

ASIALINK VOICES

12 of the most insightful and
influential speeches from
Asialink's 2019 events



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FORWARD

A MESSAGE FROM THE ASIALINK LEADERSHIP TEAM

Throughout 2019, Asialink continued to lead public discussion on Australia's engagement with Asia by showcasing experts and thought leaders from government, business, the arts and education across our platform of events and forums.

We were privileged to host Prime Minister Scott Morrison's inaugural foreign policy address in the new government ahead of his participation in the G20 in June, as well as to have the opportunity to elevate and celebrate the diverse voices of Asian-Australian leaders at the inaugural Asian-Australian Leadership Summit.

Through our education arm, the Asia Education Foundation (AEF), the voices we showcased helped inspire Australian students and their teachers to dive deeply into the rich culture, society and politics of one of Australia's closest neighbours, Papua New Guinea. And, through Asialink Business, we presented keynotes by leaders from business, government, and industry, to explore the rapid changes underway in our region, and the opportunities and challenges for Australia.

We partnered with forward-looking organisations, corporates, and government bodies, to pursue our shared vision of a more prosperous, deeply Asia-engaged Australia.

We hope you enjoy this showcase of the leading perspectives shared by Asialink in 2019, and the snapshot they offer of Australia's evolving role in our dynamic Indo-Pacific region.

We look forward to continuing to drive Australia's Asia engagement as we celebrate Asialink's 30 year contribution, with fresh perspectives, diverse voices and thought leadership from across the region on the key trends, opportunities and challenges that will shape Australia's links with Asia in 2020 and beyond.

Penny Burt, Group CEO, Asialink

Dr Pippa Dickson, Director, Asialink Arts

Mukund Narayanamurtic, CEO, Asialink Business

Melissa Conley Tyler, Director, Asialink Diplomacy

Hamish Curry, Executive Director, Asia Education Foundation



BREAKING THE 'BAMBOO CEILING'

PROFESSOR THE HON GARETH EVANS AC QC

Delivering the 'Sir Edward Weary Dunlop Lecture' at the Asialink Chairman's Dinner in Sydney in March, Professor Evans called on business, government and the community to address the critical under representation of Asian Australians in senior leadership roles.

As a proud recipient myself of the Weary Dunlop Asialink Medal in 2016, I could not be more delighted to have this opportunity to congratulate my successor Peter Varghese on his richly deserved achievement, and could not feel more privileged to have been invited again to give the Dunlop Lecture, 25 years after my first outing in this role back in 1994.

Asialink has a long and proud record of nurturing and enriching Australia's relations with our Asian neighbours, and deserves the strongest continuing support from government, business, the academy, the media and the wider Australian community for all the outstanding work it continues to do.

And of course in honouring Weary Dunlop, as tonight's medal award and lecture both do, we are recognising not only a wonderful man, but a magnificent Australian pathfinder in Asia – someone not embittered by the horror of his wartime experiences, but persuaded by them that Australia's future depended on our learning to live in, and with, Asia; a pioneer of the Colombo Plan; an adviser to Thailand, Sri Lanka and India; someone who constantly spoke and wrote in Asia about Australia, and in Australia about Asia; and someone who made a real personal difference to the way in which Asians and Australians began to think about each other.

The award of the 2018 medal to one of our most distinguished Asian-Australians seems to me an opportune moment to revisit the question of whether we as a nation are making the most – in terms of both our external relations and our internal national development – of the vast store of talent that exists in the multiple Asian-Australian communities that now make up such a large proportion of our overall Australian community: the Chinese-Australians, Indian-Australians, Vietnamese-Australians, Malaysian and Indonesian and Cambodian and Filipino-Australians, Afghan and Sri Lankan-Australians, Korean-Australians and all the rest who have done so much to enrich the life of this nation, intellectually, culturally and socially, over the last few decades.

The reality is that there are many Peter Vargheses out there – men and women of Asian ancestry and cultural background, who have the kind of intellectual capacity, integrity, values, and passionate commitment to this country which Peter has so amply demonstrated during the course of his career – but who are simply not showing up in leadership positions in our public institutions in anything like the proportions that their numbers should lead us to expect, whether we be talking about politics and the public service, the courts, publicly listed companies, the mainstream media or our universities.

The concept of gender equity, and the absolute necessity to be intolerant of anything resembling a 'glass ceiling', is now firmly embedded in the Australian psyche, across all the sectors I have mentioned (or almost all of them, with a couple of our political parties still struggling to join the 21st century in this respect...). But we do still seem to have some distance to go in recognizing that cultural diversity in the leadership of our public institutions, particularly in the context of Asian-Australians, is an equally compelling necessity.

So let me take this opportunity to try to restart the debate – which has periodically stuttered to life but never really taken off in this country since the concept was first articulated in the United States in 2005 – as to whether we do in fact have in Australia a 'bamboo ceiling'; if so, why; and what strategies we should embrace to ensure that more Asian-Australians break through it.

THE REALITY OF DIVERSITY

I have been for the whole of my public life a strong advocate for a genuinely multicultural Australia, and one which reflects, in particular, the reality of our Asian geography rather than our European history. The very first article I ever published in a mainstream, non-student magazine – I'm alarmed to say 47 years ago, back in 1972 – was titled 'The Browning of Australia', in which I argued passionately for our multicultural society to evolve to the stage where the mainstream national skin colour was no longer pinky-white.

To an extraordinary extent that dream for which I argued, and which then seemed so fanciful, is now becoming a

reality. We may not yet quite be a Eurasian country, as George Megalogenis likes to describe us, but we are on our way. It is now the case that 28 per cent of our people were born overseas, and another 20 per cent have at least one overseas-born parent. We have more overseas-born than Canada with its 22 per cent, and double the percentage in the United States – with an ever-increasing proportion of them coming from Asia, more now in fact than from Europe.

Although it is not easy to extract precise data on the ethnic or cultural composition of our whole population, on the basis of the Census data which is collected by the Australian Bureau of Statistics on place of birth, languages spoken at home and self-identified ancestry, the best current estimates – in recent reports from both the Australian Human Rights Commission (AHRC) and PwC/Asialink – are that Asian-Australians now constitute 12 per cent of our people (within a larger cohort of 21 per cent Non-Europeans), with those of Anglo-Celtic background making up 58 per cent, other European background 18 per cent, and Indigenous Australians 3 per cent.

When one looks, however, at how those numbers translate into leadership positions in our public institutions, it is clear that Asian-Australians are being left a long way behind. The best statistical, as distinct from anecdotal, evidence we have of this comes from the AHRC Cultural Diversity Leadership Blueprint, updated in April 2018. Examining first the cultural backgrounds of chief executive officers of ASX200 companies, federal government ministers, heads of federal and state government departments and vice-chancellors of universities, the Commission found that just 1.6 per cent of them were Asian-Australians.

And even when the enquiry was broadened out to cover leadership positions one level below this – group executives of ASX companies, elected members of the Commonwealth Parliament, deputy heads of government departments and deputy vice-chancellors – the proportion of Asian-Australians is just 3.3 per cent. Which is a long way below the 12 per cent that their numbers in the broader community would suggest should be the norm. Only Indigenous Australians fare worse, occupying just 0.4 per cent of senior leadership positions against their share of the total population of 3 per cent.

THE VALUE OF DIVERSITY

This should speak for itself, but let me spell it out. In a corporate context, for a start, McKinsey research in Europe and the Americas has shown that more culturally diverse leadership teams achieve better financial performance: companies in the top quartile for diversity were 35 per cent more likely to have financial returns above the national industry median. The reason is apparently simply that better decision making occurs within groups that are not homogenous, when propositions are challenged and advocates confronted by others who don't think or have life experiences just like us.

In an Australian context it seems obvious that we are denying ourselves a competitive commercial advantage by excluding from senior positions those very Australians who know Asia best. In the Diversity Council of Australia's 2014 report, *Cracking the Cultural Ceiling: Future Proofing your Business in the Asian Century*, the biggest indicator of Asia capability – apart from establishing a head office based in the region – was whether the organisation made a priority of workforce cultural diversity and was free from diversity-related stereotypes and biases.

I can't forbear here from making the point that not only in a commercial context, but in that of diplomatic, professional and media outreach as well, we have right in our midst a massive pool of native Asian-language speakers – 900,000 fluent in Chinese dialects for a start, a great many of them highly trained professionals – from whom we can draw all the linguistically-skilled and culturally sensitive talent we need. While of course it is important for Australians of non-Asian origin to learn Chinese and other Asian languages at school or university – if for no other reason than the wider cultural exposure that comes with any decent language teaching – we should not be overly anxious at the paucity of really fluent speakers those programs are now producing. We have all the resources we need in front of our eyes.

Internationally, if it is the case that our future is going to be far more determined by our geography than our history, it seems hard to even begin to contest the proposition that our interests would be optimally-served by having many more Asian-Australians, like Peter Varghese, representing us abroad. This is one area in which – I suspect significantly

to do with Peter's leadership of the Department of Foreign Affairs and Trade in recent years – the penny does seem to have dropped. I am delighted to see, as I move around, the number of heads of mission and others in senior positions who don't begin to conform to the Anglo-European norm: ambassadors and high commissioners and consuls general like James Choi in Korea, Harinder Sidhu in India, Gita Kamath in South Africa, Ridwaan Jadwat in Saudi Arabia and Christopher Lim in Chengdu. And is there any unbiased observer in the country who does not think that our Australian-Malaysian Chinese Senator Penny Wong will make a brilliant Australian foreign minister?

In a parliamentary context, again, who is there who does not think that our increasingly extraordinarily diverse electorates would not be more sensitively and effectively served by having many more (as is the case now already with non-Anglo-Celtic Europeans) Asian-Australian members of parliament – just four now in the federal Parliament and no more in any of the States.

And, given the centrality of the rule of law and of a manifestly independent and unbiased judiciary to the kind of country that we are, who could believe that our long term national interests in community cohesion and confidence is being best preserved by a judiciary and magistracy in which at all levels, in the last figures I can find, for 2015, there were among 1,057 office holders nationwide just 8 Asian-Australians? Things may be beginning to move: two barristers of Chinese descent were made silk in Victoria last December. That they were the first in 200 years, however, does not suggest that the time is exactly ripe for an orgy of self-congratulation.



WHY THE UNDER-REPRESENTATION?

This is the question we must ask, and try to answer, if we are ever to begin as a nation to turn things round.

One answer, unpalatable though it may be for our self-image as a tolerant, triumphantly multicultural nation (and given all the countering legislation that I, for one, have been party to passing), is that there is still a significant amount of outright racial discrimination. I suspect this is not remotely as true as it might have been once for senior leadership appointments, but it may still be uncomfortably real at lower levels. An oft-cited field experiment by ANU economists in 2010, in which they sent out more than 4000 fake applications for entry-level jobs, using the same qualifications but different ethnically-distinct names, found substantial discrimination by employers in their hiring. In order to get as many interviews as an applicant with an Anglo-Saxon name, someone with a Middle Eastern name had to submit 64 per cent more applications, and with a Chinese name 68 per cent more.

A second answer is that while at the senior leadership level there might not be much, if any, outright racial discrimination, there may still be a great deal of instinctive stereotyping about the qualities that Asian-Australians bring to these roles. As Peter Cai has described it in *Business Spectator*, 'Asians are typically seen as maths or IT nerds with good quantitative skills. So often they end up as quants at banks on in R&D roles at technology companies. These perceptions can be career limiting for Asians who aspire to leadership positions. People see Asian deference to elders as a sign of their unwillingness to challenge authority and hence their lack of leadership potential.' Former Race Discrimination Commissioner Tim Soutphommasane has made the same point: 'What one person may regard as the laudable qualities of being inoffensive, diligent and productive can, for another person, sound a lot like passivity, acquiescence and subservience'.

A third answer involves very sensitive terrain on which to tread, particularly for a non-Asian, but is one regularly acknowledged by those of Asian background themselves, viz. that there may genuinely be some cultural characteristics they share, particularly in Confucian cultures, which do make it more psychologically difficult for many of them to pursue and achieve leadership roles. The point is made by the Asian-American Jane Hyun in her seminal book on *Breaking the Bamboo Ceiling*. In highly individualistic societies, she says, those who speak or shout the loudest get noticed the most or rewarded: 'The squeaky wheel gets the grease'. Yet, within Asian cultures, a different norm may prevail: 'The loudest duck gets shot.' Individuals of course vary enormously, but I have had many conversations over the years with Asian-Australians who have described how instinctively inhibited they have felt about asserting themselves to the extent that might be seen to be the Anglo-Celtic cultural norm, and how they feel this has held them back.

A fourth answer relates specifically to Chinese-Australians, and is a distressing new element on the scene. It is the sense that in the current environment of hyper-anxiety in some quarters about baleful Chinese, and particularly Chinese Communist Party, influence in Australian business, politics and universities, Chinese-Australians are going to find it even more difficult than they do at the moment to aspire to leadership positions, especially in any fields that are seen as even remotely security sensitive.

My own Executive Officer, and Manager of the ANU's Melbourne office, Jieh-Yung Lo, has written movingly of the more hostile atmosphere he and other members of his community are increasingly sensing: 'The increased questioning of Chinese-Australians' sense of belonging and commitment to Australia, and distrust of anything and anyone who looks Chinese or associates themselves with its culture has resulted in us being seen and treated as second-class citizens... A new form of Sinophobia is emerging, unlike the racism and xenophobia experienced by Chinese-Australians and migrants before and during the days of the White Australia Policy. It is more subtle, as it goes beyond just hate speech and racism and seeks to undermine confidence and trust.'

Probably the most egregious single example of the kind of 'fifth column' characterization my colleague fears is the story in *The Australian* last December headed 'WA Labor MP Pierre Yang served aboard suspected China spy ship', highlighting the role of Yang - who had served in the Australian Army Reserve for a decade - as a liaison officer and Mandarin-speaking linguist sent aboard a Chinese ship assisting in the search for Malaysian Airlines flight MH370. Instead of praising his language ability, military service and use of both to play a cooperative role on Australia's behalf, the picture was painted that his loyalties lay with another power.

A fifth and final factor contributing to the under-representation of Asian-Australians in leadership positions may be simply that the existing leadership of organizations and institutions where the bamboo ceiling problem should have been visible simply haven't had the bandwidth - or at least haven't felt they had the bandwidth - to deal with it. Cultural diversity seems to be twenty years or more behind gender diversity as an issue that institutional leaders seem prepared to address. A Vietnamese-Australian lawyer Tuanh Nguyen, makes the point in a recent SBS publication: 'I worked at the law firm Baker and McKenzie for ten years. When I first started talking about cultural diversity issues, they said there's only so much oxygen for diversity, and it is all being taken up by gender'.

STRATEGIES FOR BREAKTHROUGH

If we do have a bamboo ceiling problem in this country, and the evidence seems undeniable, what strategies should we embrace to ensure that more Asian-Australians break through it?

The first need is to better understand the scale of the problem, which means better and more accessible data on the ethnic and cultural composition of our population as a whole – which at the moment has to be painfully laboriously compiled from less than complete Census data – and of all our public companies and institutions. There are always understandable sensitivities about gathering information on race or ethnicity, but good policy at both the macro and micro level has to be evidence driven, and policymakers at both levels simply don't have all the readily available data they need.

The second need is to use that data to set realistic targets and timelines, countrywide, sector by sector, institution by institution. Some consensus needs to be reached on the familiar debate about quotas, targets and tokenism which always flares up around any effort to redress apparent inequity in the context of gender, race, ethnicity or anything else. Given the very early stages of debate about cultural diversity, any talk of formal quotas would seem counterproductive, but carefully thought out targets can be operationally very useful.

Much will need to be done at the micro level, company by company and institution by institution, but it will be important at the macro-level that there be an accepted source of strategic guidance. The obvious candidate for such a role, given its excellent reporting on this subject so far, is the Australian Human Rights Commission, but its effectiveness in this space will significantly depend on the degree of cross party support that the whole bamboo ceiling breakthrough enterprise commands.

A third need is to identify the kind of detailed strategies and programs that are going to be necessary to actually change mindsets and get any targets implemented. What will help organizational leaders recognize they simply have to find the bandwidth to address lack of cultural diversity: that not doing so is as unconscionable, and as big a lost opportunity as not getting it about gender equity? Would the functional equivalent of Male Champions of Change add any value here? What kind of training programs could be introduced to help employers recognize their stereotyped perceptions for what they are, and help encourage Asian-Australians to overcome such diffidence they might have about doing what it takes to climb the leadership ladder? Couldn't we do much more along the lines of the mentoring program for aspiring female company directors run by the Australian Institute of Company Directors?

I don't have the answers now to all the questions I have raised and the challenges I have sought to identify. But I strongly believe it's time for us as a nation to get moving on finding them. In that spirit, I am delighted to announce tonight that Asialink, The Australian National University and PricewaterhouseCoopers (PwC) have agreed to join forces and be the initial co-conveners in Melbourne on 12-13 September this year, of an Asian-Australian Leadership Summit to do just that. We aim to invite to the Summit around 60 key Asian-Australians and an equivalent number of leading non-Asian Australians from the business, government, academic, media and NGO communities, with a sharply-focused practical agenda aimed at both energising and implementing a new national commitment to both recognizing and breaking through the bamboo ceiling in all the key institutional areas where it presently exists.

Asian-Australians have been under-appreciated and under-utilised in our listed companies and public institutions for far too long. It's time to move beyond rhetoric to action.

This is a major opportunity to reset the national agenda, and we at ANU, Asialink and PwC hope that we will be joined now by additional partners and supporters – including from a number of the businesses and organizations and media groups represented here this evening – to help us not only ensure that next September's Summit will have the maximum impact, but drive the program of change that must necessarily follow it.

Breaking the bamboo ceiling is an issue on which we have ducked and weaved and dithered for too many years. The Asian century is off and running and we have in our midst a fantastic resource with which to take maximum advantage of all the opportunities it offers. Asian-Australians have been under-appreciated and under-utilised in our listed companies and public institutions for far too long. It's time to move beyond rhetoric to action, and I hope and expect every one of you here tonight, who are so obviously committed to Australia's Asia future, to be very much part of that action.

