OF ITS BENEFITS. INTERNATIONAL COMPETITION, EXACERBATED BY FORMIDABLE PROTECTIONIST FORCES PUT IN PLACE OVER THE LAST DIFFICULT FEW YEARS, WILL BE INTENSE.

I AM SURE THAT EVERYONE HERE TODAY REALISES THE IMPORTANCE OF INTERNATIONAL TRADE TO AUSTRALIA. I REGRET THAT AUSTRALIA'S TRADE PERFORMANCE ^{HAS BEEN} IN A SERIOUS DECLINE WITH OUR SHARE OF WORLD EXPORTS FALLING FROM 1.7% IN 1970 TO 1.3% IN 1982. AUSTRALIA HAS SLIPPED FROM 13TH TO 16TH PLACE AS A WORLD TRADING NATION IN THE SAME PERIOD.

THE PICTURE IS THE WORSE WHEN IT IS REALIZED THAT FOR MUCH OF THIS PERIOD WORLD TRADE HAS ITSELF BEEN SEVERELY DEPRESSED AND THE IMMEDIATE OUTLOOK IS NOT BRIGHT. ACCORDING TO THE GATT THE VOLUME OF WORLD TRADE GREW HARDLY AT ALL IN THE FIRST HALF OF THIS YEAR AND IS LIKELY TO GROW BY ONLY 2% IN THE SECOND HALF. THIS COMPARES WITH WORLD TRADE GROWTH OF 11% IN 1976 WHEN ECONOMIES RECOVERED FROM THE 1974-75 RECESSION. OBVIOUSLY THE PATH AHEAD WILL NOT BE AN EASY ONE.

MY GOVERNMENT'S OVER-RIDING CONCERN HAS BEEN TO ESTABLISH THE BASIS FOR A SUSTAINED ECONOMIC RECOVERY IN AUSTRALIA. THE CONTINUING HEALTH AND WELL-BEING OF OUR ECONOMY RESTS TO A GREAT EXTENT UPON OUR ABILITY TO TRADE COMPETITIVELY ON INTERNATIONAL MARKETS.

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IT IS VITAL THAT WE INCREASE THE CONTRIBUTION THAT EXPORTS MAKE TO GROWTH IN AUSTRALIA'S GNP, INCOMES AND EMPLOYMENT. THE FALLING OFF IN OUR EXPORT PERFORMANCE HAS TO BE CORRECTED AND I SEE THIS AS BEING ONE OF THE MAJOR TASKS OF MY GOVERNMENT IN CLOSE COLLABORATION WITH AUSTRALIAN EXPORTING INTERESTS. DECISIONS WE HAVE ALREADY TAKEN ON FISCAL, MONETARY AND INCOMES POLICIES SHOULD CONTRIBUTE SIGNIFICANTLY TO RESTORING AND MAINTAINING THE INTERNATIONAL COMPETITIVENESS OF OUR EXPORTS AND REVITALISE OUR EXPORT PERFORMANCE.

MY COLLEAGUE LIONEL BOWEN, THE MINISTER FOR TRADE, HAS RECENTLY ANNOUNCED A NUMBER OF ADDITIONAL MEASURES DESIGNED TO SECURE AN IMPROVED CONTRIBUTION BY AUSTRALIAN EXPORT INDUSTRIES TO EMPLOYMENT AND INCOME. AN INCREASED TRADE PROMOTION EFFORT AND AN UPGRADING OF SUPPORTING SERVICES FOR OUR EXPORTERS IS ENVISAGED.

TO THIS END THE BUDGET PROVIDED FOR INCREASED EXPENDITURE TO UPGRADE TRADE PROMOTION PROGRAMMES IN ASIA, THE MIDDLE EAST, NORTH AMERICA AND NEW ZEALAND. A MORE TARGETTED APPROACH TO EXPORT DEVELOPMENT ACTIVITIES IN THESE AREAS IS PLANNED. AN INTENSIFICATION OF TRADE MISSION ACTIVITY IS ALSO ANTICIPATED. THE OVERALL PROVISION FOR TRADE PROMOTION AND MARKET RESEARCH ACTIVITIES HAS BEEN INCREASED TO \$10 MILLION IN 1983/84 - AN INCREASE OF 50% OVER 1982/83.

AS A MAJOR TRADING NATION AUSTRALIA HAS A PARTICULAR INTEREST IN SUSTAINING AND DEVELOPING CONDITIONS FOR MUTUALLY BENEFICIAL TRADE. JAPAN, WHICH ACCOUNTS FOR 27% OF OUR TOTAL EXPORTS AND 21% OF OUR TOTAL IMPORTS, MUST RANK HIGH IN ANY ASSESSMENT OF THIS INTEREST. WE SHOULD NOT BE TAKING THAT RELATIONSHIP FOR GRANTED. SIGNIFICANT STRUCTURAL CHANGES HAVE TAKEN PLACE IN THE JAPANESE ECONOMY. AUSTRALIA MUST RECOGNISE THEIR IMPLICATIONS AND ADJUST TO THEM.

