SPEECH BY THE PRIME MINISTER AT WELCOME BANQUET XIAMEN, 24 MAY 1986

Your Excellencies, Governor Hu Ping, Secretary Hu Qili Mayor Zou Erfu

I AM DELIGHTED TODAY TO BE IN FUJIAN PROVINCE, AND TO BE IN XIAMEN, HAVING JUST RETURNED FROM THE CITY OF ZHANGZHOU. MANY FUJIANESE HAVE MADE THEIR HOMES IN OTHER PARTS OF THE WORLD - INCLUDING AUSTRALIA - WHERE THEY HAVE MADE GREAT CONTRIBUTIONS TO DEVELOPMENT OF THEIR NEWLY ADOPTED COUNTRIES. FROM WHAT I HAVE WITNESSED THIS MORNING, THEIR KINSMEN WHO HAVE REMAINED IN CHINA ARE ALSO MAKING GREAT CONTRIBUTIONS TO THIS COUNTRY'S DEVELOPMENT. I CONGRATULATE THEM ON THEIR ACHIEVEMENTS.

FUJIAN'S TRADING RELATIONS WITH OUR REGION OF THE WORLD HAVE A HISTORY MUCH LONGER THAN THE MODERN HISTORY OF AUSTRALIA. FAMOUS FUJIANESE NAVIGATORS CHARTED THE WATERS OF SOUTH-EAST ASIA. THEY WERE FOLLOWED BY FUJIANESE TRADERS WHO PLIED THE TRADE ROUTES THROUGH SOUTH-EAST, SOUTH AND SOUTH-WEST ASIA AS EARLY AS THE 15TH CENTURY.

FIVE CENTURIES LATER, THE FUTURE OF FUJIAN'S ECONOMIC DEVELOPMENT, LIKE CHINA'S AND AUSTRALIA'S, IS TO A LARGE DEGREE DEPENDENT ON ITS ABILITY TO DEVELOP FURTHER ITS ECONOMIC RELATIONS WITH THE REST OF THE WORLD - AND WITH THE ASIA-PACIFIC REGION IN PARTICULAR. CHINA'S OPEN POLICY REPRESENTS A FUNDAMENTAL AFFIRMATION OF THIS PRINCIPLE. NOT ONLY IS THIS POLICY SIGNIFICANT IN TERMS OF CHINA'S OWN DEVELOPMENT; IT IS ALSO SIGNIFICANT TO THAT OF THE REGION OF WHICH CHINA IS AN INTEGRAL PART.

THE FUJIAN GOVERNMENT HAS BEEN ACTIVE IN ADOPTING SPECIFIC MEASURES TO IMPLEMENT THE OPEN POLICY IN THIS PROVINCE. IN THE LAST SIX YEARS, THREE ECONOMIC ZONES HAVE BEEN ESTABLISHED AIMED AT CREATING FAVOURABLE CONDITIONS FOR FOREIGN TRADE AND INVESTMENT: IN XIAMEN, FUZHOU AND THE SOUTH FUJIAN TRIANGLE, WHICH INCLUDES ZHANGZHOU. THE DEVELOPMENT OF THESE ECONOMIC ZONES HAS BEEN A COMPLEX AND CHALLENGING TASK, BUT ONE WHICH I HOPE IN TIME WILL BE RICHLY REWARDING IN ITS IMPACT ON THE ECONOMIC PROGRESS OF FUJIAN AND CHINA.

AUSTRALIAN INVOLVEMENT IN FUJIAN IS INCREASING. AS PART OF FUJIAN'S CONTINUED DIVERSIFICATION OF ITS AGRICULTURAL ACTIVITY IN THE DIRECTION OF EXPORT-ORIENTED CASH CROPS, FUJIAN IMPORTS CONSIDERABLE QUANTITIES OF AUSTRALIAN WHEAT AND IS FOR AUSTRALIA AN IMPORTANT CHINESE MARKET. AUSTRALIA FOR ITS PART IMPORTS A RANGE OF FUJIANESE PRODUCTS, INCLUDING TEA, GARMENTS, FOODSTUFFS AND HANDICRAFTS.

WE HAVE JUST WITNESSED THE OPENING OF THE INTERNATIONAL WOOL COMPANY JOINT VENTURE BETWEEN MACQUARIE WORSTED AND THE ZHANGZHOU JUTE MILL FOR THE MANUFACTURE OF WOOLLEN TEXTILES. IN A SEPARATE PROJECT, BHP, AUSTRALIA'S LARGEST COMPANY, AND IPAC (Export Development Australia) have, in CO-OPERATION WITH THEIR CHINESE PARTNERS, BEEN CONSTRUCTING A CEMENT PLANT IN SHUNCHANG. AND HERE IN XIAMEN, THE AUSTRALIAN FIRM LEIGHTONS HAS COMPLETED AN INITIAL FEASIBILITY STUDY, FUNDED BY THE AUSTRALIAN GOVERNMENT, FOR THE PHASE TWO DEVELOPMENT OF THE DONG DU PORT. THIS WILL INVOLVE THE CONSTRUCTION OF FIVE BERTHS OVER THE NEXT FIVE YEARS AND WILL EXPAND THE PRESENT PORT'S ANNUAL HANDLING CAPACITY TO 8.5 MILLION TONNES - THUS ENHANCING GREATLY XIAMEN'S AND FUJIAN'S CAPACITY TO SERVICE THE REQUIREMENTS OF A RAPIDLY EXPANDING ECONOMY. I LOOK FORWARD TO VISITING THE PORT THIS AFTERNOON, AND TO THE PROSPECT OF AUSTRALIAN COMMERCIAL PARTICIPATION IN THE CONSTRUCTION PHASE.

IT IS, I THINK, AN IMPORTANT POINT THAT THE NATURE OF AUSTRALIAN INVOLVEMENT IN FUJIAN TO DATE - IN THE BUILDING MATERIALS, TEXTILES AND TRANSPORT SECTORS - CONFORMS TO THE FUJIAN GOVERNMENT'S GENERAL DEVELOPMENT PRIORITIES FOR THE PROVINCE. OUR ECONOMIC RELATIONSHIP MUST ALWAYS BE FOUNDED ON THE PRINCIPLE OF MUTUAL BENEFIT.

LADIES AND GENTLEMEN, FUJIAN, CHINA AND AUSTRALIA ARE LINKED BY THE PACIFIC OCEAN - WHICH IN BOTH CHINESE AND ENGLISH MEANS AN OCEAN OF PEACE. LET US CONTINUE TO WORK TOGETHER TO MAKE OURS A REGION OF PEACE IN THE HOPE THAT THE TWENTY-FIRST CENTURY WILL BE FOR THE PACIFIC A CENTURY OF PROSPERITY.

I would like to propose a toast to the health of our hosts in Xiamen, to the health of all distinguished Chinese and Australian guests here today and to the health of China-Australia and Fujian-Australia relations.