*The **Sir Edward 'Weary' Dunlop Asia Lecture** encourages eminent Australians and Asians to present their vision for Australia-Asia relations into the 21st century and to commemorate the life and vision of Sir Edward 'Weary' Dunlop.*



REMARKS ON RECEIVING THE WEARY DUNLOP MEDAL

PETER VARGHESE AO, CHANCELLOR OF THE UNIVERSITY OF QUEENSLAND

Receiving the Asialink Weary Dunlop Medal, Peter Varghese AO reflected on the challenging time ahead for Australia in a contested Asia, a strategically ruptured Asia and an Asia of multipolarity.

Thank you, Lindley, for those generous remarks.

Thank you, Gareth, for a magisterial lecture, characteristically full of substance and solutions. I once worked as a speechwriter for Gareth. It was the definition of redundancy.

To Andrew Robb, Penny Burt and Mukund Narayana Murti, can I thank Asialink for this honour. The medal for sustained work on Asian engagement really belongs to Asialink because you have been such a consistent and important advocate and promoter of Australia's links to Asia. No more so than Andrew Robb. And I also want to acknowledge Sid Myer and the Myer family for their long standing support for the work of Asialink.

To my wife, Margaret, without whom there would have been little achieved in my professional life, a very special thank you - although I suspect she may think less Asia and more domestic might have been a much better policy mix.

I am humbled by this honour. Humbled to be in the company of such distinguished previous recipients who include a former prime minister, two foreign ministers, including of course Gareth Evans, and other great Australians such as Dick Woolcott and Ross Garnaut, and Sister Mary Theodore whose lifelong work in India with the disabled was such an inspiration.

Humbled by the connection to Weary Dunlop who was a great leader and an inspiration: a man who was entitled to be bitter but chose instead to walk the path of his better angels. As Sir Ninian Stephen said of Weary Dunlop: "With perhaps only Douglas Mawson, of all Australians, he shares a lone eminence of sustained heroism and superb achievement".

These are challenging times for Australia and Asia. We face, to adapt a phrase from the late Tom Wolfe, a "bonfire of certainties". Optimism is the currency of diplomacy. But these days some of us still wake up optimists but go to bed pessimists.

What we can be certain about is that Asia's place in Australia's future will only grow. It will not be the Asia of the last four decades: the Asia, which combined strong economic growth with strategic stability; the Asia of straightforward choices.

We are currently in the middle of a profound transition in international relations and that is probably the worst time to put it into perspective. Some of what we are seeing today are exaggerations or aberrations, which are unlikely to become enduring trends. But others go to the bedrock of global geo-economics. Deciding which is which is far from easy.

What we can be certain about is that Asia's place in Australia's future will only grow. It will not be the Asia of the last four decades: the Asia, which combined strong economic growth with strategic stability; the Asia of straightforward choices.

The next four decades will likely see a contested Asia, a strategically ruptured Asia searching for a new settling point. An Asia of multipolarity. An Asia, which both helps to drive global growth and grapples with the large challenges of economic reform.

If that sounds like a hard road, we should never lose faith that it can also for Australia be a fruitful journey.

We cannot eliminate the uncertainties ahead. But there is much we can and should do about positioning Australia in Asia. That means understanding our advantages in proximity, in strong institutions, in high skills, in world-class universities, and in complementary economies.

The truth is there are few countries, which are better placed to reap the economic returns of closer engagement with a changing Asia than Australia.

But for Australia Asia is so much more than a market. It is where our security will be determined and through migration and connections forged by diaspora, communities it will over time exert a larger influence on our society, on the way we see ourselves and are seen by others.

For two centuries, Australians have juggled history, geography, values and culture. We may not see it clearly yet, but we are creating something distinctive: a diverse but cohesive society; a nation grounded in the values of the enlightenment but open to new ideas; a community with a strong sense of place but recognising that we must make our way in a world where the centre of gravity is shifting.

And for all of the baggage we carry on issues such as race, and our historical fears of Asia, Australians, more than any other country I am familiar with, show a willingness to accept people for whom they are not where they come from. There are, and always will be, exceptions to these traits but taken together they are a wonderful asset in our engagement with Asia.

Yes, there are uncertainties and yes, we will have to make some tough choices, strategic and economic. But if we play to our strengths, if we are clear eyed about our interests and values, if we engage with both our head and our heart, Australia can be exquisitely positioned in Asia.

That is my main message. Australia cannot solve the geopolitical challenges facing the region. But we can prepare for them and think through what form we want them to take. That is what the burden of leadership is ultimately most about: not just anticipating trends but working to shape them with a sense of social and moral purpose and a commitment to the best interests of our community. It is what Weary Dunlop would have striven for.





POLITICS AND FOREIGN POLICY. THE INSIDE VIEW: HOW PUBLIC POLICY IS SHAPED IN AUSTRALIA

**ALLAN GYNGELL AO FAIA, NATIONAL PRESIDENT OF THE AUSTRALIAN INSTITUTE
OF INTERNATIONAL AFFAIRS**

Speaking to the 2019 Asialink Leaders Program delegates at Parliament House during their five day Canberra Intensive, Allan Gyngell AO FAIA explores how foreign policy is shaped in our increasingly complex global and regional environment.

Over the long decades that I've worked on Australian foreign policy, every government has at one point or another claimed in a speech or White Paper that the international situation we face is uniquely fluid and uncertain. But at no time in my professional life has that been as true as it is now.

Ever since European settlement, the central strategic concern for Australians has been simple enough: how can a small population, located far from the markets for its products, and the places from which all except our indigenous inhabitants have come, protect an audacious claim to a great continent.

If the American founding fathers grappled with a fear of foreign entanglements, Australia's primal fear was one of abandonment. Our nightmare was that way out here in the Southern Ocean, we would be forgotten about.

In the period we have had our own foreign policy – that is, since we finally proclaimed our sovereign identity by ratifying British legislation called the Statute of Westminster in 1942 – successive governments, both Coalition and Labor, have seen three ways of responding to this fear.

First, by developing a close relationship with a great and powerful ally, originally Britain, then the United States; second by engaging with the region around us in Southeast Asia and the South Pacific and trying to shape it in ways that are conducive to Australian interests; and, third, by recognising that if you are Australia's size, you will always be better off in a world in which agreed rules, whether of trade or warfare or maritime law, are established and followed. That means support for a rules-based international order.

For Australia, all three of those strands of policy – the alliance, the region, and the rules-based order – are changing. The America First policies of Donald Trump are generating differences in interests and sometimes values with our major ally; China's rise is fundamentally changing the region around us; and international organisations from the UN to the WTO are fraying.

To succeed in the world, a country needs many things – a strong economy, farsighted leadership, resilient domestic institutions and a robust defence force. These are all elements of statecraft.

But it also needs an effective foreign policy. Foreign policy is that part of statecraft concerned with managing differences with other nation states. It is the way we advance our interests and protect our values in the dangerous, messy, constantly changing, international environment.

This building, Parliament House, is the place where statecraft comes together. In a Westminster system like ours, Scott Morrison and the Coalition parties control a majority of votes in the House of Representatives, so they form the Executive and choose the ministers from amongst their number in the House and the Senate.

This is Civics 101 but it is important to remember it. The power and authority of the government to set the strategic direction for the country derives from the legitimacy of their democratic election.

Most Prime Ministers enjoy foreign policy because they don't have to pass legislation through a stropky Senate or negotiate with the States. Section 51 of the Constitution makes it quite clear that the external affairs power lies firmly with the feds.

Like all public policy, foreign policy is determined formally by the Cabinet, chaired by the Prime Minister.

Mostly, though not always, foreign policy and other parts of national security policy are considered in a special committee of cabinet called the National Security Committee. This meets in a special secure facility in the cabinet suite at the other end of the building.

The NSC's membership is determined by the Prime Minister but it always includes the ministers for Foreign Affairs, Defence, the Attorney General, the Treasurer and, in recent years, the Minister for Home Affairs.

In their offices here in this building, the Prime Minister and ministers are supported by personal staff and advisers. These advisers are among the most influential but anonymous figures in shaping policy. Many of them, especially the specialists, are drawn from the public service.

For example, the Prime Minister's senior international advisor, Michelle Chan, is the former Australian Ambassador in Myanmar, and worked in ONA as well as DFAT. I did the same job for Paul Keating. So you can move in and out of these positions.

Like all parts of the cabinet system, the NSC considers submissions and recommendations brought to it by the Minister responsible for the particular area – defence procurement, for example, or domestic security legislation.

These submissions are almost always prepared in the relevant Public Service Department and considered in draft by a powerful officials' committee, called the Secretaries' Committee on National Security (SCNS). This is chaired by the Secretary of the Department of Prime Minister and Cabinet.

That brings us to the public service departments responsible for advising the government on national security issues and implementing the decisions it makes.

PM&C mirrors the whole range of public service functions to enable the Prime Minister to do his job of managing and coordinating. So it has a small but powerful International Division.

The main policy department dealing with foreign policy, trade policy and development assistance is, of course, DFAT. DFAT employs 6000 people and controls and manages the government's overseas network of 117 Embassies and other posts. The overseas posts are a two-way transmission belt between Canberra and the outside world. They advocate for Australian interests, gather information and report back to the government.

The network includes not just people from DFAT itself but from many other government agencies. Almost every department from agriculture to education now has some international interest and overseas representation.

The biggest of all the departments in the Australian Public Service is Defence. It has an annual budget of \$34 billion and manages 60,000 members of the Australian Defence Force and 1800 public servants.

The Departments of Home Affairs, the Attorney General's Department and the Treasury are also important players in the area of external policy.

Above all, however, in a democracy like ours, it is the role of an informed and engaged public that matters most in shaping the way our country thinks about itself and operates in the world.

In another category are the agencies of the National Intelligence Community. These gather, collate and in some cases analyse information and intelligence. For the most part they have no policy functions. The Australian intelligence community covers 10 agencies with an annual budget approaching \$2 billion and about 7,000 staff. So it's a big business.

At the centre of the community is the Office of National Intelligence (ONI), which analyses all the information available to the Australian government and provides daily assessments to the Prime Minister, in whose portfolio it sits, and other ministers. It is also responsible for coordinating and evaluating the activities of the other Australian intelligence agencies.

The Australian Security Intelligence Organisation (ASIO), in the Home Affairs portfolio, is responsible for the protection of Australia's national security against terrorism, espionage and foreign interference.

The Australian Secret Intelligence Service (ASIS), which falls under the Foreign Minister, collects intelligence clandestinely outside Australia on issues the government has determined to be important.

The Australian Signals Directorate (ASD) collects signals intelligence, breaks codes and is our main cyber protection agency. It also is responsible for offensive cyber operations.

Other smaller agencies include the Defence Intelligence Organisation, the Australian Geospatial-Intelligence Organisation (AGO), the Australian Transaction Reports and Analysis Centre (AUSTRAC) and the Australian Criminal Intelligence Centre.

It's a mistake to think of the model I have just described as a neat closed loop.

Foreign policy is shaped not just by these institutions but by a range of other players outside government, including universities and think tanks, the media, the business community. Ministers live in the real world and are constantly receiving advice and information from outside the formal agencies of government. You will be seeing something of the role of overseas embassies in Canberra. They, too, are also trying to shape outcomes.

Above all, however, in a democracy like ours, it is the role of an informed and engaged public that matters most in shaping the way our country thinks about itself and operates in the world.

That brings us back to Asialink and the great work it does with programs like this. And, of course to you and the contributions you will make as you progress through your careers.

You could not be looking at these questions at a more interesting time.





ADDRESS TO ASIALINK LEADERS PROGRAM CANBERRA INTENSIVE

**DR MARLENE KANGA AM,
HON. FIEAUST HON. FICHEME FTSE**

In an inspiring keynote dinner address to conclude the 'politics and foreign policy' day of the Asialink Leaders Canberra Intensive, Dr Marlene Kanga AM reflects on whether Australia is prepared and ready for an Asian future. She asks: Can Australia redefine its national identity where everyone genuinely has a fair go, irrespective of race, gender or any other barrier? Can we evolve as a country that is responsive to the forces of globalisation, economics and changing societal values? What role will innovation, technology and entrepreneurship play?

It's a great pleasure to speak here today at the end of Day 1 of your Canberra Intensive of the Asialink Leaders program. The day has been spent at Parliament House and discussions on Politics and Foreign Policy. I note that many of you are involved in the arts, trade and investment with Asia – so I'm going to talk about some of the strategic issues that are important to Australia – that will enable strong relationships with our neighbours.

Trade and migration show the increasing importance of Asia to Australia. There is a growing recognition that Australia's place is in Asia not in Europe. Enlightened, progressive companies, like your employers now understand that it's important for organisations to develop Asia relevant capabilities.

But it's not just apparent in the lofty offices of large companies and government departments. On the streets on Melbourne and Sydney, it's now quite common to hear conversations in various Asian languages. Nearly every day on the train, I hear a conversation in Hindi, Mandarin or Cantonese. These are the voices of a new contemporary



Australia, an example of Australia's changing demographic and our cultural relationship with the Pacific Region and Asia.

The 2016 census showed that 28.5 per cent of Australians aged fifteen and older were born overseas. I am among that number. As globalisation continues to lower the barriers to migration, this percentage will continue to increase.

However, I wonder if this growth will lead to even more confusion than we've traditionally had about what constitutes an Australian identity. Despite 11 of the country's 15 largest trading partners being in the Asia and Pacific region, and a diverse and growing population of Asian-Australians, the country still grapples with the question of its place in Asia and for a coherent and strategic approach to dealing with Asia, and in particular with our largest neighbours, India and China. This is, in my view an issue of leadership. We need political and business leaders, perhaps some of you here, who will lead and drive the change in attitude and perception that is needed.

One of the foreign policy initiatives that came to fruition under Foreign Minister Julie Bishop has potentially the farthest reach for Australia's future – the New Colombo Plan. The program is aimed at improving Australia's knowledge of Asia and the Pacific region and facilitating greater people-to-people links by supporting undergraduate students to study and undertake internships throughout Australia. I have been a member of the Reference Group providing advice to the Department of Foreign Affairs as the program has developed.

The title of the scheme is derived from a previous foreign policy initiative by the Australian government. In the period following World War II, Australia was having to significantly readjust its foreign policy. The Colombo Plan was created in 1951 to enhance Australia's regional engagement in the Asian region. Initially created as an aid and development program, its centrepiece was the sponsorship of Asian students to study in Australia. By the 1980s, over 20,000 students had utilized the program. The idea was that Asian students would return to their home countries upon completing their studies and would enter the political and professional classes with a sympathetic view of Australia, and would provide the requisite connections for Australia's political, bureaucratic and trade relations.

The Plan had far-reaching consequences, possibly even resulting in the ending of the White Australia Policy. It also paved the way for the country's modern education industry, which draws the great majority of international students from Asia.

The New Colombo Plan, is an attempt to reverse the flow, to encourage Australian students engage with Asia, improve the country's Asian literacy, and increase its Asia capability. Undergraduate students have the opportunity to work and study in Asia with scholarships, internships and mobility grants. Over the first five years of its life, the New Colombo Plan will have supported over 30,000 Australian students to live, study and work in Asia. Importantly, many of these amazing young people will be our future leaders and we hope will drive engagement with Asia.

In addition to the New Colombo Plan, I would suggest a priority would be the learning of Asian languages in Australian schools. Familiarity with an Asian language and more importantly, cultural norms, is going to be increasingly important as Australia seeks to engage more closely with Asia on various levels.

One of the most important ways for driving engagement with Asia is for our leaders to step up and show the way. I will give a personal example of my engagement with Asia, as a leader of an Australian organisation. As President of Engineers Australia and later Chair of its International Committee. I invited the Federation of Engineering Institutions in Asia and the Pacific (FEIAP) to hold their General Assembly for the first time in Australia, in Perth in 2016. It's quite extraordinary that this has not occurred before. In Sydney, there are chapters of Asian engineering institutions from Sri Lanka, Nepal and Bangladesh. However, very few are interacting with Australian institutions. Yet this a way for the engineering profession in Australia to engage with the Asian region. When I was elected President of the World Federation of Engineering Organisations, I received full support from the engineering institutions in Asia that are members of the Federation. Many small nations that could not attend, sent their proxy supporting vote via neighbouring nations. I felt supported by a large Asian family and it was done in a trice, no length discussions or negotiations needed. It was a given. It's just a small example of how leadership can make a difference, break down barriers and extend the hand of friendship.

Australia needs to engage with Asia, not only because of our geographical location, the economic imperative is enormous. Seven of the world's largest economies in 2030 will be markets that are currently emerging in Asia, according to a recent report by multinational banking and financial services company Standard Chartered. Asia's share of GDP will rise from 28 per cent to 35 per cent by that time – a figure that combines the projected GDP of the United States and Europe. From the BRICS (Brazil, Russia, India, China and South Africa) alliance to the development of the Asian Infrastructure Investment Bank and the Asian Development Bank, global monetary policy is already no longer dominated by Washington based institutions such as the International Monetary Fund and the World Bank. The future is Asian, but is Australia ready?

Geopolitically, the changes in the world order has further complicated the debate about Australia's regional identity. The power of the British Empire lives on increasingly only in history. Most of you here today were born long after many countries achieved independence in Asia and were rid of British Colonialism. The ongoing uncertainty of Brexit no-Brexit, hard-Brexit, Boris Back, Back Boris etc. have exacerbated the destabilisation of an already waning European Union.

Meanwhile, US President Donald Trump's unilateralism shapes a national foreign policy based on "Make America

Great" rhetoric that puts the US interests first. Australia has honoured its treaty obligations and fought with the United States in Korea, Vietnam, Afghanistan and Iraq as well as provided strategic facilities in Australia. However, there is uncertainty about whether Trump will honour the obligations of the United States, should Australia find itself in need. I think most of Australia would share this feeling of uncertainty.

