

ADDRESS BY HIS EXCELLENCY MAJOR GENERAL MICHAEL JEFFERY AC CVO MC

GOVERNOR-GENERAL OF THE COMMONWEALTH OF AUSTRALIA

ON THE OCCASION OF

**OFFICIAL OPENING OF THE
PURSUING OPPORTUNITY & PROSPERITY
2003 ECONOMIC AND SOCIAL OUTLOOK CONFERENCE**

13 NOVEMBER 2003

Former Governor-General, the Right Reverend Dr Peter Hollingworth
Director of the Melbourne Institute, Professor Peter Dawkins
Chancellor of the University of Melbourne, Ms Fay Marles
Editor-in-Chief of The Australian, Mr Chris Mitchell
Conference speakers and delegates
Ladies and gentlemen

Good morning, everyone.

I'm delighted to have been invited to open this second Economic and Social Outlook Conference.

I particularly want to acknowledge the Melbourne Institute and The Australian for bringing together a stellar line-up of speakers.

It's difficult to think of a critical public-policy issue that won't be discussed – and in some detail – over the coming two days.

So, in that light, I want to make a few, more general remarks this morning.

I'd like to survey Australia's positives, look at how we might build on them, and then link this back to some of your conference topics.

Ladies and gentlemen.

It's important to state right up front – and this is often taken for granted – that Australia in 2003 has tremendous strengths and assets.

We have a stable political system – being one of around only 10 nations that have enjoyed continuous democracy since 1901.

We have rock-solid institutions – including Parliament, the judiciary and the executive – and appropriate relations between them.

We have a fundamentally decent, cohesive and tolerant society – based on values such as a “fair go” and adherence to the rule of law.

Our society has been shaped – intellectually, socially and culturally – by the arrival of more than six million migrants since World War II.

We're one of the most genuinely successful multicultural societies in the world – with a proud indigenous culture, which has existed in this land for an estimated 60,000 years.

More than 200 international languages are spoken in Australia, and one in every four of our 20 million people was born overseas.

We have talented, hard-working citizens, many of whom are at the very top of their field internationally – from Kylie Minogue to Nobel Prize-winning researcher Peter Doherty.

We're highly educated – with 40 per cent of the working-age population holding university or trade qualifications, and tertiary enrolment rates being the third highest in the world.

Australia's economy – the 12th biggest among OECD countries – is healthy, resilient, competitive, open and structurally sound.

We remain one of the world's great exporting nations, selling – believe it or not – camels to the Middle East, “muscle” cars to the United States and sake to Japan!

Australia is innovative – being home to groundbreaking medical, scientific and agricultural inventions, including the bionic ear, the ultrasound scanner, the black box flight recorder, and the stump-jump plough.

Our education system – and this is an issue I'll come back to later – is providing a solid foundation for that ingenuity.

In terms of schooling, we enjoy high rates of participation and secondary completion.

Our higher education institutions are attracting the best and brightest, and not just from home.

One-quarter of a million overseas students study at these institutions, including through distance education – which generates about \$3.5 billion in income annually and, as such, is now worth more than our wool exports.

We have good health and social welfare systems – the latter providing a safety net, while still encouraging work and initiative.

Just last year, the Economist Intelligence Unit rated Melbourne the world's equal best city in which to live – and it also placed Perth, Adelaide, Brisbane and Sydney in its top 10.

We have a small, but capable and flexible defence force, performing at very high standards of efficiency in areas as operationally and geographically diverse as East Timor, Iraq and the Solomons.

We have abundant supplies of minerals and energy.

And – lastly – we can run a pretty good Olympics and Rugby World Cup!

Ladies and gentlemen.

This brief survey was meant to be neither exhaustive nor immodest, but I think it shows, objectively, that we have much of which to be proud.

Having said that, I'm not convinced our current assets, alone, will be sufficient for us to contend with, and prosper in, the rapidly changing, and perhaps less secure world in which we'll live.

This conclusion leads to a fundamental question: how are we to build on our strengths in order to meet the challenges of the 21st century?

Let me raise four crucial areas of endeavour.

The first is education – which is critical to the creation of sustainable wealth in all countries, at all times.

As I suggested earlier, Australian education currently enjoys high standards – and standing.

But growing world levels of technological and other skills – including in developing countries such as India – mean we can't afford to take our foot off the pedal, even for a moment.

Literacy and numeracy will need to be an area of continuous monitoring and improvement.

