

Keynote Address
The Hon Josh Frydenberg MP
Minister for the Environment and Energy
Australia-Canada Economic Leadership Forum
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***** Check Against Delivery *****

Introduction

Ladies and Gentlemen, distinguished guests, former Prime Minister Martin and of course our hosts, Jennifer Westacott and Norm Steinberg, it's a pleasure to be here tonight and represent the Australian Government at this important event.

Australia and Canada have much in common – we have a shared history, a shared set of values and a shared outlook on the world.

That is what brings us together tonight.

It is demonstrated in the extraordinary breadth of topics covered at this Forum, and it is attested to by the remarkable strength of the delegation here from our two countries.

Tonight I want to make the case that the relationship between Australia and Canada is as important as ever and in doing so cover three points:

First, we have a shared history with our relationship strengthening over time.

Second, both Australia and Canada are thriving, making us more influential and enhancing our ability to effect change.

Third, in today's world we need to work together to defend against global challenges and seize new opportunities.

Shared and strengthening

Australia and Canada share much in common when it comes to history, values and interests.

We are bound together by the Commonwealth. We both sat in the Imperial War Cabinet and we both still sit at the CHOGM table.

In fact, it was Winston Churchill, himself a visitor to Quebec for the famous 1943 war conference with President Roosevelt and Prime Minister Mackenzie King who said “Canada is the linchpin of the English-speaking world...with those relations of friendly, affectionate intimacy with the United States on the one hand and with her unswerving fidelity to the British Commonwealth and the Motherland on the other...”

Famously Churchill was not so kind to Australia, saying our accent was “the most brutal maltreatment that has ever been inflicted on the mother-tongue of the great English-speaking nations.” I think Sir Winston may have had one too many champagnes that day.

We both had outstanding Generals, Sir John Monash for Australia and Sir Arthur Currie for Canada, who were both knighted by King George V and both of whom we celebrate at the centenary of their exploits during World War I.

We have fought together in every conflict since then alongside our allies, except in Vietnam and Iraq in 2003.

We share consular services in Africa and Asia and are part of the ‘Five Eyes’ partnership, through which we cooperate extensively on defence, security and intelligence.

And we were founding members of the United Nations and the G20, and work closely in other forums including the WTO, OECD and APEC.

We share common values – freedom, tolerance and diversity.

Australia and Canada are two of the most successful multicultural societies in the world, with Australia having just over 25 per cent of its population born overseas, and Canada just under. Two of the highest rates in the world.

The strength of our diversity is equally reflected in the contribution indigenous populations. Canada just celebrated its National Indigenous Peoples Day in June and back in Australia this week we are celebrating NAIDOC week. We are fortunate to have with us at this Forum a number of indigenous women business leaders.

We share a common outlook. Common faith in open markets, free trade, liberal democracy and international institutions.

On foreign policy, Australia and Canada are known as strategic cousins: we both seek prosperity and security at home and abroad.

We believe that our interests are best served by a rules-based order and strong alliance relationships.

Where we sometimes have had different priorities in foreign policy, it has largely been as a consequence of our geographic realities.

Australia is deeply engaged in Asia, whereas Canada has been more focussed in the Western Hemisphere, especially North America. Indeed the United States and Canada are joint custodians of the world's longest undefended border.

This has meant we often held different views on defence commitments and on what are considered strategic threats.

But our strategic outlook is now converging especially in Asia.

Growing bigger and stronger

Today, both our countries are doing exceptionally well.

Australia has entered its 28th year of consecutive economic growth – a record for developed economies in the modern era.

Our economic growth is now running at 3.1 per cent, which is above the average growth rate in the OECD and faster than every G7 country.

Our unemployment rate has reduced to 5.4 per cent, and we have created one million jobs in the last five years.

We are putting in place lower and more competitive taxes, while returning the budget to surplus next year after a decade of deficits.

And we have signed free trade agreements with the major North Asian economies of China, Japan and Korea.

Like Canada, Australia has, in recent decades, opened our economy to international competition and global market forces.

This has helped us prepare for a world in which services will be more and more important, especially as Asia's middle class grows rapidly.

Australia has built our strength in services which now makes up more than 70 per cent of our economy.

We are much more than just a quarry or a farm.

Today education is our third largest export, with thousands of students from India, China and other countries – including Canada.

Australia's service exports last year grew to \$85 billion – an 8.8 per cent increase – with China our largest market.

We have embraced productive investment in the national interest from all corners of the world.

And like Canada, Australia's most profound investment of all has been in its immigrants – like my own family, some of whom came to Australia just before and others in the aftermath of World War II.