At the same time, warfare is evolving from physical realms to cyberspace and telecommunications, as demonstrated when the Australian Parliament was hacked in February this year by a "sophisticated state actor" believed to be located in Asia. Recently, Australia urged the UK not to use Huawei to build its 5G network based on advice of threats to national security.

Feeding into this complex dynamic are warnings, for example, the Chinese Communist Party (CCP) secretly infiltrating Australia's student groups at university and democratic institutions by exploiting our weak political structures and our professed affinity for multiculturalism. Whether you believe the warnings or not, they do underscore the complexities of the Chinese-Australian diaspora that risks stereotyping all Chinese-Australians as "silent" supporters of the CCP. This will only set back years of work in developing a better relationship with China.

Many Chinese-Australians have come to call Australia home. Not all tertiary students from China seek to undermine our democratic institutions. It is important that public xenophobic discussions against immigrants from China and Asia are addressed via greater education. If we fail to do so, Australia risks hampering future relations with Asia. As our Asian-Australian population grows, this seems flawed and near-sighted.

One of the ways in which Australia can leverage improved relationships is through technology and new industries. For example, \$730 million will be invested by 2026 to the Next Generation Tech Fund, managed by the Department of Defence, for research into and development of projects including enhanced human performance, integrated intelligence, surveillance and reconnaissance. The Fund aims to boost our cybersecurity capabilities while securing the intellectual property of Australian companies supplying high-tech equipment to the defence force. This will help to ensure that our highly sought information on the latest developments in radar and surveillance systems do not fall into the wrong hands.

This strategy is supported by a well-educated, tech savvy and entrepreneurial Asian diaspora in Australia. This is another great comparative advantage for Australia. A report published by the Australian Council of Learned Academies (ACOLA), where I was a member of the Advisory Group, recommended greater use of Australia's Asian diaspora to build Asia capabilities.

So what is the promise of modern Australia. Can we be a country that need not be either Western or Asian but a healthy mix of those from Anglo, Asian and other backgrounds willing to work hard in a multicultural meritocracy?

The opportunities for engagement in Asia through technology and entrepreneurship are huge. Such engagement also has the advantage of driving our economy and creating jobs.

I am going to focus on opportunities in India in particular, because I know a little bit about it and my company is doing business there.

India is one of the world's fastest growing economies and our 5th largest export destination with coal being the headline export. It is clear that we have not moved the relationship to a more advanced level that involves high technology goods and services, as the recent media about the Adani coal mine demonstrates. The message is that it is coal that will create jobs, not high technology.

I mention this because I believe we need a shift in our mindset in Australia. We need to engage with India in the area of high technology and innovation and move away from commodities – shipping coal and importing petroleum which are currently the top exports and import between Australia and India.

India is the world's fastest growing major economy, with forecasted average growth of 7 per cent per year for the past decade, although there are now revised estimates that this may be closer to 5 per cent. By 2030, India is projected to be the world's third largest economy.

Growth prospects are underpinned by the Indian Government's reform agenda aimed at creating jobs and improving the business environment, productivity catch-up due to urbanisation and a growing, young working-age population, and a continued structural shift from agriculture to services and industry.

Australian business is well placed to realise opportunities as India modernises its economy. This is both in areas of traditional strength like resources, agriculture and education, as well as in innovation, skills and technology transfer.

A growing knowledge-based partnership between Australia and India offers opportunities in areas like science and innovation, health, water management and sport. The Australia India Strategic Research Fund (AISRF) is a tangible example. Since its establishment ten years ago, over \$100 million from the AISRF has supported some 300 joint projects, delivering real gains, from improving agricultural productivity to fighting diseases.

Australia can learn from India's innovative culture, something that is not discussed very often in Australia. For example, the Forbes 2018 listing of the top firms in innovation in the world included the following firms from India: Hindustan Unilever, consumer goods manufacturer ranked 8th, Larsen & Toubro, engineering and technology, ranked 86th, Bharti Airtel, mobile telecommunications, ranked 92nd, Sun Pharmaceuticals, pharmaceutical products, ranked 96th and Maruti, car manufacturing, ranked 99th. By comparison, Australia had only one company listed in the Top 100, Ramsay Healthcare, providing private hospital services.

We should note not only the number of top rated innovative companies but also the diversity of industries in the new technology sector. Companies like Reliance Industries (established 1966, \$48 bn), InfoSys (established 1981, \$38bn), Sun Pharmaceuticals (established 1981, \$29bn) are some of the young companies that are among India's largest. Compare this with Australia's largest companies which are dominated by banks and resources.

Here are some more gob-smacking statistics: Information Technology (IT) industry revenues in India were US\$154 billion in 2016-17, and the industry has moved up the value chain, delivering software innovations with world class companies and global operations.

Bangalore is already the information technology capital of the world and is seeking to become the innovation and start-up capital of the world. By 2020, a recent McKinsey study says, Bangalore will become the single largest information technology (IT) cluster on the planet – overtaking Silicon Valley – with 2 million IT professionals, 6 million indirect IT jobs, and \$80 billion in IT exports,

India has emerged as the third largest start-up base and new ventures are poised to grow rapidly to reach 10,500 by 2020, employing 200,000 people.

Along with IT, gaming and movies is also growing big time in India. Labs in Bangalore created substantial portions of movies such as Skyfall and Life of Pi.

The dragons of Essos were actually created in Goregaon, Mumbai. An Indian subsidiary of Prana Studios, a 3D, visual effects and animation company based in Los Angeles. They developed the three fire-breathing beasts for the fifth season of HBO's record-breaking TV series, Game of Thrones. The founders were trained in the US and Canada.

Digital technology, science and innovation are creating incredible new economic and social opportunities for Australia. We need to stop thinking about jobs from coal exports and need to be part of the intense innovation race with other developed and developing countries. Otherwise we will be left behind in more ways than one.

So what is the promise of modern Australia. Can we be a country that need not be either Western or Asian but a healthy mix of those from Anglo, Asian and other backgrounds willing to work hard in a multicultural meritocracy? Can Australia redefine its national identity where everyone genuinely has a fair go, irrespective of race, gender or any other barrier?

Can we evolve as a country that is responsive to the forces of globalisation, economics and changing societal values? Can we move from a fortress island mentality to one where we are genuinely open and embrace our neighbours? Because this is the Asian century, this is our reality, and we would be clever to welcome it.

Can we evolve as a country that is responsive to the forces of globalisation, economics and changing societal values? Can we move from a fortress island mentality to one where we are genuinely open and embrace our neighbours?

These are issues for you to think about during the Asialink leader program. I've focused only on India and China. But you can think about the applicability of the issues that I have raised to other parts of the Asian region and in your own work context. You are in positions that probably place you in that sweet spot, ahead of the curve which I hope will become a huge opportunity as Australia engages with Asia, not just in terms of trade but also in terms of innovation, new technology and entrepreneurship. I am sure that this program will open up huge opportunities for all of you. My best wishes to you all and every success in your endeavours.





CHINA'S DIPLOMACY IN A NEW WORLD ORDER

KEYNOTE BY HE AMBASSADOR CHENG JINGYE, CHINESE AMBASSADOR TO AUSTRALIA

Speaking exclusively to the 2019 Asialink Leaders Program participants during their visit to the Chinese Embassy in June, Ambassador Cheng Jingye shared a candid assessment of China's diplomacy in a new era and prospects for strengthening economic and people-people ties with Australia.

Good evening, everyone! You are most welcome to the Chinese Embassy. This is my third time to meet the participants of the "Leaders Program" organized by Asialink.

Asialink is well-known for its strong commitment to increasing understanding and connections between Australia and Asia. So it's always a great pleasure to talk with you.

As you may know, China of today has entered a new era. We are striving for higher quality development to further improve people's well-being. And we are partnering with all countries to create a better world.

How to understand China's diplomacy in the new era? It's my belief that the answer can be found in Xi Jinping Thought on Diplomacy, which includes a series of new ideas, propositions and proposals. It not only defines the mission and goal of China's foreign policy for the new era, but also contributes Chinese wisdom in the search for solutions to various complex problems facing the world. This is something that I would like to share with you today.

The world we live in is in the midst of profound changes unseen in a century, with the underlying trends towards multi-polarity, economic globalization, IT application, and cultural diversity.

The world we live in is in the midst of profound changes unseen in a century, with the underlying trends towards multi-polarity, economic globalization, IT application, and cultural diversity.

The 21st century is not a century in which a single nation can make all the decisions, but a century in which all countries are needed to discuss and deal with world affairs together. Economic globalization should not just benefit developed countries, but also provide opportunities for emerging economies and developing countries.

We are in a digital age where the world is undergoing a new round of technological revolution. We cannot afford to have another division of the world into two or more isolated systems on the back of political or ideological excuses. Different civilizations and cultures should respect and learn from each other, which will make the world a splendid and colorful place.

However, it is true that the shadows cast by Cold War mentality and power politics still linger. There are attempts to provoke great power rivalry, or intensify geopolitical tensions with bludgeoning of sanctions. Unilateralism and protectionism are rampant and global governance systems are facing severe challenges.

Where is the world heading? China's solution is to build a community with shared future for mankind, an open, inclusive, clean and beautiful world that enjoys lasting peace, universal security and common prosperity.

To be specific, a world of lasting peace involves all countries treating each other as equals, valuing consultation and mutual understanding, accommodating each other's interests, and resolving conflicts and differences through dialogues.

A world of universal security will require all countries to work together to address security challenges and to seek common security rather than building one's own security at the expense of other countries' security.

A world of common prosperity means we must promote win-win cooperation through consultation instead of taking a winner-takes-all approach. It is also required to reform the unfair systems of global economic governance and to continue narrowing the gap between the North and the South.

An open and inclusive world means advocacy for diversity of civilizations, and opposition to the theories of clash of civilizations.

A clean and beautiful world requires all countries to realize green, low-carbon and sustainable development, to work together against climate change, and protect our planet.

The concept of a community with shared future for mankind accords with the universal aspiration of the international community, which is for peace, development, cooperation, and progress.

With increased recognition by more and more countries, the concept has entered into the documents of many major international and regional organizations. It is also the overall aim of China's diplomatic work and has been written into China's Constitution.

Today I will focus on a discussion of 'One Path' and 'One Platform' that will contribute to the community with shared future.

By 'One Path', we mean fostering a new type of international relations.

What this new type of international relations advocates for is cooperation in lieu of confrontation, and win-win in lieu of monopolisation. It carries forward the purpose of the UN Charter, and is an innovation that goes beyond traditional theories of international relations. It also has its origins in China's history and culture, as well as the accumulated diplomatic experience of the new China.

There are three key terms: the first is mutual respect. Countries are equal regardless of their size, strength and wealth. Different systems, religions and civilizations must be treated in a like manner.

The second is fairness and justice. That means maintaining principles such as common but differentiated responsibilities, and balanced rights and responsibilities. It means strict abidance by international law and commonly recognized norms of international relations, rejecting the law of the jungle, and not imposing one's will on the others.

The third is win-win cooperation. There should be an expansion of convergence of interests, rather than a singular emphasis on the priority of one's own national interests. To solve the problems of the world, we should rely on multilateralism and global cooperation, instead of protectionism, isolationism and unilateralism.

Life is easier with more friends. As President Xi Jinping put it: Those who share the same ideal and follow the same path can be partners; those who seek common ground while setting aside differences can also be partners. China has established partnership of various forms with over 100 countries, regions and organizations, and is always exploring a new path of state-to-state relations.

'One platform' refers to building the Belt and Road in partnership.

Since the Belt and Road Initiative was put forward six years ago, we have made all-round progress in policy coordination, infrastructure connectivity, unimpeded trade, financial integration and closer people-to-people ties.

The second Belt and Road Forum for International Cooperation, held in Beijing last April, established the goal of high-quality Belt and Road cooperation.

All parties widely supported the idea of a global partnership of connectivity, and agreed to promote all-round connectivity, develop high-quality, sustainable, resilient, affordable, and inclusively accessible infrastructure, and improve the “soft connectivity” of policies, rules and standards among countries based on the partnership and multilateralist spirit.

The Belt and Road cooperation is going to be more open and inclusive.

We welcome the involvement of all parties on an equal footing and we are not interested in creating exclusionary blocs. The Belt and Road is not a so-called geopolitical tool, but a mutually beneficial and a win-win collaborative platform.

The Circle of Friends of Belt and Road has been expanding. 127 countries and 29 international organizations have already signed cooperation documents with China, including major industrial countries such as Italy, as well as New Zealand, Papua New Guinea, Fiji, Vanuatu and other South Pacific countries.

The Belt and Road cooperation is becoming more relevant to people's daily lives.

Over the last 6 years, the total volume of trade between China and other Belt and Road participating countries, has surpassed 6 trillion US dollars, with more than 80 billion US dollars having been invested and nearly 300 thousand local jobs created in some 82 overseas jointly-built cooperation zones.

The Belt and Road cooperation will continue to focus on growth and local prosperity, and to further deepen cooperation on agriculture, health, disaster relief, water resources, and so on. It will implement more projects to improve people's daily lives, promote cultural exchanges, and give the local community a greater sense of gain.

The Belt and Road cooperation will emphasize more on green and sustainable development.

The Belt and Road Initiative is by no means a “debt trap”. No one is in a better position to tell the truth than the countries directly involved. The governments, businesses, and people of many countries participating in the Belt and Road have openly refuted such baseless assertions with facts and data.

As a matter of fact, no country has got trapped in a debt crisis since its participation in the Belt and Road Initiative. Quite on the contrary, thanks to the Belt and Road cooperation, many countries have made steady progress in their efforts to get out of the trap of “under-development”.



On the basis of open, green and clean cooperation, all the parties will ensure the economic, social, fiscal and environmental sustainability by following general international rules.

As economic globalization faces rough headwinds and resurgent protectionism, the Belt and Road cooperation will undoubtedly make an even greater contribution to strengthening multilateralism and an open world economy.

Australia is welcomed to involve in the Belt and Road Initiative. With its unique advantages in many areas, Australia can play a positive role in Belt and Road cooperation. This will not only benefit Australia, but also be conducive to strengthening the bilateral economic and trade cooperation.

Ladies and Gentlemen,

This year marks the 70th anniversary of the founding of the People's Republic of China. The past 7 decades has witnessed consequential transformation in China, which also profoundly influenced the rest of world.

Looking to the future, China will stay committed to the path of socialism with Chinese features and peaceful development. It remains our paramount objective to meet the ever-increasing needs of the people for a better life remains our paramount objective. China, among other things, will promote opening-up at a higher level.

China has comprehensively fulfilled its promises on joining the WTO, including substantive reduction of tariffs and the slashing of non-tariff barriers.

A new round of opening-up have been gathering pace since last year, with significant reductions in tariffs such as on vehicles and cosmetics, the adoption of a new Foreign Investment Law, and more liberalized market access. The general manufacturing has now been essentially completely opened up to foreign investment.

At the second Belt and Road Forum this year, President Xi Jinping announced that China will expand market access for foreign investment in more areas.

China has already adopted a management model based on pre-establishment national treatment and negative list, and will continue to significantly shorten the negative list. We will work for the all-round opening-up of modern services, manufacturing and agriculture, and will allow the operation of foreign-controlled or wholly foreign-owned businesses in more sectors.

We will also intensify efforts to enhance international cooperation in intellectual property protection, increase the import of goods and services on an even larger scale, more effectively engage in international macro-economic policy coordination, and work harder to ensure the implementation of opening-up policies.

China will host the second China International Import Expo this year, enabling countries all over the world to enjoy the dividends of China's opening-up.

China's economy has strong resilience, ample potential, a lot of room to maneuver, and enough ability to resist stresses. The Chinese government has an abundant policy toolkit and is able to keep the economy running within a reasonable range, and keep making major contributions to global growth.

In summary, China's door of opening-up will be wider. We hope that all countries can also provide a fair and non-discriminatory environment for Chinese enterprises.

At present, China's economy maintains a momentum of steady and sound growth. Industry and services growth, consumer demand, and employment have all been relatively stable, and business profitability and market expectations have both seen some improvement, alongside a deepening of supply-side structural reforms and new progress toward high-quality growth.

China's economy has strong resilience, ample potential, a lot of room to maneuver, and enough ability to resist stresses. The Chinese government has an abundant policy toolkit and is able to keep the economy running within a reasonable range, and keep making major contributions to global growth.

Ladies and Gentlemen,

The bilateral relations between China and Australia is important as it has brought about real and substantial benefits to the peoples of both countries.

China and Australia share an abundance of common interests, and it's my firm belief that increasing trust and deepening cooperation will bring even greater benefits to both sides.

Friends here today come from various sectors of Australia's society, including public service, businesses, education, culture, sport, media and etc. A sound and strong bilateral relation requires the firm commitment of both governments. It also relies upon the support and engagement of people like you. It's my sincere hope that you will make due contributions to the better understanding and better relationship between the our two nations. Thank you.

Australian economy

A history of trade and investment with Asia

June 2019



THE IMPORTANCE OF AUSTRALIA'S MINERALS SECTOR TO THE FUTURE OF OUR NATION – ASIALINK LEADERS PROGRAM ADDRESS

TANIA CONSTABLE PSM, CEO MINERALS COUNCIL OF AUSTRALIA

Tania Constable PSM discusses the importance of the minerals sector to Australia's long term economic prosperity and our trade and investment links with Asia.

Ladies and gentlemen.

I would like acknowledge the traditional custodians of the land on which we are meeting, the Ngunnawal people.

We acknowledge and respect their continuing culture and the contribution they make to the life of our national capital.

I am particularly delighted to join Asialink Business, as part of the Leadership Program's five-day intensive workshop on economic and foreign policy along with the current political, diplomatic and trade policy challenges facing our region.

Bringing together the great minds from Australian businesses, governments and not-for-profits to build knowledge of contemporary issues in our region is more important than ever.

