

**Address for the BOAO Forum Welcome Lunch on the
occasion of the BOAO Forum's First Visit to Australia
– 10 July, 2011**

**The Honourable Mr Fukuda, Former Prime Minister of Japan and
Chairman of the Boao Board; Distinguished Vice-Chairman Zeng
and Madam Tang, Secretary General of the BOAO Forum Mr Jo;
Distinguished Directors of the Boao Board; His Excellency Mr Chen
Yuming, Chinese Ambassador to Australia, the Hon Premier of
West Australia, the Honourable Colin Barnett, Ministers, future
ministers, Distinguished guests and friends.**

A very warm welcome to all today.

**A few years ago my daughter and I attended the BOAO Forum with
the Honourable Julie Bishop then representing the Prime Minister of
Australia – I can assure those who have not yet been to a BOAO
Forum, it is a spectacular and very important occasion.**

**It gives my family, colleagues and I much pleasure, particularly after
being so very well looked after whilst at the BOAO Forum, to
welcome the BOAO Forum to West Australia.**

**We have tried to express with this welcome luncheon at our home, a
very warm welcome on the occasion of the BOAO Forum's first ever
visit to Australia, and hopefully provide some enjoyment before the
busy days of the Forum ahead.**

You are surrounded by films and photographs of our beautiful country, provided to also welcome you to Australia, and we hope enthuse return visits!

Part of this country you are viewing, the North West of West Australia, is where my pioneering family descendants settled in the 1860's to become the first white settlers. They originated the first port at Cossack and first white town at Roebourne, [show map of WA show Cossack and Roebourne]. It was an inhospitable, remote and rugged country forming a very tough life for the first settlers, far from civilization, medical care, supplies and my family descendants had to "make do or do without". Today of course after the lifting of the Federal export embargo and State pegging ban, after years of urges by my very frustrated father, Lang Hancock, much has changed with the progress brought by the mining industry. The area is no longer so remote, with towns, ports, communication, schools, etc. and with the mines and oil and gas in the area driving Australia's economy and lifting living standards [show map of Pilbara].

Thank goodness for West Australia's sake it does, because before the North West mining industry, West Australia was a "mendicant" or handout State unable to support itself financially.

We are also blessed to be part of Australasia [show map of Australasia] something Australians and our governments' should take very seriously indeed. This is not Australia's "right", it is something we have to earn and continue to earn. To be included in Australasia, with all the benefits of those critically important relationships, Australia must remain cost competitive. We must be

competitive with our commodities destined for export, or we will not deserve those markets, and will see them reduce accordingly, and Australia's economy will suffer. Regrettably too if we don't restrain our costs, those costs will be passed onto those we trade with. These are all things you will appreciate, but currently there are some in Australia who are dazzled by current high commodity prices and think this will always be, and think we can ignore Australia's cost competitiveness. To our peril. Today, dark clouds are gathering. In Canberra (thousands of kilometres away), the minority Federal Government is announcing today the details of its new carbon tax, which will increase the costs of commodities we export and costs in Australia's economy. This is such an important problem for Australia I have asked one of the leading sources of reasoned and factual information in Australia on global warming and climate change to address us, Professor Ian Plimer. For those of you who wish, the Professor is willing to stay after our luncheon and answer further questions you may have. Ian could you kindly come forward to the stage?

If I may add some positive comments while Ian is approaching, independent polling in Australia is showing that I am not the only Australian concerned about carbon tax, as the majority of our people do not want it. Also as you may know the Coalition, led by the Hon Tony Abbott, is opposed to both the carbon tax and the further cost adding MRRT and has promised to end such taxes when they are elected to office, should such taxes be imposed. The Coalition is leading in the polls. We must continue to work on our cost competitiveness to deserve our part in Australasia. Warnings or reminders from yourselves would be welcome! After the shock to

exploration investment in Australia that the carbon tax and MRRT have caused, Australia needs some innovative vision to restore investment confidence. We need to learn from and follow China's and other countries examples of special economic zones, economic zones with less tax and less regulations and that are welcoming to investment and growth. [show map of ANDEV and leave on until Ian's slides] Ian, Professor of Mining Geology, University of Adelaide and Emeritus Professor of Earth Sciences, University of Melbourne, could you address us please?

Please join me in welcoming Professor Plimer.