As Prime Minister Trudeau has reminded us, diversity is a strength.

In recent decades, both of our countries have drawn talent and enterprise through non-discriminatory immigration policies, with Australia having taken millions of immigrants since World War II and a record number of refugees last year.

The most important part of the world for Australia, strategically and economically, is our near neighbourhood – what is often called the Indo-Pacific. This is where both the challenges and opportunities lie.

It includes the major players of the Pacific Ocean such as China, Japan, Korea and the countries of ASEAN as well as the United States and Canada. And it also includes the Indian Ocean, which reflects the reality that India is increasingly significant.

In fact, India and Indonesia are the first and third largest democracies in the world and their economies will continue to grow over time.

Defending, promoting and strengthening the global rules-based order must now be our highest priority.

Need each other as much as ever

It's time for Australia and Canada to restate our convictions with new urgency, to new audiences, in the face of new risks.

Australia and Canada have been exemplars of the rules-based order to date, promoting international law, human rights, peace and security behind defined border, and development assistance.

But we need to boost this collaboration in order to defend it.

As Australia's Prime Minister, Malcolm Turnbull, reminds us:

Protectionism is not a ladder to get out of the low-growth trap, but a shovel to dig it deeper. Protectionism leads to poverty, as we have seen the world over.

I want to leave you in no doubt as to Australia's commitment to an open global economy. It is fundamental to our prosperity. Indeed one in five Australian jobs are in trade-related activities.

Australia is committed to strengthening the international trading system as it now stands, and we do see Canada as a principal ally in this work.

It is important that we continue to champion the World Trade Organization, and the power of arbitration.

The WTO is one of the more effective international institutions for the settlement of disputes. And the willingness of all parties to abide by its rulings underpins international confidence in the trading system.

Already we have a strong trade and investment relationship worth just over \$100 billion, but there are now new opportunities to seize, particularly through the Trans-Pacific Partnership.

The TPP-11 establishes the foundation of our economic relationship and boosts our bilateral trade.

Canadian auto exports, for example, stand to gain from duty free access to Australia under the deal, while Canadian tariffs on Australian beef will

be eliminated, allowing Canadian consumers to benefit from lower prices for Australia's world-class beef.

As we both move towards ratification, Australia also sees the TPP-11 as an opportunity for both countries to defend against protectionism and promote the rules-based trading system in the Indo-Pacific.

That's why Australia would welcome additional members applying to join the TPP-11 in the future if they are willing to abide by its principles.

Australia has seen how powerful it can be when business champions, like those in the room, make the case for international trade, tell the public how it is to our shared prosperity and bring the public with us.

The fact is the Australian-Canadian relationship is going from strength to strength.

Only two months ago, Canada's giant of the dairy industry, Saputo, officially took over Murray Goulburn, a household name in Australia, and about 90 Australian companies are now operating in Canada and some, mainly in the mining sector, even listing on the Toronto Stock Exchange.

I was pleased to learn of Rio Tinto and Alcoa's partnership to develop the world's first carbon-free aluminium smelting process in Quebec province, a boon for the environment and for local job creation.

Australian company Transurban recently purchased Quebec's A25 toll road and bridge. Smaller Australian firms are also establishing themselves successfully in Canada. Baker's Delight, whose founders Leslie and Roger Gillespie are joining us here tonight, now operates over 100 shopfronts across Canada, trading as COBS Bread, after starting in 2003 with one shop in Vancouver.

With expanding air links between our nations, including Qantas and Air Canada, who recently added direct flights from Melbourne, my home city, as well as Sydney and Brisbane, our business, education and recreational travel should grow even stronger.

There is also plenty of room to boost the existing investments in food and agribusiness, biotech and fintech, education and training.

Given Australia's network of FTAs in the Indo-Pacific region, Australia is an excellent platform for Canadian businesses interested in capitalising on Asian economic growth.

Conclusion

This Forum provides an opportunity to come together and ensure we – as Government, business and academia – are unified in our approach.

Whether it is in celebrating our shared history, promoting shared values or pursuing our shared interests.

In the words of former Canadian Prime Minister and Nobel Prize winner Lester Pearson, “We need to respect our past and welcome our future.”

Australia and Canada, by virtue of our place in the world, have always understood the importance of a collaborative approach.

Together we have faced challenging times before. Today is no different.

While the challenges may be the spread of protectionism not communism and involve global institutions not imperial cabinets, the approach is the same – standing together to defend our values, prosperity and security.

It is incumbent on us – Australia and Canada, governments and business – to be fully focussed and active in supporting this endeavour.