If Australia is to continue to build and enhance vital commercial, trade and people-to-people links in the world's fastest-growing economic zone, we need to promote greater awareness and understanding of the policy challenges and opportunities that are emerging now and into the future.

If Australia is to continue to build and enhance vital commercial, trade and people-to-people links in the world's fastest-growing economic zone, we need to promote greater awareness and understanding of the policy challenges and opportunities that are emerging now and into the future.

The Minerals Council of Australia is firmly focused on today's vital topic – the importance of Australia's minerals sector to the future of our nation and the value that key Asian nations place on engaging with Australia.

Asia is more critically important to Australia now than it has ever been.

Australia is part of the Asian region.

Asia is part of our history, the engine of much of our present growth and the pathway to continued economic growth and success.

It offers enormous opportunities for the Australian minerals industry and for our trading partners to grow and to create wealth for the entire region.

At home, I am proud to say that Australian mining has supercharged economic performance in the post war era.

Our world-class minerals companies and their workforce continue to do the heavy lifting in generating jobs, export revenue and economic growth.

Mining is the foundation of our national prosperity and underwrites our high standard of living.

When mining is strong, Australia wins.

The resources sector earns more export income for Australia than all other industries combined, generating a record \$221 billion in 2017-18, or 55 per cent of total exports.

Iron ore and coal remain Australia's two most valuable exports, contributing \$61 billion and \$60 billion respectively in 2017-18.

In the same year, gold – Australia's fourth largest export industry – generated \$20 billion in revenue for the first time.

Base metals and other minerals contributed a further \$38 billion in export earnings, including \$13.7 billion of aluminium exports and \$8.4 billion of copper exports.

In 2017-18, Australian mining paid \$18.6 billion in company tax, higher than the \$15.4 billion paid in 2011-12 during the peak of the resources boom.

Mining companies also paid \$12 billion in royalties to State Governments in 2017-18 – more than three times the amount paid a decade ago in 2007-08.

Indeed, it is widely acknowledged that the strength of the industry's performance enabled the re-elected Morrison federal Government to project a budget surplus for 2020-2021.

In preparing for today's address, I took some time to reflect on the many relationships that have grown and now thrive between a number of Asian nations and Australia.

Whether, it is Japan, China, India, South Korea or ASEAN nations, I am proud to say that mining has been a constant thread that has built and sustained these relationships.

But the development of Australia's reputation as a global leader in mining and the supplier of choice to the people of Asia is not an accident of luck and location.

It was built on the back of hard work, innovation and above all the partnerships, trust and investment that have funded the exploration for and development of our resources.

The investment and know how brought here by customers and partners helped us uncover our resource potential and build the infrastructure we needed to mine, transport and export our minerals to the economies of our region.

Over almost two hundred years, Australia's relationship with Asia can be viewed through the lens of mining.

The gold rush not only fuelled Australia's economic growth and prosperity.

It also marked a turning point in the people-to-people connections between Asia and Australia.

It is during this time that Australia was christened the New Gold Mountain in China after the Gold Mountain of California in North America.

Since this mighty period in Australia's development, our mineral wealth has driven a number of booms and supported the economic growth and expansion of many of our trading partners.

The most notable of course are Japan and China.

Australia's first post-war resources boom was kicked off by the Menzies Government's decision to abolish licensing of imports on critical minerals including iron ore in 1960.

It's hard to imagine that an Australian government once wanted to keep our world-class iron ore onshore!

The relaxation of this export embargo paved the way for the realisation of the lofty ambitions of generations of Australian prospectors, geologists and miners.

Asia is more critically important to Australia now than it has ever been.

It also allowed a post-war Japan to pursue its goal to rebuild its post-war economy and deliver jobs and prosperity for its citizens.

Iron ore emerged as one of Australia's main mineral exports, rising to become Australia's leading export in the early twenty-first century.

Its rise to export dominance also heralded a new era in Australia's trading relationship with Asia, with Japan surpassing the United Kingdom as our major export market in 1967.

The second major post-war boom that has shaped Australia's minerals industry is our engagement with China.

Today, Australia and China celebrate a firm and transcending modern relationship bound by our historical connection in mining and mineral resources.

Modern Australia is now home to more than 1.2 million people of Chinese descent, with two out of five within that group born in China.

More than 1.4 million Chinese tourists visit Australia every year and more than 166,000 Chinese students were undertaking study at the end of December last year – close to half of the total international student cohort.

This strong and growing bilateral relationship and the opening up of the Chinese economy have undoubtedly contributed to the economic growth and prosperity enjoyed by all Australians over the past two decades.

And the strong demand for resources continues to underpin our economic, trade and commercial relationship.

China is Australia's biggest and most significant trading partner, with coal and iron ore the largest export commodities accounting for over A\$13 billion and A\$50 billion respectively in 2017-18.

Iron ore and coal help power the People's Republic, and build its cities, roads and infrastructure.

China's One Belt, One Road initiative will ensure that the economic benefits of development spread across the region.

Chinese steel production has increased fivefold since 2000.

At the dawn of the new century, China imported 70 million tonnes of iron ore from all global sources.

In 2018, Australia alone exported ten times that amount of iron ore to China – a staggering 700 million tonnes in one year.

Yet Australia's engagement with the region through mining is much broader and deeper than Japan and China.

India is a growing and energy hungry market that is increasingly turning towards Australia as a reliable source of minerals.

India is now ranked as Australia's fifth largest trading partner, up from ninth in just five years.

In 2017-18, Australia's minerals exports were worth more than 70 per cent of the \$16.3 billion of merchandise exports to India.

Like Japan and China before them, India's large-scale industrialisation and urbanisation is boosting demand for Australia's commodities.

Every minute, 30 people in India move to a city – the equivalent of Australia's entire population urbanising every 19 months.

With 300 million people in India still not connected to the electricity grid, and 500 million people depending on biomass for cooking, India is expected to add the equivalent of the European Union's current power generation capacity to meet expected energy demand to 2040.

Coal – mostly steel-making metallurgical coal – was worth \$9.9 billion, a growth of 40 per cent in 12 months and an 11 per cent annual growth trend over the past five years.

Indian thermal coal consumption is rising faster than any other major economy because of increased electrification, while domestic supply and demand remains tight because coal sector reform has made limited progress.

That is why investments such as Adani's Carmichael mine and infrastructure project are important.

To put it simply, the Carmichael mine is a win for Queensland, a win for Australia and a win for India.

Queensland and Australia benefit from thousands of new regional jobs and long-term investment in the mine and rail infrastructure.

More than 8,000 direct and indirect jobs flowing into central Queensland, allowing thousands of Queenslanders to live and work in their communities.

We saw at the recent Federal election just how important those regional jobs are if political parties want to secure the support of those communities.

New global opportunities will also be delivered by helping meet India's growing demand for energy, as well as strengthening vital trade and commercial opportunities between our two countries.

It's not just coal that India is looking to Australia to provide.

Gold (\$732 million) and copper (\$852 million) are also valuable commodities on which Indian industry relies.

India's rising demand for nuclear energy and the need for imported uranium also provides Australia with new opportunities.

Australia took part in a small trial of exports of uranium to India in 2017.

However, much more needs to be done to unlock the potential of exporting valuable minerals such as uranium.

Australia is also well placed to help meet India's energy demands, including through supplying coal to India's high energy, low emissions (HELE) power plants that are rapidly coming on stream in large numbers.

Importantly, this is supporting India in meeting the climate challenge and its Paris Agreement commitments.

More broadly, demand for energy in ASEAN has grown by 60-70 per cent over the past 15 years.

ASEAN's demand for energy is expected to continue to rise strongly through the 2020s and beyond based on continuing economic growth.

The ASEAN economy is forecast to grow at a weighted average of around 5 per cent per year in the period through the 2020s and to triple in size between 2015 and 2040.

Coal is set to remain a major part of the energy mix, noting that several ASEAN governments are re-assessing the precise roles of coal-fired generation, gas and renewables.

As this transformation takes place in Asia, we have the knowledge and human capability to help close skills gaps in China, India and other Asian nations.

Australia has developed a world leading mining industry over many years and has become a key supplier of many resources to both Asia and other economies.

But there is still significant potential for further investment in new mines that will supply the copper, rare earth elements and battery minerals a growing world economy will demand in the 21st century.

Australia is a vast country and mostly under explored.

Our mines are concentrated in certain geographic areas and with greater exploration investment we will identify new mineral deposits and continue using our world leading workforce to develop them.

We have expertise in advanced resource extraction, refinery and development of resources, wind and solar.





Australia has expertise in mine rehabilitation, water management, tailings management, environmental conservation and clean energy solutions.

Our brilliant METS businesses have massive capability to support mining with innovation, ingenuity and efficiency.

This expertise is just part of the untapped mutual benefits that could emerge through stronger engagement. It is an opportunity to deepen our partnerships and to learn to work together

While these facts paint a positive picture about the role of Australian mining in the region, there are emerging challenges that confront and colour our relationships.

At the end of 2017, foreign economies had a total of \$3.3 trillion invested in Australia.

Foreign investment has funded our nation's roads, railways, communications, ports, dams, energy and other infrastructure around which we have built our industries and delivered a comfortable and prosperous society.

This huge investment underpinned \$401 billion in Australian exports in 2017/18, with resources export income reaching a record of \$221 billion.

Foreign direct investment is vital to the mining sector, enabling transfers of technology, skills and capabilities and access to global supply chains and export markets.

According to the Australian National University, the vast majority of Chinese investment between 2014 and 2017 was directed towards mining and real estate.

Two areas often cited as sensitive aspects of the Australia-China relationship – telecommunications and agriculture – accounted for only 2.2 and 3.3 per cent of all Chinese investment in Australia respectively.

Despite China being our largest trading partner, it ranks as only our ninth-largest foreign investor, making up only two per cent of the total.

What has driven those investment flows, and what are the challenges to our continued attractiveness as an investment destination?

Some valuable insights can be found in a report by KPMG and the University of Sydney, *Demystifying Chinese Investment in Australia* (June 2018), which notes that 2017 was challenging for Chinese direct investment.

While Chinese regulations reduced capital outflows to the world, the recent changes to Australia's foreign investment regulations for strategic infrastructure assets have had an impact.

In a related survey, senior executives from 45 Chinese companies in Australia were asked about their perceptions of the Australian investment climate and key challenges they face in Australia.

The responses suggested that Chinese investor sentiment has shifted.

This should ring alarm bells for the health of our ongoing relationship and our collective ability to strengthen that relationship for our mutual benefit.

Significantly, there was a 17 per cent fall in Chinese companies feeling welcome in Australia – down to 35 per cent.

70 per cent of respondents stated that the political debate in Australia had made Chinese companies more cautious about investing here.

67 per cent of Chinese investors now view the Federal Government as less supportive than in previous years. State-owned enterprises are particularly apprehensive due to diplomatic tensions and the sense of feeling unwelcome.

In simple terms, there is a higher level of apprehension by Chinese investors towards investing in Australia.

This also echoes concerns being expressed by Indian investors seeking new opportunities in Australia's resources sector.

The treatment of Adani in Australia is well-known in Indian business and political circles and has received significant media coverage – which shapes perceptions about Australia as investment destination.

In particular, the vilification of this project by activists as being promoted by an "Indian billionaire" is a disgraceful display of racism which has no place in our country.

Today, I want to send a clear message that Australian mining firmly believes in foreign investment and there are many good examples of successful international resources investment in Australia.

Some examples that come to mind are:

Sinosteel's iron ore project in Western Australia, which commenced in 1987 and was the first Chinese resources investment project

Yancoal's superior handling of coal projects along the East Coast

Talison Lithium which runs the green bushes lithium mine in Western Australia and is 51 per cent owned by Tianqi

Centennial Coal attracting investment from Indonesia

Lion Gold in Ballarat.

There is no doubt that in some instances foreign investment will be sensitive.

Australia should be proud of defending our national interests and sovereignty.

Yet a more sophisticated approach to foreign investment must be adopted to support our national needs as well as the business and trade opportunities through these strategic relationships

Trade and investment should support and deepen our relationships.

It is time for Australian business to talk more often and more broadly to our friends, neighbours and partners.

In concluding today, I would like to say that as a naturally optimistic person, I believe the prospects for the future are positive.

Asia and Australia's relationship has been shaped by minerals and the mining sector.

Asia's population growth, urbanisation and the emerging demand for technology drives unprecedented demand for Australia's minerals and energy.

However, we cannot be complacent.

All of us – business, government and community – need to continue to work harder on growing the important ties that exist between Australia and our Asian partners and neighbours.

That is why Asialink's work and events such as today are important in promoting greater understanding and awareness of the challenges and opportunities that are unfolding in our region.

Australia has benefited significantly from the growth fuelled by Japan and China.

These relationships have helped transform Australia into a modern, prosperous society with some of the highest living standards in the world.

We must take advantage of our unique position within the region to grow and expand into existing markets as well as developing new partnerships.

Otherwise, we will jeopardise Australia's future and economic growth and living standards in both Australia and Asia will be placed at risk.

Thank you.



WHERE WE LIVE

THE HON SCOTT MORRISON MP, PRIME MINISTER OF AUSTRALIA

Australian Prime Minister, The Hon Scott Morrison MP delivered his first major foreign policy address at Asialink, in the lead-up to the 14th G20 Summit, charting Australia's role in our evolving Indo-Pacific region.

INTRODUCTION

Thank you to Asialink and Bloomberg for the opportunity to address you here today prior to my attending the G20 Leaders' Summit in Osaka this weekend.

Today I want to talk about our plan to foster an open, inclusive and prosperous Indo-Pacific, consistent with our national interests.

I would like to set out the principles, consistent with our national values, that will guide my Government's engagement with the Indo-Pacific region.

The Indo-Pacific is where we live.

It is where we have our greatest influence and can make the most meaningful impact and contribution.

It is the region that will continue to shape our prosperity, security and destiny.

It is the region where, together with our allies, and especially the United States, our people made great sacrifices when our peace was threatened.

It is the region that has accounted for two-thirds of global growth over the last decade.

It is home to more than half the world's population.

It is the destination for more than three-quarters of our two-way trade.

It embraces our Pacific family with whom we have special relationships and duties, our close neighbours, our major trading partners, our alliance partners and the world's fastest growing economies.

Where else would Australia want to be?

During the early years of European settlement, our geography seemed a burden. Today, I think we now appreciate that it has proved to be a great blessing.

While comfortably understated in our approach, we do not underestimate our influence, especially if we choose to focus and target our contributions where we can have the greatest impact.

Our economy has grown faster than any other advanced economy over the last 28 years.

Australia is alone among advanced economies in enjoying uninterrupted growth over this period.

We are one of only ten countries globally with a AAA credit rating from all key agencies.

We host 10,000 foreign-owned businesses, and \$3.7 trillion in foreign investment.

We rank third as a destination for foreign students, and seventh as a tourist destination.

We play a critical role in underpinning the resource, energy and food security of East Asia.

We are the fourth largest pension market. Our funds management sector is the sixth largest in the world.

We are a standard bearer for democracy and the rule of law.

We are a staunch and active ally of the United States, deepening our security cooperation to help secure our region.

Our post war trading relationship with Japan, marked by our Commerce agreement secured in 1957, saw Japan become our largest trading partner until just under over a decade ago. The relationship is now broader and deeper than ever before. This weekend Prime Minister Abe will preside over the G20 as a great friend of Australia and one of the region's most highly respected statesmen.

We share a comprehensive strategic partnership and free trade agreement with the People's Republic of China, with a broad and deep relationship underpinned by people-to-people ties; evidenced by the fact we are home to 1.2 million ethnic Chinese and are host to 1.4 million Chinese visitors and 205,000 Chinese students each year.

The growth in India's economic and strategic heft is increasingly felt beyond the Indian Ocean, creating new opportunities for Australia based on our shared values and outlook. India is also now the single largest source of permanent migrants to Australia.

Our special relationship with ASEAN since its inception has plugged us into a critical network of independent and dynamic developing economies working together to create their own norms and rules for intra-regional growth, critical to the interests of all Indo-Pacific members.

And we are the single largest development partner with the island nations of the Pacific.

So together in our region we share a future. We have much to contribute and much to gain.

A NEW THRESHOLD

The Indo-Pacific is a region which has undergone and is undergoing profound change. We have helped shape that change.

Post war social development and economic prosperity led initially by Japan.

Global engagement with the People's Republic of China and the resultant economic miracle of China's economic advancement.

The emergence of ASEAN, which has supported the regional stability that allowed its members to prosper.

The burgeoning of intra-regional trade. The build up of regional security capabilities, with inevitable tensions in some areas.

The economic liberation that has flowed from free trade, new technologies and innovation.

New environmental pressures and threats to our climate, oceans, species and forests that don't recognise national boundaries.

The confluence, agglomeration and dynamism of these forces now shaping our region has brought us to a new threshold.

Undoubtedly, the most significant change in most recent times has been the shift in the relationship between the United States and China, who exert the greatest influence on our region.

The world's most important bilateral relationship – the US-China relationship – is strained.

Trade tensions have escalated.

The collateral damage is spreading.

The global trading system is under real pressure.

Global growth projections are being wound back.

The impact of any further deterioration of the relationship will not be limited to these two major powers.

The balance between strategic engagement and strategic competition in the US-China relationship has shifted.

This was inevitable.

China's conscious decision to pursue prosperity as a strategy for national unity and stability launched one of the world's greatest economic miracles.

Now China is a significant power, with vast military, global interests and the biggest economy in the world in terms of purchasing power parity.

It is important to acknowledge that this success was made possible by the active and strategic engagement of the United States and the wider global community.

Firstly, through enthusiastic bilateral exchange and then by supporting access to the global rules-based trading system through China's accession to the WTO in 2001, gave it much better access to the markets of 154 member economies.

This also required reforms from China that supported its rapid economic expansion.

China is now the major trading partner of more than 50 countries.

In 1980, China's trade with the outside world amounted to less than \$40 billion. By 2015, it had increased one hundredfold, to \$4 trillion

China is the largest holder of foreign US currency reserves.

