



PRIME MINISTER

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AUSTRALIAN EXPORT AWARDS
SYDNEY - 14 NOVEMBER 1987

Over the past four and a half years, one of the most important tasks for Government Ministers has been talking: talking about the serious challenge facing the Australian economy and talking about the concerted community effort required to confront that challenge.

I make no apology for my and my Ministers' frequent speeches, press conferences, Parliamentary statements, doorstops and other comments about these great issues.

Clearly, community awareness of the dimensions of our difficulties is increasing. And that means the essential tasks of rebuilding the economy, and of reshaping attitudes towards greater competitiveness and productivity, are well underway.

Export awards such as these have played an important part in this process. I congratulate the organisers of this award on twenty five years' valuable support of the Australian export drive.

But obviously, only an optimist could believe the job is done.

- The current account deficit is still unsustainably high and our overseas debt continues to mount. We remain heavily dependent for our export income on unprocessed raw materials for others to turn into useful products, and a few very simply transformed manufactures.
- The balance of payments constraint dominates our economic choices and our exposure to the vagaries of international capital markets was all too clearly illustrated by the recent crash.

There are however many rays of light. Tonight is an occasion to celebrate some of them.

This occasion belongs not to Government, nor to Austrade, nor to the CAI, although we might all justly claim some reflected glory.

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The night properly belongs to the 244 companies who applied for this year's awards and who have taken the initiative to compete in the international marketplace and whose goods and services are in some degree bringing home the bacon.

We are going to hear tonight mostly of the award winners and the larger group of finalists from whom those winners were selected, but we should not forget that every applicant had a success to point to and a story to tell of opportunities taken and adversity overcome.

The other day, Bill Ferris of Austrade referred to successful exporters as "national heroes". That status is frequently accorded, and rightly so, to our sportsmen and women who make it in international competition. The praise we give the Borders, the Fenechs and the Gardners is well merited. But how much more important to the future of Australia are the efforts of the national heroes whom we are congratulating tonight.

Now, I don't pretend that these export heroes are acting out of some altruistic patriotism. The profits awaiting the successful exporter overseas are too great for that. For instance, the companies which applied for these awards have consistently over the past five years netted more than twice as much profit on each dollar of export sales as they did on domestic sales.

The companies that applied are not, obviously, a random sample of Australian industry.

For that reason it may be interesting to give you some of the statistics which emerge from the data submitted by the companies which applied for these awards.

They provide a thumbnail sketch of what an Australian company needs to do to make inroads into the export market.

First, practically all of them have deliberately chosen a strategy of exports. They are motivated to export, they have worked hard at it and, as a group, they attribute their success in exports primarily to the drive and persistence of particular executives or other employees.

Successful export, it appears, is very much about people - people who have the capacity to plan, the entrepreneurial skills and the drive to put those plans into practice, and the willingness to go to potential markets, find out what is needed in those markets and come home and do it.

It is therefore most appropriate that tonight, for the first time, there will be an award made for individual achievement in export. Successful exporting is a team sport, but every team has its stars - and there is nothing like an emphasis on the all important human factor to bring home to everyone that their personal efforts do count, however humble or exalted their position in the hierarchy.

Let me list a few more of the statistics about this group of companies.

- . Innovation is alive and well:
 - 100 of them began export in 1983 or later.
 - 99 of them described their export activities over the past five years as being primarily the sale of new products to new markets.
- . Small entrepreneurs have a big role to play in exports
 - Exactly one half of the applicants employed fifty or fewer people. In the short term most of our exports will be generated by large corporations from our traditional export industries. But if we are to break away from heavy dependency on commodity exports it will be substantially through the entrepreneurial and innovative skills fostered in smaller enterprises.
- . Language skills must be more widely acquired:
 - Only 87 companies employed people fluent in at least one of Japanese, Chinese, Arabic or French. On the whole, we are fortunate that so many foreigners do us the courtesy of speaking to us in our own language.
- . New Zealand and the Pacific, South East Asia, West Europe and North America are the most important markets, in terms of sales value, for most Australian exporters.
 - However it seems there are few climes so exotic that some Australian goods and services are not available.

Now, however, let me make some invidious comparisons between the 38 companies which made the finals of these awards and the larger group of applicants. This is not comparing success with failure; to pick up the Ferris metaphor again, it is comparing super-heroes with heroes.

The finalists were more export dependent than the others: over 45 per cent of their sales went to export and 94 per cent of their net profit derived from those sales; the comparable figures for the non-finalists were 12 per cent of sales to export and 28 of their net profit.

The finalists, on average, made over 15 personal visits to their overseas clients in 1986-87, compared with 9 by the others.

A greater proportion of the finalists employed people who were fluent in one or more of Japanese, Chinese, Arabic or French.

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Ladies and gentlemen,

Max Weber gave us the maxim "politics is the art of the possible". He also gave us "Government is slow boring through hard boards".

I hope that is not a description of the Ministerial talking which I mentioned at the outset.

Its relevance is instead that it expresses well the hard work and patience required by the Government, by export companies, by trade unions and by the whole nation if we are to diversify and increase our exports to the degree required.

That I am afraid is a long term task. We cannot expect immediate results.

We can and should however congratulate those companies - including tonight's finalists and award winners - which have begun to take seriously the task of exporting. For that is the task on which our long-term prosperity as a nation so clearly depends.
