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**TRANSCRIPT OF THE PRIME MINISTER  
THE HON. JOHN HOWARD MP  
OPENING OF THE AUSTRALIAN STOCK EXCHANGE/  
CHINA SECURITIES REGULATORY COMMISSION SYMPOSIUM  
BEIJING, CHINA**

E&OE.....

Thank you very much Maurice Newman, the Chairman of the Australian Stock Exchange, to the Minister for Metallurgical Industry, Mr Liu Qi, other distinguished guests, ladies and gentlemen.

May I say how particularly pleased I am to open this very important seminar. Can I congratulate the Australian Stock Exchange and all of those associated in putting this seminar together. I suppose when you think about the market system, when you think about free economies, nothing quite expresses in a more robust and uncomplicated way a market approach to economic management than a stock exchange.

It's impossible to conceive what has become known as the market economy or the market economies of the world without thinking of stock exchanges. Because it is through stock exchanges that equities are traded, capital is raised and judgments are made about the strengths and the future prospects of companies and the stock exchanges of the world are an indispensable, indeed a crucial element of the increasingly globalised economy in which we all live. And when in 1978 the late Deng Xiao Ping began the great opening of the Chinese economy, it was inevitable over time that that opening would embrace a greater concentration on the role of stock exchanges in the economy of China and ultimately, of course, the listing of Chinese securities and companies on the stock exchanges of the world. And that is why I'm so delighted that this seminar brings the Australian Stock Exchange and the people who run it and advise it and the China Securities Regulatory Commission, and I particularly welcome the presence of its Chairman with us today. We had a very brief but lively discussion about the role of his Commission and the interaction of such commissions with the Stock Exchanges both of China and of Australia.

This seminar will be an excellent opportunity for Chinese delegates and our Chinese guests to gain an understanding not only of the listing requirements and the intricacies of the Australian Stock Exchange but also the vast array of services that are associated with the operations of securities markets in Australia.

The Australian Stock Exchange is a very sophisticated operation. It has a high reputation for integrity. It also, I think today, celebrates its 10th birthday as a national exchange having 10 years ago brought together the individual State exchanges of Australia that operated for so long. It has great advantages for Chinese companies, it operates in roughly the same time zone as Beijing. It's electronic trading system is at the leading edge. It's surveillance system and company recording requirements are outstanding and of course it has particular expertise in areas such as mining and construction and building, industry and engineering which is of such great and ongoing importance to Chinese companies and Chinese investors.

Associated with this seminar are representatives of many of the large and reputable legal and accounting firms of Australia and as you move amongst the delegates from Australia, our Chinese guests will meet representatives of what are household names in the legal and accounting professions in Australia. And once again, in that area we bring services that have high reputations in Australia, they are of world class professional capacity and they are part of the very, very deep layers of professional services available to investors in Australia.

This is another occasion in which I want to emphasise the partnership between the Australian government and the business community of Australia in interacting with the Chinese government and the business men and women of China.

I have brought with me on this trip to China a very strong delegation of business men and women. In fact it's the strongest and most senior business delegation ever to accompany an Australian Prime Minister abroad and that has happened quite deliberately because of my belief and my government's belief that in our dealings with China it is important to emphasise that we and the business community are doing it together. That doesn't mean that our predisposition in Australia towards allowing the business community freedom to make its own decisions and to reduce the burden of government regulation on business has in any way changed. But it is a recognition that in dealing with China it is important for the government and the business community to work together.

Can I say to our Chinese guests and the participants in this seminar that the process of economic change and reform is moving very dramatically in your country and although the rate of change in Australia, by definition, is no where near is as great because the base from which we have started is different, there is nonetheless an ongoing process of economic change and reform. One of the things that my government will address in the next few weeks, after my return to Australia is an examination of the Wallis Committee Report into the Australian financial system.

About 17 years ago when I was Treasurer in the Australian government we received the Campbell Report which ultimately led to the greatest changes in the financial system that Australia has seen, the introduction of foreign banks, the floating of the Australian dollar and general deregulation. May I say that it was a policy approach I'm pleased to remark was embraced by both sides of politics in Australian and I have never been reluctant to give my predecessor as Prime Minister credit for the work that he did in implementing that particular

report. The Wallis Committee Inquiry is in some respects an update, a stocktaking of what has happened to the Australian financial system since the implementation of the Campbell Report and we will be taking some decisions on that Report in terms of a statement of how we're going to handle it already made by the Treasurer. But I mention it ladies and gentlemen to simply underline the fact that although we have a very modern and sophisticated and thoroughly integrated financial system which is part of the globalised economy in which we all now live, the process of change, surveillance and review must always go on.

Ladies and gentlemen I therefore have enormous pleasure in declaring this seminar open. I congratulate again the Australian Stock Exchange and particularly its Chairman, Mr Maurice Newman, who has not only made a great contribution to the Australian business community as Chairman of the Australian Stock Exchange and his other professional pursuits but he has made an extremely thoughtful contribution over many years to the ongoing policy debate within Australia about economic matters and he's been one of the strongest and most persistent voices in favour of a deregulatory market approach to the management of the Australian economy. And in a society such as Australia debates on those sorts of issues go on endlessly and it is always important to have loud and strong voices in favour of an intelligent approach to economic management.

So ladies and gentlemen I have enormous pleasure in declaring this seminar open. I hope that all of our Chinese delegates here today derive great benefits from it. All of you will be very welcome participants on the Australian Stock Exchange. I can assure you of a ready but of course necessarily professional and critical appraisal of your offerings and if you do decide to list you will be listing on an exchange which has impeccable world wide credentials, is conducted with enormous integrity and whose operations are underpinned by highly qualified brokers, financial advisers, lawyers and accountants.

I declare this seminar open. Thank you

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