China's economic rise has not been a zero sum game. This has been especially true in Australia's case, but also for the United States.

This is why Australia has always, and will continue to, welcome China's economic growth.

However, the ground has now shifted. It is now evident that the US believes that the rule-based trading system - in its current form - is not capable of dealing with China's economic structure and policy practices.

Many of these concerns are legitimate.

Forced technology transfer is unfair.

Intellectual property theft cannot be justified.

Industrial subsidies are promoting over-production.

China's rise has now reached a threshold level of economic maturity.

While we acknowledge that large parts of China are still to realise the prosperity of its major economic centres, it is also true that its most economically successful provinces, some of which are larger than many developed nations, including Australia, has reached and sometimes exceeds the economic sophistication of its global competitors. Yet, at the same time, these economies get to compete with concessions, whether they be on trade, environmental obligations or other terms, not available to other developed economies.

Our current trading system seems incapable of acknowledging, let alone resolving, these issues.

The rules-based system is in need of urgent repair if it is to adequately respond to these new challenges, including the rise of large emerging economies, changing patterns of trade and new technologies.

THE RESPONSIBILITY OF GREAT POWERS

Our prosperity, and that of our Indo-Pacific partners, depends strongly on the maintenance of an open global economy and a rules-based trading system.

It will also depend on a positive, productive and cooperative bilateral relationship between China and the US.

This will require the exercise of special responsibilities by these "Great Powers" to resist a narrow view of their interests.

But this won't be the first time such leadership has been required or demonstrated.

In 1951 George Kennan wrote, in *American Diplomacy*:

"If our purposes and undertakings here at home are decent ones, unsullied by arrogance or hostility towards other people or delusions of superiority, then the pursuit of our national interest can never fail to be conducive to a better world."

The statement was made at a time when the United States was in the process of building a new world order, with institutions and common rules unashamedly seeking to secure prosperity as a bulwark against the madness that saw 60 million people killed and slaughtered, including 45 million civilians, during the Second World War.

According to some, estimates this included up to 20 million Chinese as well as 419,000 Americans and almost 40,000 Australians.

This new world order was the dividend of the peace bravely won, none more so than by the United States, who understood that with its great power came great responsibility.

The principles of this new order reflected the values and aspirations of its architects.

It was also informed by the failures of pre-war institutions and mindsets that saw emerging and recovering economies become frustrated, giving rise to the most evil of nationalist ideologies to take hold.

As I joined other leaders in Portsmouth recently to commemorate D-Day, I was somewhat overwhelmed by the history of the moment.

Sitting beside Chancellor Merkel, I was inspired by just how far we had come. No different to when I joined Prime Minister Abe in Darwin to commemorate the bombing of our northern capital. The post-war world order has achieved something truly extraordinary. The United States deserves great credit for this achievement.

Central to these institutions has been a respect for the individual sovereign state, no matter how large or small, and the ambition that each may be able to engage and participate with the security afforded by a common set of rules that means they can get a fair go, free of coercion.

Like any nation the US is not perfect, but it has form in being able to look beyond its own horizon to see a bigger picture.

The United States has demonstrated an understanding that the responsibilities of great power are exercised in their restraint, freely subjecting itself to higher order rules, their accommodation of other interests and their benevolence.

Such power supports the independence and sovereignty of other nation states and affords protection beyond its own interests, in the knowledge that this is necessary to maintain the peace and stability that ultimately underpins their own prosperity.

The level of global interconnectedness means this has never been more true than today.

As a rising global power, China also now has additional responsibilities.

It is therefore important that US-China trade tensions are resolved in the broader context of their special power responsibilities, in a way that is WTO-consistent and does not undermine the interests of other parties, including Australia.

The accumulation of issues that have led to these tensions must be acknowledged, addressed and resolved at the negotiating table in a way that reinforces our open and inclusive global trading system.

Like all of us, China and the US have a strong interest, and a special responsibility, to modernise and support the system that has delivered unprecedented growth in national wealth and living standards over the last two decades.

REJECTING THE FATALISM OF POLARISATION

We can support these efforts and outcomes by rejecting the fatalism of increased polarisation and resisting the analysis that only sees these issues through a binary prism.

It is in no-one's interest in the Indo-Pacific to see an inevitably more competitive US-China relationship become adversarial in character.

All nations in our region, not just Australia, are having to adjust to this period of great power competition.

Japan, India, New Zealand, Vietnam, Singapore, Indonesia, Papua New Guinea. All of us are similarly seeking to balance our interests, our history, our geography, our alliances, our partnerships and aspirations in the context of this new dynamic.



Like others who live here, Australia simply seeks the freedom to be ourselves, peacefully pursue our national interests, consistent with our values, appreciating our history and being transparent and honest about our aspirations for the future.

These shared challenges create important common ground, which is where I see Australia continuing to play an important role.

So we won't be fazed, intimidated or fatalistic.

Of course the international environment is difficult.

Of course there are risks of further deterioration in key relationships and consequent collateral impacts on the global economy and regional stability.

There are also pressures to decouple the Chinese and American economic systems, whether this be in technology, payments systems, financial services or other areas.

But these are not insurmountable obstacles. To think they are not does not amount to some modern form of appeasement. This is a straw man argument.

And what's the alternative?

These risks not only can but must be mitigated, and this comes more possible when we work together.

We should not just sit back and passively await our fate in the wake of a major power contest.

This underestimates and gives up on the power of human, state and multilateral agency.

There are practical steps that we can pursue.

So we will play our part. We will not be passive bystanders.

Our approach will be based on key principles.

A commitment to open markets with trade relationships based on rules, not coercion.

An approach which builds resilience and sovereignty.

Respect for international law and the resolution of disputes peacefully, without the threat or use of coercive power.

And a commitment to cooperation and burden-sharing within strong and resilient regional architecture.

None of those principles is inconsistent with the natural instinct of sovereign nations to compete.

And It is not inevitable that competition leads to conflict.

We have already demonstrated that like-minded nations can take measures to help shape their own destiny.

EXERCISING OUR REGIONAL AGENCY

We will continue to lead by example, developing our close web of relationships across and within the Indo-Pacific.

In recent years, we have been

- investing heavily in our major bilateral relationships, to advance our security and prosperity and build regional influence
- encouraging regional economic integration and cooperation; and
- promoting rules and norms to guide peaceful cooperation.

We are stepping up our economic engagement.

Our defence cooperation is stronger than it has ever been.

We are leading collaboration on issues at the frontier of a changing world, like e-commerce, cyber security, infrastructure development, innovation and technology and maritime security.

We are working more closely than ever before with close partners like Japan, India, Indonesia and Vietnam.

Our special, strategic relationship with Japan is based on deep shared values, interests and beliefs. Prime Minister Abe has a vision to strengthen the international order as his leadership of the G20 this week, at the dawn of a new Reiwa era, will demonstrate.

My Government is enhancing our partnership with India, one underpinned by shared values, a plan to bring our economic relationship to a new level, and a common strategic outlook.

We are committed to being a leading security, economic and development partner for Southeast Asia.

Our vision of the Indo-Pacific has ASEAN at its core.

We have continued to push ahead with an ambitious trade agenda that has rallied the region and sustained momentum for trade liberalisation.

Under Tony Abbott's Prime Ministership we concluded major trade deals with China, Japan and South Korea.

When the United States walked away from the Trans Pacific Partnership, we rightly pressed ahead to success under Malcolm Turnbull's Prime Ministership. It was the biggest trade deal since the birth of the WTO and a positive affirmation of middle power diplomacy.

There is now strong interest in TPP-11 from nations both inside and outside the Asia Pacific.

This year we hope to conclude the Regional Comprehensive Economic Partnership, an agreement that includes 16 economies and accounts for about one-third of global GDP.

It would be the first regional free trade agreement to include India and has the 10 nations of ASEAN at its core.

RCEP's membership includes 10 out of Australia's top 15 trading partners, account for over 60 per cent of Australia's two-way trade, and over 70 per cent of Australia's goods and services exports.

To conclude the agreement when leaders meet in Bangkok in November this year, I would urge leaders to send their Trade Ministers to the meeting next month in Beijing with a clear mandate to deal.

There are other priority initiatives that will add ballast to regional relationships.

Australia strongly supports Indonesian President Widodo's vision and leadership in developing ASEAN's 'Outlook on the Indo-Pacific'.

Our recently-concluded Comprehensive Economic Partnership Agreement with Indonesia is another major step to secure Australia's economic future and to strengthen our critical relationship with our largest neighbour.

ENGAGING THE GREAT POWERS

While continuing to work with other partners in the region we will also deal directly with our great and powerful friends.

Our relationship with the US has never been stronger.

Ours is a resolute and mutually beneficial alliance partnership where neither party has the need to prove anything to each other.

Our alliance with the US is the bedrock of Australia's security, providing us with irreplaceable hard power capabilities and intelligence.

Australia is a stronger regional power because of the US alliance.

We are committed to working with the US internationally because we agree it has borne too many burdens on its own.

Australia will continue to pull its weight.

And we will work with the US, as well as Japan, Indonesia, China, the EU and others, to reform international institutions, including the WTO, to ensure they're fit for purpose and serve their members' interests.

Because we will be more secure and prosperous in a global order based on agreed rules, not one based on the exercise of power alone.

My Government is also committed to further enhancing our relationship with China.

Our relationship with China has many strengths.

Our trading relationship is flourishing, with two-way trade reaching a remarkable \$215 billion in 2018, which benefits both countries.

Our cooperation with China through our Comprehensive Strategic Partnership goes well beyond economic issues.

We are working together across fields including health, education, and taxation, where Australia offers world-class expertise.

We've also been cooperating successfully to counter drug trafficking through Taskforce Blaze.

There is more we can do. That's why we established the National Foundation for Australia-China Relations earlier this year.

The Foundation will strengthen areas where we already cooperate, deepen the already rich links across our communities, and help identify new areas for practical cooperation.

I want to acknowledge the presence of the inaugural Chair of the Foundation, Warwick Smith, and thank him for his leadership. While we will be clear-eyed that our political differences will affect aspects of our engagement, we are determined that our relationship not be dominated by areas of disagreement.

The decisions we make in relation to China are based solely on our national interests, just as theirs are towards Australia, and these are sometimes hard calls to make.

But they are designed always to leave large scope for cooperation on common interests and recognise the importance of China's economic success.

This success is good for China, it is good for Australia.

McKinsey estimates that 2.6 per cent of consumption in the rest of the world is imported from China, compared with 0.8 per cent in 2000.

Chinese imports now account for 2.0 per cent of the gross output of the rest of the world, compared with 0.4 per cent in 2000.

We welcome Chinese investment.

We have welcomed it for decades.

The stock of Chinese investment in Australia in 2018 was more than 8 times larger than a decade ago, and China is our ninth largest investor behind the USA, Japan, UK and the Netherlands.

Australia has the most liberal foreign investment regime in our region. It is not possible for Australians to invest in China in the way Chinese investments are made here. Perhaps this will change, but our policy is not framed in the context of reciprocity, but national interest.

We retain our sovereignty over these investments, especially in relation to strategic and national security considerations, but where such issues are satisfied, we would be only harming our own economic interests if we were to deny our economy access to this capital.

That is why we operate a non-discriminatory approach to investment screening.

And I note that all nations, including China, screen foreign investment.

The infrastructure needs of the region are enormous and Australia welcomes the contribution that the Belt and Road Initiative can make to regional infrastructure investment and to regional development.

We support regional investments with commercial merit that meet genuine market need and international standards, including on transparency and debt sustainability.

OUR PACIFIC STEP UP

Finally, a key pillar of our Indo-Pacific engagement is our Pacific step up.

We have returned the Pacific to where it should be – front and centre of Australia's strategic outlook, our foreign policy and our personal connections.

This is where we have special responsibilities as part of a Pacific family – our Vavale, our wantok, our Whanau.

It is a fundamental building block of our engagement with the Indo-Pacific. A South Pacific that is secure strategically, stable economically and sovereign politically.

It's where Australia can make the biggest difference through our initiatives including the Australian Infrastructure Financing Facility for the Pacific, our labour market programs and undersea cable projects, for example.

A strong, stable region keeps us more secure and enables our economies to grow and our peoples to prosper.

CONCLUSION

Today I have focused principally on the economic dimensions of our regional relationships and engagement strategy. On another occasion I will address these issues from the perspective of our strategic, security and defence interests, and in turn from the perspective of our environmental and development cooperation.

I have done so, consistent with the priority I have assigned on building our economy to secure the future of Australians at our recent election.

We all have responsibilities to deepen patterns of co-operation, especially in the Indo-Pacific.

Australia is ready to play its part.

But for today let me close by making the following observations.

There are gathering clouds in the global economy.

The trading relationship between the world's two most important economies is under serious strain.

But an ever-worsening trajectory in this relationship is not inevitable.

We all have responsibilities to deepen patterns of co-operation, especially in the Indo-Pacific.

Australia is ready to play its part.

We embrace free trade, global engagement and an international system where we agree rules, stick to them and honour our commitments.

That is the surest path to an open, stable and prosperous Indo-Pacific.



OPENING KEYNOTE TO INAUGURAL ASIAN-AUSTRALIAN LEADERSHIP SUMMIT (AALS)

PROFESSOR TIM SOUTPHOMMASANE, THE UNIVERSITY OF SYDNEY

Can Australia seriously claim to be the most successful multicultural society in the world? How can we drive change and enhance the representation of Asian-Australians at leadership levels? Professor Tim Soutphommasane explores these important questions in his keynote to the AALS.

Exactly twenty years ago Australia was debating the question of the republic. Among the leading voices on the republican side was Jason Yat-Sen Li, a twenty-something Australian born lawyer of Chinese heritage. He was an eloquent and compelling voice for his cause, certainly a standpoint at the Constitutional Convention of 1998, at which he was an elected delegate.

As Li put it at the 1998 Constitutional Convention, 'I believe that all Australians should be given equal opportunity to attain the honour of being Australia's head of state – all Australians regardless of their ethnic descent.' Establishing a republic, he continued, was about 'the forging of a national identity within which all Australians can feel a sense of belonging, a sense of fitting in and a sense that this land is their home.'

As we all know, the republic referendum failed. But the aspirations spoken of 20 years ago – giving all Australians an equal opportunity to lead, regardless of ethnic descent; the forging of a national identity that includes all of us – remain as relevant as ever.

If anything, they've become more urgent. Twenty years ago, many of us – and this would include my own 16-year-old self back in 1999 – thought we saw in that republic debate a glimpse of what we thought Australia twenty years on might look like. A confident, multicultural nation – with institutions that reflected that character.

Yet in the Australia of 2019, serious questions linger. Can we seriously claim to be the most successful multicultural society in the world, as our leaders frequently like to boast? What does it say when our the leadership of our institutions do not bear the imprint of our multiculturalism? What does this say about the prospects that Australian citizens of Asian and other non-European backgrounds enjoy within our society? And what does this say about Australia and our cherished ideals of the fair go and egalitarianism?

In his recent book, the distinguished historian David Walker speaks of us as a 'Stranded Nation', as 'White Australia in an Asian region'. In citing Walker, I am guilty of some mischief. For Walker's analysis was historical: his focus is on Australia from the late 1930s to the 1970s. There seems, nonetheless, something disturbingly contemporary about the description. I ask: How many among you would have thought I was describing a book about Australia today, as opposed to Australia of decades ago?

This Asian-Australian leadership summit is a timely opportunity for us to put cultural diversity and multiculturalism back on the agenda. In particular, to ask why it is that Australia does so poorly in having ethnic and racial diversity within the leadership of its institutions. To Gareth Evans, Penny Burt, Andrew Parker and all those at the ANU, Asialink, PwC and the University of Melbourne who have driven this initiative, we all owe you a big debt of thanks.

As the press coverage this week has shown, you have succeeded in putting this issue back on the agenda. But whether change comes – well, that depends in large part on you, and on us. That depends on the will, the energy, the creativity, the grit, and the fight of Asian-Australian leaders, and their allies.

THE EVIDENCE

Let me turn briefly to the evidence on all this.

When I was Race Discrimination Commissioner, the AHRC produced two reports on cultural diversity in leadership – our Leading for Change reports of 2016 and 2018. We did this work because Australia, atypically among liberal democracies, does not collect comprehensive data about the ethnic or racial composition of its population. As a result, there is little official data about the representation of cultural diversity within the leadership of Australian institutions.

Many of you will be familiar with the report's findings, but let me recap them.

In the 2018 study, we examined the cultural backgrounds of chief executive officers of ASX 200 companies, federal ministers, heads of federal and state government departments, and vice-chancellors of universities. We also examined the cultural backgrounds of senior management at the level directly below chief executives and equivalent – namely, group executives of ASX 200 companies, elected members of the Commonwealth Parliament, deputy heads of government departments and deputy vice-chancellors of universities.

Using statistical modelling based on the 2016 Census, we estimated that 58 per cent of the population have an Anglo-Celtic background. An estimated 18 per cent of the population have a European background, 21 per cent of the population have a non-European background, and 3 per cent of the population have an Aboriginal or Torres Strait Islander (Indigenous) background. We estimated there is well above 10 per cent of the Australia, if not close to 15 per cent of the population, that has an Asian background.

What we found, all of us already knew and know: our cultural diversity is significantly under-represented among senior leaders in Australian organisations and institutions. Of those who occupy 2490 of the most senior posts in Australia, 75.9 per cent have an Anglo-Celtic background, 19.0 per cent have a European background, 4.7 per cent have a non-European background and 0.4 per cent have an Indigenous background. Of this total, just 3.1 per cent have an Asian background.

Described another way, about 95 per cent of senior leaders in Australia have an Anglo-Celtic or European background. Although those who have non-European and Indigenous backgrounds make up an estimated 24 per cent of the Australian population, such backgrounds account for only 5 per cent of senior leaders.

Cultural diversity is particularly low within the senior leadership of Australian government departments and Australian universities.