Undetected literacy problems – even in children as young as seven – can prejudice their futures and lock them into a cycle of poor skills, reduced opportunities and lifelong poverty.

Indeed, we must consider inculcating an ethos of lifelong education in this country.

After all, we all need a little retraining from time to time – and this will become even more critical in developing Australia's competitive edge in higher-value sectors.

More than in any other field, education is an area where we can aspire to be a "Nation of Excellence", a nation of recognised value, doing everything we do to the very best of our ability and to the highest standards – be it in the production of plumbers, teachers, doctors, parliamentarians, scientists or diplomats.

As part of this goal, we should continue to reinforce the importance of pure and applied research.

We now spend about 0.55 per cent of GDP on applied research – lower than the United States (0.6), Japan (0.65) and France (0.7).

Is it enough?

Becoming a "Nation of Excellence" – besides creating wealth and helping us achieve our national potential – will help engender respect from, and closer ties with, our neighbours in the Asia-Pacific region.

A second imperative – and this falls into the category of social prosperity – is to reinforce and nurture our shared Australian values, of which the ethos of ANZAC is part.

For example, in recognising our nation's now diverse religious profile, we might emphasise some of the enriching principles common to all faiths – mutual respect, tolerance and empathy – rather than differences utilised by the unscrupulous and the unthinking to divide.

We might also foster a greater sense of community – an antidote to the atomisation of society – through greater encouragement and support of volunteerism.

More than four million volunteers in this country, contributing an average of three hours per week, is very good, but more is required.

I often wonder whether we're losing the essential balance between rights and obligations – including the acceptance of fair risk in favour of automatic and sometimes excessive litigation.

When we talk about values, however, the family – irrespective of the precise form it may now take – remains the keystone to a stable upbringing, a fulfilling life and a cohesive society.

So how do we nurture and strengthen the family – from conception to death?

Are there ways in which we can better prepare young people for relationships of all types – for example, brother to sister, husband to wife, partner to partner, and parents to children?

A third key driver in the pursuit of opportunity for Australia is to continue to engage with what might be termed the India-China "arc" to our north.

This region – taking in north-east, south-east and south Asia, and representing nearly three billion hard-working and intelligent people – provides us with a massive opportunity.

But our success in that arc will greatly depend on the cultural and entrepreneurial image we project and the degree to which we truly understand and become involved in the region – including living and working there, learning the languages and respecting the customs.

There is no need for such engagement to be an "either-or" proposition – where we need to downgrade ties with traditional partners in order to highlight our developing interest within the arc.

Last month's hosting of simultaneous visits by Presidents Bush and Hu showed we can be confident in, and important to, both worlds.

The last imperative is to create a more conducive atmosphere for debate in Australia, so that issues can be discussed

constructively.

I often feel that good ideas and philosophies aren't always fully explored in Australia because – as part of our otherwise admirable tendency towards robustness – we can become a little polarised.

Many would like to see an Australia where we strongly encourage debate and dialogue, but free of rancour and bitterness – and achieving this goal would be a sign of a new level of national maturity.

Though, of course, we all have a role to play in this endeavour, I think the role of the media is especially important.

More than even it may realise, the media is enormously influential – being a shaper of opinion, a conduit for the airing of diverse views and a mirror on how we feel as a nation.

When deserved – and this, I suggest, is most of the time – we need the media to make us feel good about ourselves, to inspire hope, to inject confidence and to report accurately.

There's a "triple bottom line", moral and social imperative here.

Ladies and gentlemen.

In talking with you today, I've sought to offer a backdrop to your more detailed discussions.

I hope that, in some way, this will help us all think about where Australia might find itself in, say, 2020 or 2040.

You'll be examining many issues over the next two days – all of them pertinent and timely.

But if I had to identify those of particular importance, I'd probably list the following:

- our rapidly ageing population – a trend which has implications right across the portfolio spectrum;
- arriving at a more sophisticated definition and distribution of wealth – not just material, but social and environmental, too;
- using our undoubted assets to better assist the less fortunate and truly deserving in our society; and
- the vital need to better husband our finite water resources, and to deal sensibly, sensitively and cohesively with the environment.

Ladies and gentlemen.

These issues – and the ones I addressed earlier – provide some thoughts on how we might effectively pursue opportunity and prosperity.

I look forward to hearing some of your perspectives this morning, and I hope you have a stimulating and rewarding conference.

Thank you.