THE RECENT AGREEMENT BETWEEN MR BOWEN AND JAPANESE MINISTERS TO ESTABLISH A DIALOGUE AIMED AT EXAMINING CONCRETE WAYS OF ASSISTING AUSTRALIAN EXPORTERS TO IDENTIFY OPPORTUNITIES AND MEANS OF PENETRATING THE JAPANESE MARKET OFFERS SOME PROSPECT OF AUSTRALIAN INVOLVEMENT ^{WITH} / PREVIOUSLY UNTESTED SECTORS OF THAT MARKET. IN THE FINAL ANALYSIS, HOWEVER, ONLY APPLICATION OF GREAT RESOURCEFULNESS AND IMAGINATION BY AUSTRALIANS WILL CONTRIBUTE TO THE REALISATION OF THE FULL POTENTIAL OF THE ECONOMIC AND TRADING RELATIONSHIP WITH JAPAN.

MORE GENERALLY
THE SAME IS TRUE / OF OUR TRADING RELATIONSHIP WITH THE COUNTRIES OF THE WESTERN PACIFIC REGION. WHILE THEIR SHARE OF AUSTRALIAN EXPORTS HAS RISEN FROM 37% IN 1962/63 TO 54% IN 1982/83, THE INTENSELY COMPETITIVE CHARACTER OF THOSE MARKETS COMBINED WITH THEIR RELATIVELY HIGH GROWTH RATES PUTS PARTICULAR PRESSURE ON THE INGENUITY AND DRIVE OF AUSTRALIAN EXPORTERS.

THERE IS A NEED TO HAVE A CLEAR UNDERSTANDING OF THE CHANGING TRENDS IN THE ASIAN REGION AND WHAT MARKETS ARE LIKELY TO OPEN FOR GOODS AND SERVICES PRODUCED IN AUSTRALIA. TO THIS END WE HAVE PROVIDED \$1.5 MILLION FOR BASIC MARKET RESEARCH. THIS SHOULD ASSIST TRADE COMMISSIONERS AND AUSTRALIAN COMPANIES TO UNDERTAKE NEW PRODUCT DEVELOPMENT AND MARKET RESEARCH IN OVERSEAS MARKETS.

OUR TRADE COMMISSIONERS HAVE AN IMPORTANT ROLE TO PLAY. A STRONG, RESOURCEFUL AND ADAPTABLE TRADE COMMISSIONER SERVICE IS ESSENTIAL IF WE ARE TO TURN THE TIDE ON OUR DECLINING TRADING PERFORMANCE. THE REVIEW INITIATED BY THE MINISTER FOR TRADE ON THE TRADE COMMISSIONER SERVICE IS I BELIEVE TIMELY. WE NEED TO CONSIDER CAREFULLY BOTH THE IMPLICATIONS OF DEVELOPMENTS IN THE WORLD TRADING ENVIRONMENT FOR THE SERVICE AND AGAINST THE BACKGROUND OF AN APPRECIATION OF THE EXPECTATIONS OF THE BUSINESS COMMUNITY, THE MEASURES NECESSARY TO IMPROVE THE OPERATION AND EFFECTIVENESS OF THE SERVICE.

MY GOVERNMENT IS KEEN TO BREAK DOWN UNNECESSARY BARRIERS - BOTH INTERNALLY AND EXTERNALLY - TO THE EXPANSION OF TRADE. HOWEVER, PROGRESS IN THIS AREA REQUIRES CO-OPERATION BETWEEN FEDERAL AND STATE GOVERNMENTS. THE ATMOSPHERE FOR SUCH CO-OPERATION HAS IMPROVED RECENTLY AND MY GOVERNMENT HOPES

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TO ENCOURAGE FURTHER CO-OPERATION BY ESTABLISHING JOINT TRADE PROMOTION CAMPAIGNS IN COLLABORATION WITH THE STATES. THIS PROGRAM WILL COVER EXPORT PROMOTIONAL ACTIVITIES OF PARTICULAR INTEREST TO THE STATES SUCH AS MISSIONS TO OVERSEAS MARKETS, INVOLVEMENT IN OVERSEAS FAIRS AND DISPLAYS, SPECIAL TRADE VISITS AND TRADE PUBLICATIONS.