Of the 372 chief executives and equivalents identified in this study, we find that 76.9 per cent of chief executives have an Anglo-Celtic background, 20.1 per cent have a European background, and 2.7 per cent have a non-European background. There are six chief executives who have an Asian background (1.6 per cent).

As I've said it before, these are dismal statistics for a society that prides itself on its multiculturalism. If we are not careful, we are at risk of creating a new class in Australian society: a class of professional Asian-Australian coolies in the twenty-first century. A class of well-educated, ostensibly over-achieving Asian-Australians, who may nonetheless be permanently locked out from the ranks of their society's leadership.

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THE BARRIERS

It is often said that time can solve this under-representation. However, time alone may not resolve a lack of cultural representation. It has already been about half a century since the White Australia policy started being dismantled, and about four decades since non-European background immigrants began arriving in Australia in significant numbers.

For some time now, the children of immigrants on average outperform the children of Australian-born parents when it comes to educational and employment outcomes. In what is by international standards a relatively mobile society, we should by now be seeing greater representation of cultural diversity in senior leadership.

One set of problems: bias and discrimination. These are undoubtedly factors. Research indicates that those from non-European backgrounds encounter significant barriers in work.

For example, one study conducted by economists at the ANU found that having a Chinese name or Middle-Eastern name can mean a job seeker may need to apply 68 or 64 per cent more times, respectively, compared to someone with an Anglo name before being invited for interview. A more recent study, conducted by my colleagues at The University of Sydney, has found that those with a 'white' name are three times more likely to be invited for interview, compared to candidates with a Chinese name (the study also found that those with Chinese names who had an Anglicised first name doubled their chances of receiving a job interview).

Then there are the biases in the assumptions people may make about leadership. For Asian-Australians, there are popular assumptions that they aren't necessarily suited to assuming leadership positions in our society – that they are better suited performing roles in finance or IT behind the scenes, rather than roles out the front.

The problems of bias and discrimination can also be reinforced through minority self-selection. As it's frequently said, 'You can't be what you can't see.' Identity matters.

The Canadian philosopher Charles Taylor, one of the influential theorists of multiculturalism, said that our identities are shaped by recognition and misrecognition.

Who we are, depends in part on what others see – which can in turn shape how we see ourselves. When it concerns leadership, if some groups do not recognise themselves in their institutions at the highest echelons, they may never seriously entertain ambitions to lead such institutions. They may come to understandable conclusions that the Australian leadership 'club' may not be as conducive to diversity as it should be.

We see this playing out in a certain way for Asian-Australians. Many talented Asian-Australian professionals walk away from corporate Australia or from large organisations – choosing instead to go into business for themselves. It is striking that the numerous Asian Australian stories of success in business, for example, have tended to involve founder-CEOs rather than CEOs who have worked their way from within to steer listed ASX companies. This has been the pattern for people such as Bing Lee, LJ Hooker, David and Vicky Teoh. Private entrepreneurship, rather than large institutions, has been the vehicle for leadership.

There's nothing wrong with this. But there can be a cumulative or systemic effect that we don't often account for.

And then there is an added barrier right now. The recent and ongoing debates about foreign influence in our public institutions may be having a chilling effect on Asian-Australians, particularly those of Chinese backgrounds. Our society must not end up in a situation where Chinese-Australians need to work twice or thrice as hard as Australians of other backgrounds in order to demonstrate their loyalty to this country. If anything, Australian citizens of Chinese backgrounds are entitled to enjoy a presumption of loyalty, if the equal status of citizenship is to have any real meaning.

WHAT MUST WE DO?

Leadership

There must be leadership on diversity and inclusion. This involves chief executives and other senior leaders taking opportunities to speak about cultural diversity. Doing so helps to signal to others a commitment to the issue.

There is also strength in senior leaders coming together in numbers. In late 2016, a number of chief executives in business, government and higher education formed the Leadership Council on Cultural Diversity – with the intention, among other things, of amplifying the member leaders' individual voices on cultural diversity. There must also be efforts dedicated to emerging leaders. This is why the 40 Under 40 Most Influential Asian-Australian Awards, launched last night, is such an important initiative.

One challenge is getting authentic leadership. Those who are prepared to advocate for cultural diversity often do so because of their own personal conviction or experience. The task of leadership cannot be delegated, however, just to those from non-European or Asian backgrounds. At the

same time, leaders who have Anglo-Celtic backgrounds may be reluctant to speak out, especially if they are conscious their own professional life has not included any lived experience of adversity based on race or culture.

We must also get the pipeline of leadership right. Namely, those from Asian-Australian backgrounds coming through into leadership positions must be of the right calibre, and must exercise the proper responsibility. Having the wrong people in positions of leadership will set back the cause.

Data, targets and accountability

It remains difficult to get data on cultural diversity. Unlike on gender, where federal legislation compels all companies with 100 or more staff to collect and report on gender equality data, there is no legal obligation for organisations to collect cultural diversity data. There is an urgent need for the Australian government to collect better data on cultural diversity in Australian organisations and institutions.

There have been some recent international developments on data collection worth noting. In October 2017, British Prime Minister Theresa May released a Race Disparity Audit, which examined the treatment of people of different backgrounds across health, education, employment and the criminal justice system. According to May, the audit data may be 'uncomfortable', but will also be 'regarded as the central resource in the battle to defeat ethnic injustice'.

Data is, of course, a prerequisite for targets. It is hard to see how serious progress in improving the representation of Asian-Australians in leadership can be done unless some thought is given to the adoption of targets.

To coincide with this Summit, the ANU commissioned some survey research. Among the questions asked of respondents was this one: Do you think there should be quotas or targets for Asian-Australians in Australian workplaces? The responses from Asian-Australians was striking. While the vast majority of Asian-Australians said they experienced discrimination at workplaces, their view on targets and quotas was divided. Only 14 per cent supported quotas, and only 34 per cent supported targets. Fifty-one per cent do not think targets should be set.

Now, there is an important debate we should have about merit, targets and quotas. We should have that debate. But these findings reveal something about the mindset of Asian-Australians. To the Asian-Australian delegates here, I ask you this: Who will fight for you, if you won't fight for yourselves? Do you expect that change on this will come through benevolence or paternalism?



At stake is nothing less than the future of Australian multiculturalism. We come to consider the question of Asian-Australian leadership at a time when our demographic character is rapidly changing.

Cultural attitudes

If change is to come, it will require some changes in attitudes. Let me enumerate some necessary changes.

First, we need to stop seeing cultural diversity as just an instrument for Australia succeeding in Asia. We must resist seeing the push for Asian-Australian leadership merely in terms of the Asian Century. The question of representation is primarily an internal or domestic consideration. It is not fundamentally about us flourishing in Asia, though that may be a welcome by-product.

Second, we cannot just making the case economically. The case for more diverse leadership mustn't be reduced to the business case. Sure, if we get diversity right, there will be economic payoffs. But we can't forget the moral and civic reasons behind it.

Third, we can't assume that change will come purely through the application of reason and data alone. As David Hume said, reason is the slave to the passions. We must strive to win both hearts and minds.

And finally, the cause of cultural diversity must be twinned with the cause of anti-racism. The two must always go together. Otherwise, we may lapse into only pursuing a celebratory mode of diversity. The advocates for cultural diversity must be robust advocates for anti-racism, especially when nationalist populism is on the march, and when much commentary has posited a false moral equivalence between racism and anti-racism. Advocates must not acquiesce to the dilution of multiculturalism into a superficial project of cultural harmony and community relations. Rather, we must see it as implicating a question of citizenship.

THE FUTURE OF AUSTRALIAN MULTICULTURALISM

Let me conclude with posing two questions: What is at stake? And in what spirit must we prosecute our cause?

At stake is nothing less than the future of Australian multiculturalism. We come to consider the question of Asian-Australian leadership at a time when our demographic character is rapidly changing.

The journalist and author George Megalogenis has described the changes this way:

Twenty-first-century immigration has inverted the relationship between new arrival and host, as our ethnic face changes from Anglo-European to Eurasian. The new arrival is younger and better educated than the locally born, and typically lands somewhere between the middle and the very top of the income ladder. Two out of every three new arrivals since 2001 have been skilled immigrants. They come primarily from India, England, China, South Africa and the Philippines, to work as doctors and nurses, human-resources and marketing professionals, business managers, IT specialists, and engineers.

In other words, given the nature of our immigration program and demographic trends, that risk of creating a class of 21st century professional coolies will grow only more acute.

As for that second question, much of this concerns the role of Asian-Australians themselves. To those of us here who are Asian-Australian, this issue is of course about us. But it's not only about us. It's about something bigger and larger than us. It's about ensuring that Australia lives up to its promise as a nation – that it lives up to its best.

Sometimes, when people agitate for greater diversity, the response can imply that those agitating are unhappy with this country, or are bitter ingrates. Nothing can be further from the truth. If we are exercised by the status quo, it is because we believe it diminishes our nation and our premise – because we think so highly of who we must be a nation in the first place.

So let us go forth with new momentum on cultural diversity and Asian-Australian leadership. But let us not lose sight of this as a national project, as a mission of nation-building, in the best sense.



ACCEPTANCE SPEECH: 40 UNDER 40 MOST INFLUENTIAL ASIAN-AUSTRALIAN AWARDS

DR MUNEEBA BANO, OVERALL WINNER, 40 UNDER 40

Accepting the inaugural 40 Under 40 Most Influential Asian-Australian Award, Dr Muneera Bano shared her personal journey breaking the bamboo ceiling, as a rising leader and one of Australia's 'Superstars of STEM.'

Thank you so much Asialink, PwC, and Australian National University for this great initiative, and for giving us all the opportunity to demonstrate and celebrate the diversity and talent of Asian-Australian leadership.

Today, throughout the day, I heard about two types of ceilings; Glass ceiling and Bamboo ceiling. Let me add another one to this list, a ceiling made out of Concrete, that I have seen to exist for Pashtun women. It cannot be smashed like glass or broken down like a Bamboo, it can only be blasted apart. Whenever I mention my ethnicity to others, most of the time I get puzzled looks in return; who are Pashtuns? My ready to go answer is, do you know Malala Yousafzai, and I have never heard no for this question. Yes, she is a Pashtun girl with a world-wide famous story and the youngest recipient of the Nobel Prize.

I didn't have to face the cultural adversaries like her, but my mother who grew up in Khyber Pakhtunkhwa, the

north-west province of Pakistan, was denied education only because of her gender. My father on the hand, also a Pashtun man, was able to travel to North America and had access to the higher education back in the 60s. Both my parents moved to the capital of Pakistan, Islamabad, where I was born and raised. I am the youngest and the fifth child, and the only sister of four elder brothers. My parents raised me as equal to my brothers in every aspect including education. But my father made it clear to me at a very young age that unlike my brothers, my education was a privilege, that was denied to the previous generation of women in my family and to a significant number of Pashtun girls even in my age.

I valued my education and decided that I will go all the way to a PhD in a male-dominated field. I did my Bachelors and Masters in Computer Science in Pakistan and seven years ago, I came to Australia to pursue my PhD in Software Engineering at the University of Technology Sydney (UTS).

One of my brothers accompanied me for moral support, but he had to leave after a week. It was only then the reality hit me in the face. I had never lived without my family before. Not only that I had no family in Australia, but also there was not a single person in this whole country I could call as 'my friend'. I tried to be as brave as I could for my brother at the time of goodbye, who was catching a train at Central Station in Sydney for the airport. When he left, I came outside the central station and sat down on the stairs and cried like a child, who has just lost her family in the crowd of strangers.

The fact that I was at the train station at rush hour, the huge crowd of strangers was making it worse for me. I started to walk towards the university. I could see the Tower building of UTS all the way from the station. That Tower fondly referred to as the 'ugliest tower of Sydney', is not only beautiful to me but also symbolises a special meaning for me. That day when I looked at it, it made me realise that there is, after all, one place in Sydney that I can call as mine. My University! I belonged to an educational institute, and at that moment, I was brought back to my sense of purpose, why I left the comfort of my home and came to Australia. My first sense of belongingness in this country, while still being an international student, was my university. That's where I not only did my academic research, excelled in my field, learnt and grew but also made life-lasting new friends including my PhD supervisor Professor Didar Zowghi.

Three years later I graduated with a PhD in Software Engineering and broke my concrete ceiling as a Pashtun woman. I could see some other graduating students worried about life after PhD, but I was no longer afraid of the future. My PhD was not a pursuit of a degree in the form of a piece of paper, it was a transformational journey of my life towards empowerment. That day I felt this enormous sense of achievement, resilience and fearlessness, so much so that I knew there never ever is going to be any ceiling, glass or bamboo, that I am not capable of bringing down, for I am the breaker of my "concrete ceiling".

Last year, I raised my hand to become one of the Superstars of STEM as it is now time to show other women like me on how to cross the psychological boundaries and break the stereotypes. I grew up without a sister, and today, there is not a single city in Australia where I don't have a sister. I have 59 amazing sisters, Superstars of STEM all over the country.

In the NextGen summit, the first panel was about "You can't be what you can't see!", well I did not see a single Pashtun man or a woman throughout the summit or currently in this room. A glass ceiling allows you to see through it, you just can't move up. The bamboo ceiling, allows you to hear what is happening on the other side, even if you can't see it. A concrete ceiling would not let you perceive any reality behind that confinement. What do you do then?

Well just because you can't see, does not mean you can't dream, and once you have a dream, it's your choice how hard you will work to turn it into reality regardless of the odds. I came to Australia as an immigrant, single, Muslim, Pashtun woman from Pakistan, and each of these identifiers is a barrier that reinforces and enhances the others in a vicious cycle. Yet, here I am today, with a PhD in Software Engineering, an academic at Swinburne University, a superstar of STEM and from tonight onwards, winner of the 40 under 40 most influential Asian-Australian leadership award.

This award is a huge honour and a giant leap for me in my commitment to inspire the next generation of women in science and technology. Thank you, everyone, and especially the judges for considering my story worthy of honour and to be shared with everyone.





ADDRESS TO THE PNGAUS PARTNERSHIP SECONDARY SCHOOL COHORT

SEAN DORNEY AM MBE CSM FAIIA, JOURNALIST, FORMER FOREIGN CORRESPONDENT AND WRITER

As part of their preparation for a transformational study visit to Papua New Guinea (PNG), Sean Dorney delivered an insightful address to a group of secondary school students and teachers from around Australia. He explained why PNG, one of Australia's closest neighbours, is "one of the most fascinating on earth" and drew on rich personal experience to provide a deep view into PNG's society, politics, people and cultures. The PNGAus Partnership Secondary Schools is a two-year initiative (2019-2020) of the Australian High Commission Port Moresby implemented by Australia Awards PNG and Asia Education Foundation, a centre of Asialink at the University of Melbourne.

I am delighted to be here tonight having accepted this invitation to talk to you all about a country that I believe is the most fascinating on earth. I understand that each of you has been given a copy of the Penguin Lowy Special that the Lowy Institute for International Policy commissioned me to write to mark the 40th anniversary of Australia granting PNG independence which I called, "The Embarrassed Colonialist". If you have had the chance to read it then I apologise that I might be traversing some of the same territory this evening.

Between 1974 and 1999, I spent 20 years as a journalist living in Papua New Guinea and then another 15 years reporting on and from the rest of the Pacific Island nations with a visit or two back to PNG each year. Unfortunately, not long after the ABC made me redundant in 2014, I was diagnosed with Motor Neurone Disease. This has now severely limited my ability to type. Whereas once I was a ten fingered typist, I am now down to two fingers and even that is laboured. For my birthday in March this year, my wife and two children bought me some Dragon Voice Recognition software. It has been a great help. I could not have written this address without it. But it is not perfect - especially with unfamiliar words.

Recently, I have been transcribing extensive notes that my late mother wrote in longhand on our whole family history. In the mid-1970s, I spent three years on secondment from the ABC to the then newly created National Broadcasting Commission of Papua New Guinea. My mother wrote about how, in 1975, she and my father had come up to Port Moresby to watch me play as a Half-Back for the Papua New Guinea national representative Rugby League team, the Kumuls. Dragon made a stab at working out what that name really was. "Kumul", as you probably know by now, is the Melanesian Pidgin word for "Bird of Paradise". However, according to Dragon, the PNG National Rugby League team is not named "the Kumuls" but, instead, is called "the Criminals".

That amused but annoyed me on a number of levels. Given the very limited and often one-dimensional coverage of PNG we get these days in the Australian media, many Australians could probably be forgiven for believing that "the Criminals" may have been an apt name for any group of people representing Papua New Guinea. But it is far from fair! It is not only the Australian media that gives PNG a generally bad rap. The BBC ran an item last year claiming that 70% of Papua New Guinean women can expect to be raped in their lifetime.

Over the years, I have met and worked with a significant number of PNG women and I have spent weeks at a time living in my wife's village, Koropalek, on Manus Island. Unless my sample of the PNG women I know is totally out of kilter that figure of 70% is a ridiculous exaggeration. Rape is definitely a problem in the congested major cities and towns of Papua New Guinea but some 80% of Papua New Guineans still live in their villages and rape is so socially destructive that, in the village setting, it would be met with immediate retribution. Last year, the ABC sent a camera team with me and Pauline to her village on Manus and we produced two programs – a half-hour one for "Foreign Correspondent" and a three-quarter hour version for the ABC News Channel. Pauline and I are constantly being stopped by people when we are out and about here in Brisbane and the most common comment by people who have watched those programs is how healthy and joyful the people in her village are.

When I was writing my first book on Papua New Guinea back in 1989, I wanted to call it "Hurtling from its Past". The editors at Random House chose a far less exciting title, "Papua New Guinea – People, Politics and History since 1975." One of the reasons I proposed my (rejected) title is that Papua New Guinea is still struggling with governance because of how rapidly it has moved from being more than 1000 tiny, subsistence nation states into a single country in the modern world. There are 860 distinct languages in PNG. For instance, in the Nuku District just inland from Aitape in the West Sepik Province the people speak no fewer than 37 different languages. It's no wonder that the biblical story of the Tower of Babel resonates so fully in PNG!

Australia administered Papua for more than 70 years and New Guinea for well over 50. We took over running Papua shortly after the start of the last century and New Guinea following World War I after the Australian Prime Minister, Billy Hughes, demanded at the Versailles Peace Conference that Australia be given control of what had been German New Guinea. But we never administered the two territories as one colony until after the Second World War. Despite the tremendous work often done by the Australian patrol officers and others, Papua New Guinea was far from being a cohesive whole when independence came in 1975.

For example, as late as 1970 – just five years before independence – an area of some 170,000 hectares was still classified as not being under Australian administrative control. The Highlands were not discovered by the outside world until the 1930s and it was not until the 1950s and 1960s that many in the Highlands came into contact with outsiders.

Recently I was contacted by an American photographer, Sandro Miller, who on three visits to Papua New Guinea over several years, had taken individual portrait photographs of well over 100 Papua New Guineans from tribal dancers in the Highlands to coffee factory workers to members of one of Port Moresby's most notorious criminal gangs – or Rascol gangs as they are known in PNG. He wanted me to write a preface to introduce his American readers to PNG. In his own essay for this proposed coffee-table book, Sandro had said that he decided against going for a run at one stage when visiting a village in the jungles of PNG because he did not want to get "bitten, eaten or attacked". That, unfortunately, is the image that Papua New Guinea has internationally. However, while the chance of getting bitten by mosquitoes is high can I reassure you that cannibalism is no longer an everyday practice in PNG. It can be a dangerous place ... but it is endlessly fascinating.

Whenever I am asked about Papua New Guinea, I often begin with the startling fact I mentioned earlier that its people speak no fewer than 860 distinct languages. Sadly, some of those languages are starting to die out. In fact, on a trip we made with that ABC television crew back to Pauline's village on Manus, in 2018, some of the mothers there scolded their children that they could not speak the local language as well as Pauline still does despite the fact that she has spent most of the past 20 years living in Australia.

English is the language taught in the schools and two hybrid languages, Melanesian Pidgin and Hiri Motu, have tended to dominate simply because of the need for communication between PNG's multiple tribes' people. The differences in physical appearance amongst Papua New Guineans can be quite marked. It does not take a foreign resident long to distinguish a Sepik from a Trobriand Islander, a Highlander from a Tolai, or a Bougainvillean from a Mekeo. Skin colour ranges from the midnight black of the Buka people through all shades of brown to the pale brown of some of the people of the Central Province.

While the vast majority of Papua New Guineans are classified as Melanesians, the tiny populations of the western islands of the Manus Province are of Micronesian descent and those of the far-flung eastern islands in the North Solomons province are Polynesian. Societies may be patrilineal, matrilineal, or an amalgam of both. But what shows up the remarkable patchwork of PNG's multiple societies best is those languages that they speak.

These languages evolved from many different roots and are of widely varying antiquity. Studies have shown that the languages in the one province – and there are 22 provinces – can come from a number of radically different language groups. A language spoken by the people of one area may be similar in grammatical structure to the one spoken by the people 10 kilometres away or may bear no relationship to it at all.

The most recent languages to arrive in PNG (prior to English and so this goes back many centuries) are from the Austronesian family, a grouping that also embraces the languages of Indonesia, the Philippines and the rest of the Pacific Island countries. The Motu people from the coastal area around the national capital, Port Moresby, speak an Austronesian language, as do the people around the second largest city, Lae, and in the island provinces of Manus, most of New Ireland and New Britain, but in the heavily populated Highlands and in pockets of New Britain, New Ireland and Bougainville and along two thirds of the southern mainland coast and half the northern coastline exist hundreds of others, presumably older, Non Austronesian languages that defy simple classification.

The manifestation of cultural diversity is not limited to just language. Not many societies in traditional PNG could even agree on the result of the simple mathematical equation $2+2$. This is not meant disparagingly. Rather, the simple fact is there were probably more than 50 separate ways of counting. Whereas the decimal system has a base of 10, in PNG the bases range down to as low as two. That is, after two there is no three, it went back to one. In some communities there is no word in the indigenous language for numbers beyond the first few digits. Anything beyond two or three is "some", and more than "some" is "many". But it can also operate the other way. There is one group in the Eastern Highlands with a counting base of no fewer than 47. These 47 digits are represented by 23 points on the right-hand side of the body – fingers, toes, joints – and 23 on the left. The 47th digit is the nose. Then it all starts all over again. When I first wrote about this some years ago, one of my journalistic colleagues sent me a message suggesting that the 47th digit may not be the nose but another defining part of the male anatomy that is somewhat south of the nose.

A major factor contributing to the rich diversity of peoples and cultures in PNG is the nature of the geography. Geologically it is a young, violent land. Located between the old, stable continental mass of Australia and the Pacific

As Australians our knowledge of what is going on in our former colony has fallen away dramatically in the past 44 years.

Ocean basin, the segment of the earth's crust on which most of PNG sits is highly mobile. The friction caused by its constant movement has creatively folded and faulted mountain ranges which continue to shake and occasionally explode to this day. There are 14 active volcanoes in Papua New Guinea and 22 dormant but potentially dangerous ones.

Two of the most devastating natural catastrophes that I covered while based in PNG were the 1994 volcanic eruption in Rabaul – when two volcanic vents either side of the town and harbour erupted – and the 1998 Aitape tsunami off the northern mainland coast which killed about two-and-a-half thousand people. An off-shore earthquake precipitated an underwater landslide that sent a tidal wave crashing back onto the coastline sweeping entire villages into the Sissino Lagoon. I found that to be the most mentally and physically draining story of my entire journalistic career. Indeed, after five days of almost non-stop travel to and from the devastated area and filing story after story after story to the ABC's television and radio news and current affairs outlets I was exhausted. I switched off the microphone after doing one last cross to Radio Australia's Pacific Beat program on a Friday morning and I surprised myself by bursting into tears. I cried solidly for about five minutes. I had witnessed so much tragedy that the tears just gushed out of me. Even now, I vividly remember that emotion.

The nature of PNG's challenging geography presents such a barrier that the capital, Port Moresby, is still to this day not connected by road to any other major city or town. The difficult terrain enforced the isolation in which so many groups once lived. Traditional life in Papua New Guinea was dominated by fear of one's enemies and, more importantly, fear of the spirits. The ancestors and spirits of dead relatives were believed to be active players in everyday life and great effort and attention went into placating them so as to ward off ill-fortune and death. Christianity has done much to try to replace this thinking but do not underestimate the strength of local beliefs.

As Australians our knowledge of what is going on in our former colony has fallen away dramatically in the past 44 years. Back in 1975, the year of PNG's independence, when I was working on secondment from the ABC for the PNG National Broadcasting Commission, there were six journalists based in Port Moresby covering events throughout the country for the Australian media. There were two Australian journalists in the ABC Bureau, one each working for Australian Associated Press, the Fairfax newspapers and the Herald and Weekly Times and one freelancer earning a decent living reporting for a number of different Australian news outlets. When Papua New Guinea

did not immediately falter as a nation, the Australian media lost interest. It is not cheap to keep a correspondent in Port Moresby and the various bureaus gradually closed down. By the mid-1980s, there were just two Australian journalists based in Port Moresby – one at the ABC and one at AAP. Several years ago, AAP also shut down its reporting from Port Moresby. Now, the ABC's Natalie Whiting is struggling on alone.

Natalie is doing a great job but the fact that she is the solitary correspondent means that those who decide what is run on the main news and current affairs programs in the ABC have no other reference points against which to compare her stories. When I was the ABC Correspondent, I would sometimes ensure that other journalists were aware of stories I regarded as really significant. The simple reasoning was that if a story from Papua New Guinea featured in, for example, the Sydney Morning Herald then my version would almost certainly get a run on the ABC's morning current affairs program "AM". The chances were much lower if nobody else had the story. For a journalist, it was almost the opposite mindset to getting a scoop.

So, I am really pleased with initiatives like this one re-establishing relationships across the Torres Strait and linking up schools in both countries. In fact, just one week ago, Pauline and I were attending a funeral here in Brisbane for one of Papua New Guinea's most successful businessman, Sir Theophilus George Constantino. At that funeral we caught up with the current Australian High

Commissioner to Papua New Guinea, Bruce Davis, who has been personally campaigning for this schools' partnership program for some time. Bruce told me that he will be hosting a function for you all at the High Commissioner's residence soon after you arrive in Port Moresby. Mr Davis has been a fantastic High Commissioner, one of the best ever posted by Australia to Port Moresby.

I was recently invited by the Queensland chapter of the Australian Institute for International affairs to speak on the topic of the Australian Government's sudden re-engagement with Papua New Guinea and the Pacific. I told them that I was tempted to add a sub-title, "Thank goodness for China!" Because, without doubt, if China had been less active recently in cultivating our Pacific neighbours, Canberra's attention would never have re-focussed on what has been rather embarrassingly been called "our patch". As you may have read in "The Embarrassed Colonialist", I lamented how abysmal our general understanding has become of our nearest neighbour and former colony, PNG. It's disheartening when even one of Australia's best journalists, Paul Kelly, whom I admire greatly, wrote in *The Australian* a month or two ago about Australia's closest neighbour being Indonesia. PNG could claim that ahead of us. It shares a huge land border with Indonesia. But Australia is so close to PNG that three Australian islands in the Torres Strait have been excised from Papua New Guinea's 12 nautical mile limit territorial seas. Indonesia is a bit further away than that.



My colleague at the Lowy Institute for International Policy, Jonathan Pryke, agrees with me (and probably with everybody who has thought about this sudden awakening) that it's all about China. He says that most Australian politicians have long regarded the Pacific as a "strategic backwater" and largely ignored it.

"Geopolitics in the Pacific had been pretty benign since World War Two," Pryke argues so Australia was "able to operate with a degree of benign neglect". But since 2006, China has gradually built up significant political influence across the region. The Chinese "are on the ground everywhere," Pryke says, and "policy makers have finally taken note". China's apparent interest in helping PNG redevelop its naval base on Manus Island prompted a counter offer by the United States and Australia. Jonathan Pryke maintains that uncertainty over China's ambitions "is driving many decisions in Canberra right now" and he adds that Australia is "by no means convinced that [China's] strategic interests [in the region] are aligned with our own. That's a profound paradigm shift to what we had in the past," he says.

When you visit Port Moresby in the coming days you will probably see some roadworks with signage indicating it's being done thanks to Chinese aid. China's initial forays may involve aid and loans but in various places that is closely followed by major Chinese commercial investments. There is a perfect example of this now in Port Moresby. A Chinese syndicate led by Baosen International Holding is about to spend \$A414 million building a Chinatown in Port Moresby. I know the land they have chosen quite well. It is not far from the NBC Studios where I worked in the mid 1970's and was the site of various transmitters owned by PNG's government-owned telecommunications body, PNG Telecom. In April, the first sod was turned on what has been described as the biggest ever Chinese investment in PNG. This Chinatown will include apartments, shops, restaurants, a cinema and a hotel. Natalie Whiting reported that some of PNG's top politicians joined the Chinese Ambassador and the developer at the ceremony.

The Governor of Port Moresby, Powers Parkop, who is a member of the National Parliament, told Natalie Whiting that while China's increased involvement in the region may be a concern for Australia and the United States it was not a concern for Papua New Guinea. He said China was a logical country for PNG to align with. "At the moment the Chinese are investing, it's not that we are bending over and saying just come and do whatever you want; we're going through the process," he said. Governor Parkop was also scathing about that recent announcement that Australia and the United States would fund the redevelopment of the Manus naval base.

"For me," he told Natalie Whiting, "I'm particularly concerned about the US and Australian influence on us because, for example, the naval facility in Manus, I don't think that's in PNG's interest. I think that's in their interest. If it was in PNG's interest and win-win, they should have done it a long time ago."

Governor Prokop is from Manus Island and he claimed he raised the idea of redeveloping the base with Australia back in 2014 but could not generate any interest. "Why now? The only reason now is because of China. So, is it really in our interest?" Mr Parkop asked.

Questions have been raised about how the Chinese syndicate acquired the Telecom transmitter land. A PNG NBC television news reporter, Rose Amos, was stonewalled when she attempted to get the details. PNG's lands Minister, Justin Tkatchenko, said he did not know. "I don't know. This was before my time. I wouldn't have a clue. You'd have to ask them. The investor. Ask the investor how much they paid." A representative of Boasen International Holding, Sen Lin, told her, "That's confidential. Sorry, that's confidential. The purchase is between company and company so that is confidential. I can't disclose that." And Governor Parkop said he had no idea. "You would have to ask Telecom. I don't know. I wish I knew. It's a private matter for Telecom and I am not privy to it. I hope they got a good price but if not, that is something that Telecom has to explain." The CEO of PNG Telecom said he had no knowledge of that and referred the NBC journalist to a government owned entity, Kumul Consolidated Holdings. But Rose could get no response.

A few days after that sod turning ceremony, Papua New Guinea's then Prime Minister, Peter O'Neill, flew to China to represent the Pacific at a forum on China's Belt and Road Initiative infrastructure program. The Chinese Ambassador to PNG, Xue Bing, wished him well on his trip to Beijing and commended the strengthening relationship. "In 2018, through the joint efforts of both sides, the bilateral trade volume between China and PNG increased by 27 per cent," Mr Xue said in his speech. "China's direct investment in PNG reached [the equivalent of more than \$A5 billion]," the Chinese Ambassador said, "also a big increase."

Let me turn for a few moments to talk about PNG politics. To outsiders this can often seem to be bewildering and totally divorced from any rules-based system. I remember reporting from the PNG Parliament Press Gallery many years ago, during one of the relatively regular political upheavals, sending a voice report over the telephone to the ABC news desk in Sydney in which I said, "Almost the entire Government has defected to the Opposition!" Well, we recently saw the opposite of that with almost the entire Opposition defecting to the Government. On the last count the Opposition numbered about five in the 111 member Parliament.

The new Opposition Leader heading up this very merry, little band of Opposition MPs is Belden Nama, a former career military officer. I know Belden reasonably well. He was one of the central characters in another major story I was fortunate enough to cover back in 1997.

The Bougainville copper mine - which had once been a major contributor to the entire PNG economy - had been shut down years earlier by the Bougainville Revolutionary Army, the BRA. Sir Julius Chan as Prime Minister was determined to get the mine reopened and so his Government contracted a British company, Sandline International, to engage mercenaries from South Africa to wipe out the leadership of the BRA. The Commander of the Papua New Guinea Defence Force, Brigadier General Jerry Singarok, silently objected and he selected a team of PNGDF soldiers to capture the mercenaries and deport them from PNG. Belden Nama was an Army Captain, one of those hand-picked, and when the soldiers surprised the boss of Sandline, Tim Spicer, and pinned him to the floor in Singarok's office, it was Belden who whispered in Spicer's ear, "Welcome to the Land of the Unexpected!"

The most recently deposed Prime Minister, Peter O'Neill, managed to survive in the top job for a remarkable eight years. Mr O'Neal attended that funeral in Brisbane which I mentioned earlier and afterwards we had a bit of a chat in which he agreed with me on an observation about PNG politics made quite some time ago. And that was that as a politician in Papua New Guinea you have no permanent friends but equally no permanent enemies. Members chop and change allegiance with stunning regularity. For example, the current Prime Minister, James Marape, has been a member of no fewer than four political parties. In 2002 he stood for the People's Progress Party. In the 2007 elections he won his seat as a National Alliance candidate. In 2012 he joined Mr O'Neal's People's National Congress party. Then in April this year, he quit the PNC and joined one of PNG's oldest parties, Pangu.

Mr Marape is one of the best educated politicians to lead PNG. He graduated in 1993 from the University of Papua New Guinea with a Bachelor of Arts Degree and in the year 2000 he completed a Postgraduate Honours Degree in Environmental Science. You may have heard that his aim is to make Papua New Guinea the richest, black, Christian nation on earth. He has a slogan: "Take Back PNG". This has caused some consternation amongst those companies that have invested heavily in PNG. There is a widespread belief amongst many Papua New Guineans that their country is not gaining the benefits that it should out of the exploitation of its resources. I would suggest that when it comes to mining, oil and gas there have been mixed results but, in my view, the worst cases of exploitation are associated with the logging of PNG's hardwood forests.

When Papua New Guinea did not immediately falter as a nation, the Australian media lost interest.

Australia provides about half a billion dollars in aid to PNG each year. In a paper I wrote recently for the publication "Australian Foreign Affairs" I posed the question of what could Australia do to make its aid to Papua New Guinea more effective?

Papua New Guinea's Minister for Finance, Charles Abel, somebody I hold in the highest regard, has one suggestion. In an address to the Lowy Institute in June last year he said Australian aid should have "education as its primary focus." "This should comprise, in the shorter term, providing 500 to 1000 places in Australian boarding schools per year for the highest achievers from Grade 9 [in PNG]. There should be a large program placing Australian lecturers in our universities and teachers in our schools, and vice versa." Abel predicted that "four or five hundred Papua New Guineans returning per year from the Australian high school or university system" was the fastest way, he could think of to create the critical mass of a middle class to feed into leadership, bureaucracy, and business innovation.

So, I think this is an excellent time to be establishing these school to school relationships between Australia and PNG. Before I conclude, let me tell you about a program that I have been involved in with the Lowy Institute for International policy for the past few years. Each year, thanks to help from an Australian aid program, we get a dozen Papua New Guineans and a dozen Australians in their 20s or early 30s, half male and half female from each side, together for a few days to discuss a whole range of matters pertaining to the relationship. We have called it the Emerging Leaders Dialogue. It is now into about its fifth year and we encourage those who have participated to keep in touch with each other via an Alumni Facebook page. I have been helping facilitate this dialogue and I have been tremendously impressed with the quality of the candidates from both countries.

Therefore I would encourage those senior students who are part of this PNG/Australia School Partnership Program to keep that Emerging Leaders Dialogue in mind so that, in a few years' time, you may be able to build upon the experiences that you are about to have on your forthcoming visit to this extraordinary neighbour of ours, Papua New Guinea. I know you will find it to be a great experience. Thank you.