THE GOVERNMENT IS VERY CONSCIOUS THAT MORE EFFECTIVE EXPORT CREDIT POLICIES ARE NEEDED IF AUSTRALIAN EXPORTS ARE TO BE MADE SECURE AND DEVELOPED TO THEIR FULL POTENTIAL. THE INTENSIFICATION OF CREDIT COMPETITION IN INTERNATIONAL TRADE IS A STRIKING FEATURE OF THE CONTEMPORARY WORLD TRADING ENVIRONMENT. ACCORDINGLY IMPROVING THE SUPPORTING SERVICES AVAILABLE THROUGH THE EXPORT FINANCE AND INSURANCE CORPORATION (EFIC) IS COMMANDING OUR PARTICULAR ATTENTION.

THE GOVERNMENT CURRENTLY HAS UNDER CONSIDERATION A NUMBER OF PROPOSALS DESIGNED TO IMPROVE THE EFFECTIVENESS TO EXPORTERS OF FACILITIES PROVIDED BY THE EFIC. THESE PROPOSALS GO TO SUCH MATTERS AS:

- THE OPERATING POLICY OF EFIC;
- EFIC COVER AGAINST THE RISK OF NON-PAYMENT ARISING FROM POLITICAL CAUSES;

- THE RESTRICTIONS WHICH GENERALLY LIMIT EFIC'S SERVICES TO THOSE NOT NORMALLY AVAILABLE FROM THE PRIVATE SECTOR;
- FOREIGN CURRENCY FINANCING THROUGH THE PROVISION OF GUARANTEES TO AUSTRALIAN OR OVERSEAS LENDERS AND THE APPLICATION OF INTEREST RATE SUBSIDIES TO SUCH FINANCING;
- LENDING IN A FOREIGN CURRENCY;
- FUTURE AVAILABILITY OF FUNDS UNDER THE DEVELOPMENT IMPORT FINANCE FACILITY;
- EXCHANGE CONTROL APPROVALS; AND
- THE MATTER OF AN INTERNATIONAL ARRANGEMENT UNDER THE AMBIT OF THE OECD TO LIMIT PROVISION OF OFFICIALLY SUPPORTED CREDIT FOR THE EXPORT OF AGRICULTURAL PRODUCTS.

SOON
DECISIONS TO BE TAKEN ON THESE MATTERS SHOULD, I BELIEVE,
BE OF SUBSTANTIAL ASSISTANCE TO AUSTRALIAN EXPORTERS.

THESE MATTERS SHOULD ALWAYS BE VIEWED WITHIN THE CONTEXT
OF A SOUND INDUSTRY POLICY. SUCH A POLICY WILL BE DIRECTED
TO ACTIVELY DEVELOPING INDUSTRIES WHICH HAVE A POTENTIAL

NOT ONLY TO SATISFY LOCAL REQUIREMENTS BUT TO MEETING THE INCREASINGLY VARIED DEMANDS, OF THE STRONGLY GROWING ECONOMIES OF OUR REGION. IMPORTANTLY THIS WILL MEAN BOTH NEW AND EXISTING INDUSTRIES MAKING EFFECTIVE USE OF NEW TECHNOLOGIES, WHETHER DEVELOPED IN AUSTRALIA OR ADOPTED FROM ABROAD. IN RESPONSE TO BOTH NEW TECHNOLOGICAL AND TRADING OPPORTUNITIES SOME MEASURE OF STRUCTURAL CHANGE IN THE ECONOMY IS INEVITABLE.

THE WORLD TRADE CENTRE CAN PLAY AN IMPORTANT ROLE IN FOCUSING AUSTRALIA'S ATTENTION ON WORLD TRADE. THE CENTRE HAS ESTABLISHED A GROUPING OF ORGANISATIONS INTERESTED IN INTERNATIONAL TRADE IN A WAY THAT HAS NOT BEEN POSSIBLE BEFORE IN MELBOURNE OR INDEED IN AUSTRALIA. FOR THE FIRST TIME A TOTAL SERVICE TO EXPORTERS IS POSSIBLE UNDER THE ONE ROOF. IN A VERY REAL SENSE THE WORLD TRADE CENTRE IS A ONE-STOP TRADE SHOP WHICH COULD BE OF REAL VALUE TO THE AUSTRALIAN TRADING COMMUNITY. THIS MUST LEAD TO GREATER EFFICIENCY IN OUR EXPORT EFFORT, PARTICULARLY THROUGH THE EXCHANGE OF INFORMATION ON COMMERCIAL PRODUCTS AND SERVICES, OVERSEAS MARKETS ETC.

THE ESTABLISHMENT OF THIS CENTRE IS A FURTHER EXAMPLE OF CO-OPERATION BETWEEN THE COMMONWEALTH AND STATE GOVERNMENTS AND PRIVATE ENTERPRISE ORGANISATIONS INVOLVED IN ALL FACETS OF EXPORT. IF THE SPIRIT OF CO-OPERATION CONTINUES INTO THE DAY-TO-DAY BUSINESS OF THE CENTRE IT IS ASSURED OF SUCCESS.

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