KEYNOTE ADDRESS – ASIALINK LEADERS PROGRAM 2019 GRADUATION

WENDY HOLDENSON, DIRECTOR AND CHIEF OPERATING OFFICER OF MITSUI & CO (AUSTRALIA) LTD

“Asia has transformed Australia. Use your unique sphere of influence to make our engagement with Asia move, grow, and deepen” - Addressing the 2019 Asialink Leaders on their graduation in Sydney in November, Wendy Holdenson, Director and COO of Mitsui & Co (Australia) Ltd urged the Leaders to draw on their Asia literacy and experiences with the Asialink Leaders Program to forge a global career.

Congratulations on your graduation!

What a pleasure to stand before such a qualified experienced group of professionals, all chosen on the basis of merit for the Asialink Leaders Program. All of you have the trust of your organisations, and carry their expectations that you can be their lens into Asia - an interpreter of opportunities - and an Ambassador in Asia itself. You are the trailblazer for all things Asia.

And you are uniquely placed to be influencers.

How will you join all the dots of your career and the learnings from the Asialink Leaders Program?

Tonight I will talk about how being Asia-literate helped me to build a global career.

Actually, it can happen quite naturally.

The concept of ikigai which was shared in an article in the Sydney Morning Herald last weekend, springs to mind. Ikigai is the intersection of four key concepts: your passion (or what you love doing); your mission (what the world needs); your vocation (what you can be paid for); and your profession (what you're good at).

The importance of our engagement with Asia only grows. Malaysian Prime Minister recently talked about the changing face of Australia: He said: "In the future Australians are going to be more Asian than European." Our 2016 census supports this.

Another proof point is the recently cemented Regional Comprehensive Economic Partnership. Nine of Australia's top trading partners are part of the deal.

Tonight I want to touch on Japan, which until recent times was our biggest trading partner. It has certainly been front and centre in my career.

My relationship with Japan happened by accident rather than design – and over 40 years ago.

On completion of high school, my father wanted me to go overseas on a Rotary Club exchange scholarship rather than take up my place at Melbourne University. So I was interviewed by Rotary, and asked to submit my top three country preferences. The night before I submitted my desired destinations – No 1 Canada, No 2 South Africa, and No 3 Japan – my father suggested that I reverse the order because I would likely learn most from Japan and its different culture.

In the early 70s, there were no direct flights to Japan. Instead, I caught a Qantas aircraft to Manila where we had to disembark for refueling. There was no actual airport, as it had burnt down. Everywhere I turned, there were military carrying machines guns, as the country was under martial law.

Landing at Haneda Airport, I still recall my bewilderment at seeing so many people in one place! It only got more bewildering. I checked in to the Haneda Tokyu Airport hotel, and switched on the TV to find a sumo wrestling match was in progress. With zero knowledge of the culture – or its national sport – I wondered what I had stepped into.

Without any language, I simply observed customs and behaviors. My observation skills let me down badly in the first few weeks. I still feel that I am getting over gobbling up a large lump of wasabi, thinking it was curried egg at the time!

I attended the local agricultural high school. So began my enduring love affair with Japan, and decisions which saw me enroll in university, and start working: at the leading English newspaper company Mainichi, then at Canon, which was successfully shifting manufacturing to many locations around the world. It was at Canon that I learned about the Japanese work ethos – how to work hard and long hours.

I was also active in Japan's fledgling women's movement – along with other American women in Tokyo. We formed the activist group International Feminists of Japan.

It was at this time that I wrote a self-help book for Japanese women titled "Women, Hold on to Your Jobs" because female employees in corporate Japan would leave the labour market when becoming engaged to be married.

Japan – like Australia – still has such a long way to go to achieve gender equality. According to The Economist, if Japan made better use of its educated women, it would add 8.2 million brains to the workforce and expand the economy by 15% – equivalent to about twice the size of the country's motor industry.

Fast forward 30 years: When I was Consul-General and Trade & Investment Commissioner for Austrade in Japan, I had the opportunity to speak to professional groups about Australia's road to gender equity. I brought them down here on study missions, meeting with organisations like Asialink.

I also led business missions from Japan. They proved to be a real eye-opener for the Japanese participants. One economic mission I shall never forget was led by Wataru Aso, Governor of Fukuoka, a large economy in west Japan. We came to Sydney and Melbourne in 2010 to explore energy and biotech collaboration with government and the private sector.

Well, it didn't seem to matter which meeting we went to – the host was always a woman: The NSW Chief Scientist, the Director of NSW Trade & Investment, the Governor of New South Wales, the CEO of a leading cancer research institute.

The Governor kept saying that he felt driven to stay on in Australia after the mission to set up a new agency that would protect the interests of men here – such was his surprise and concern!

But actually what happened was something quite different. He returned to Japan and started driving policy to promote women within his local government. He also established numerical targets for gender equality – which Japan's central government then went on to formally launch across government and industry.

And Australia continues to advise the Abe administration on the 'Womenomics' part of 'Abenomics'. Japan has adopted our 'Male Champions of Change' model, seeing the value of our leveraging the public voice of prominent male business leaders.

Gender hasn't been the only social issue I have focused on in my dealings with Japan. Our ageing societies are of deep interest, too. Perhaps for me it all started back in the 70s – when my Rotary Club host family was a four-generation household.

Today, more than 67,000 people in Japan are over 100 years old. When I was working in west Japan as Consul-General, it seemed that they were all living down there – because wherever I went I would be introduced to centenarians. And whenever I could, I shook their hands, because there's a saying that one's own life can be extended that way!

Japan's deep respect for the elderly, and the ways in which seniors keep themselves active and relevant, spurred me on to consider launching an NPO focused on ageing Australians here. With a tentative name "Ageing Made Fun", the focus was to be on an improved food culture in aged care homes and stimulation through gardening programs.

Just as I was gearing up to register this NPO, through pure chance I learned that Maggie Beer, Australia's Senior Citizen for 2010 and everyone's favourite celebrity cook, was planning a similar venture. So rather than duplicate effort, we decided to combine forces – and I am still on the inaugural Board of the Maggie Beer Foundation.

We're driving research to prove that healthier, more inspiring meals for the elderly boost their wellbeing and lower the health burden for Australia;

We've trained hundreds of cooks and chefs face-to-face in how to be more creative, and now are developing on-line training modules to upskill thousands more.

We even got food and nutrition onto the Royal Commission into Aged Care agenda, and are working closely with Government.

One unique contribution I make to the Foundation is sharing Japan's best practice in their approach to food in aged care. Japan of course has a headstart on us with its ageing demographic.

But back to my career.

After five years working for the Federal Government, in 2014 I joined Mitsui & Co Australia – as its most senior female executive in a global network spanning 66 countries.

Today I'm driving Mitsui's business development strategy to take our investment portfolio into new and diverse sectors. Our corporate roots here go back to the year of Federation – when Mitsui exported bags of grain, wool and metals from Circular Quay on steam ships bound for Japan. By the 1960s Mitsui was pioneering Australia's export industries in coal, followed by iron ore, solar salt, oil & gas, and sustainable forestry. This century, we have invested in many new areas: mining and construction equipment supplier Komatsu Australia, metal recycling, renewable electricity generation and retail businesses, the wheat value chain, and technology solutions providers. In the financial services sector, we've taken a stake in infrastructure debt funds management company Westbourne Capital and New Forests Fund.

We pay our way: in the order of over \$9 billion in federal corporate tax, state royalties, and resource rent taxes paid in the last decade. Over this same decade Mitsui group companies have invested \$15 billion across many sectors.

To give you an idea of our diversity across the Indo-Pacific, Mitsui has recently invested in an e-rickshaw (or tuk tuk) business in Delhi; has a large stake in IHH Healthcare, Asia's largest private hospital network; and also a futuristic urban development in southern Malaysia.



We're a company in transition. And I'm leveraging my experiences from a long career in government and other Australian corporates – at Mitsui.

That of course doesn't mean that my work life has not had its challenges. Let me touch on a couple.

A key lesson I learned the hard way was when working in Japan, and it's one that still serves me well in Mitsui today. That is, I have adopted the mantra of 'no surprises'. For me, this means socialising concepts very early on, and holding back from making knee-jerk reactions. It calls for much self-control in me, as I am naturally gregarious. What this approach delivers is a level of trust among the Mitsui Executive that helps when I really need to push things through.

That mindset translates to communication with my own children. I can hold back from saying everything I want to say: a real skill.

Another challenge I have had to manage involved the care of staff with clinical depression – in a cross-cultural environment where I was the only non-Japanese. I took up the mantle, though, and researched and shared different approaches with my counterpart Australian colleagues around Japan – fostering an understanding of the things you don't do with such employees, as well as the things you can do to improve the situation.

Working at Austrade in Japan twice, with responsibility for both large and small in-bound investment deals – everything from WA's Wheatstone LNG project; to a sunscreen cream product development and clinical testing at Queensland University of Technology; to a NSW Central Coast IT company seeking to partner on the NBN rollout – to name just a few.

These inbound investments mean important things to Australia. But I still laugh about the fact that the business community in Sydney thanks me most for getting two restaurant chains to enter this market: that's Ippudo Ramen now in many locations across Sydney – and Yayoi restaurant chain with a similar footprint here.

I've touched on women, the elderly, my work in government and Mitsui – and I want to now move to talking a little about my interactions with young people. I feel I've come full circle: from my days as an exchange student.

When representing the Federal Government, I had lots of opportunities to meet different groups of Japanese students. At Mitsui, I'm still able to spend time with young people – as a trustee of the Mitsui Educational Foundation. Back in 1971 Mitsui launched this foundation to deepen bilateral ties between Australia and Japan – as our way to thank Australia for so warmly hosting us as a pioneer investor in the resources and energy sectors.

In the space of my lifetime, Asia has transformed Australia. Use your unique sphere of influence to make our engagement with Asia move, grow, and deepen

Every year, we select eight high-performer under-graduates from universities all around Australia to travel to our Tokyo head office on a business and cultural immersion program. We have almost 400 alumni today. Many are heads of companies, bureaucracies and NPOs. For example, Mark Spearman, NSW Attorney General, and even my local MP, Jonathan O'Dea are two alumni. We value relationships with them. And every year, in every capital city around Australia, we host alumni parties. You, too, are about to join a similar circle in Asialink.

Because we are so seasoned in student study programs, when the Federal Government launched its New Colombo Plan in 2014, Mitsui offered its full support. Our Tokyo head office has already hosted over 80 students from various faculties of UTS, UWS, QUT, UWA, and Deakin University.

By 2015, Minister Bishop gave me the title of New Colombo Plan 'Business Champion', and I work to encourage other corporates to back the program.

In my own time, and at a more grass roots level, I also mentor socially disadvantaged high performers at UNSW's Business School, my alma mater. In the age of reverse mentoring, I learn much myself from the relationship with my mentees.

I didn't, at the age of 16, set out to become a Japanophile. What happened was: I fell in love with Japan, so was happy to take each and every opportunity that came my way – and with both hands.

I never dreamed I would be able to influence Australia's national agenda for student mobility into the Indo-Pacific – or the investment and Diversity & Inclusion agendas of my employer Mitsui, or share best practice in Japan's aged care sector on the margins of the Royal Commission into Aged Care here. This has all been possible due to my deep affection for Asia, and realizing ikigai.

I encourage you to grab every opportunity to work in your communities – professional and personal. Go with the flow. Follow your passion.

That is what will connect the dots for you.

In the space of my lifetime, Asia has transformed Australia. Use your unique sphere of influence to make our engagement with Asia move, grow, and deepen – for even more transformation.



STRATEGIC LAUNCH EVENT IN AUSTRALIA ON ASEAN WOMEN IN INNOVATION LEADERSHIP DIALOGUE

THE HON KAREN ANDREWS MP, MINISTER FOR INDUSTRY, SCIENCE AND TECHNOLOGY

Minister for Industry, Science and Technology launched a major new initiative at an Asialink Business event in November, to showcase women innovation leaders in Australia and Southeast Asia and advance women in STEM and technology-driven industries across the region.

Thank you very much Penny and welcome to all of you.

It is a pleasure to speak tonight to a like-minded audience on a subject that is close to my heart: Women in Innovation Leadership.

As many of you will know, I previously announced the establishment of an ASEAN Women in Innovation Leadership Dialogue, which tonight I am confirming I will host in Jakarta in July next year.

The Dialogue will bring together business leaders, policymakers, innovators and influencers and be held as part of the World Economic Forum's official program at their annual ASEAN meeting.

I am delighted to note that representatives from the Indonesian Government are here tonight – and I would like to thank them for hosting the World Economic Forum next year and providing us all the opportunity to speak about this important topic.

I am hoping to take a delegation of high-profile Australian science and business leaders with me to showcase our ideas on how to build pathways for innovative women leaders across the region.

The ASEAN region has immense economic potential and it is already a large market for Australian companies.

Women remain under-represented in the global and regional workforce and especially in the industries that will underpin the Fourth Industrial Revolution.

We have a two-way trade with ASEAN of \$110 billion and our relationship is growing ever closer.

The Australian Government is committed to deepening our economic and trade ties with the region. Earlier this month, Prime Minister Scott Morrison attended the 3rd "RCEP" Summit in Bangkok. It was there that 15 of the 16 RCEP countries, including Australia, committed to proceeding to sign a trade deal next year.

To fully unlock the potential that agreements like this present, we need to look more deeply at how these opportunities unlock our human capital ... especially innovative women, which is why I am talking to you today.

Women remain under-represented in the global and regional workforce and especially in the industries that will underpin the Fourth Industrial Revolution.

According to a UNSECO report on Girls and Women in STEM in Asia, women hold only 24 per cent of all digital sector jobs, and 30 per cent of jobs in science technology, and innovation research globally.

The Dialogue is the start of a conversation that aims to share the perspectives of government, business and academia as we move into the Fourth Industrial Revolution.

Tonight is designed as an Australian precursor to the ASEAN Women in Innovation Leadership Dialogue and I want to highlight what Australia will contribute in Jakarta and into the future.

We see the Dialogue as an opportunity to showcase our experiences, provide mutual support in our endeavours with our regional partners, and create partnerships to connect and advance talented women across the Asia-Pacific region.

The Dialogue will provide a platform to explore regional pathways and opportunities to advance women in STEM, business and international entrepreneurship.

It is also about how we as a region can better cooperate. How we can complement our national policies and initiatives to provide pathways for women and girls into innovation leadership.

Success in this endeavour will be of benefit to all of us – both economically and socially.

Technological change, such as robotics, artificial intelligence and automation, is redefining the global economy and the future workforce.

Change is happening at a rapid rate.

This demands a skilled workforce that will drive economic growth into the future.

The Government is very conscious of the impacts of these developments not just for Australia but for Southeast Asia.

ASEAN nations and Australia will need to promote and drive an innovation mindset by investing in upskilling our workforces.

Skills in science, technology, engineering and mathematics, or STEM, play a crucial role in innovation, which is a key driver of economic growth.

It's estimated by 2030, we'll spend 77 per cent more time using science and maths skills in our work than we do today.

Skills will need to be continually upgraded over a lifetime. Many of the jobs that will need to be filled don't even exist today.

We will need all the talented people we can muster ... and women represent a vast untapped resource in STEM.

It is also about how we as a region can better cooperate. How we can complement our national policies and initiatives to provide pathways for women and girls into innovation leadership.

As a woman, an engineer and Minister for Industry, Science and Technology, I am committed to addressing the challenges facing girls and women in STEM.

I want to see our best and brightest from all backgrounds achieve their full potential.

But the barriers girls and women face in these subjects and careers mean that a special effort needs to be made on their behalf.

This is true for many of the economies in our region, including Australia, irrespective of the culture.

Low representation of women in the STEM skilled workforce not only denies women opportunities, it means that the full innovation potential of our region is not being realised.

Supporting women in STEM and raising a new generation of female entrepreneurs is a continuing focus of the Australian Government.

This is why we have invested in a framework for action that include:

- the Women in STEM Decadal Plan which sets the direction for all in the STEM sector to take action on gender inequity;
- the Government's Advancing Women in STEM strategy, which sets out the Government's commitment and vision for an Australian society that provides equal opportunity for all people wanting to learn, work and engage in STEM;
- the Girls in STEM Toolkit, to link girls' interests to STEM careers and study; and
- the Appointment of a Women in STEM Ambassador, Professor Lisa Harvey-Smith, who is here tonight.

These actions come on top of the Women in STEM and Entrepreneurship initiative.

Through this initiative, the Government is investing in measures that encourage more women to study STEM subjects and then choose to stay in STEM research, careers, start-ups and entrepreneurial firms.

This includes supporting \$8 million worth of projects under the Women in STEM and Entrepreneurship competitive grants program.

A grant from this initiative was awarded to Science & Technology Australia to establish Superstars of STEM, which is increasing the public visibility of women in STEM leaders.

We're also supporting girls and women to become entrepreneurs.

The Boosting Female Founders Initiative will see \$18 million in grants made available over three years from July 2020 - to help startups founded by women access early stage capital and to overcome barriers needed to get their ideas off the ground and go global.

I am optimistic. We are making progress and there is a growing momentum for change.

Barriers that hold women back are gradually being removed, though there is a lot of work still to be done.

Meetings like this and in particular the ASEAN Women in Innovation Leadership Dialogue in Jakarta are important steps in increasing coordination and cooperation for our collective economic future in the region.

I hope a successful Dialogue will ultimately build a collective ambition to improve the opportunity for innovative women leaders across the region.

I look forward to making further progress in Jakarta next year.





ABOUT ASIALINK

Asialink is a centre for creative Asian engagement. Asialink has thirty years' experience working closely with diverse communities in Australia and Asia to build a strong and shared future. We contribute through experience and insights, develop capabilities and connect people through the Arts, Business, Diplomacy and Education.

Find out more and get in touch:

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