“History asks great nations great questions.”

History asks great nations great questions. Australia is no exception.

Through generations, our great nation has been asked great questions – and we have answered them.

Could we feed a people on this driest of lands?
Could we unite a nation on a continent without the pressures of revolution or war?
Could we carry our weight in the world and fight for the freedom of our friends?
Could we defend ourselves in our greatest hour of need?
Could we rebuild after decades of Depression and War?
Could we embrace change and find new sources of wealth in demanding new times?
Could we say Sorry?

You see the answer in the nation around you: We got it done.

This is a hard place and we’re not angels or saints: the big things are never easy and we don’t get everything right.

But we stand today, a proud people in a free land. 51st in global population – 12th in global wealth – one of the most equal economies and mobile societies in the world.

Respected by our oldest friends in the world – welcomed by our newest friends in the region.

But history is calling to us again – today, history asks us another great question.

Can Australia be a winner in this Asian Century of change and growth?
Today, I launch the plan which answers this question.


UNDERSTANDING OUR STRENGTHS

To plan your future, you have to clearly understand who you are today. Put another way: to build on our strengths, we must know our strengths.

Thirty years ago, there was still a crisis of complacency in Australian public life – still a culture of cruise and snooze, still a belief that the world owed us a living.

But today, we don’t need a crisis to shake us out of complacency. Quite the contrary.

Despite the strengths our people have built and the confidence they have earned, too often our public debate is marked by an economic cringe.

I am too proud of our nation to let this stand unanswered, to have it wrongly shape our thinking.

We are the nation that deregulated the banks, floated the dollar, introduced enterprise bargaining. We are the nation that had the courage to take what was rigid and brittle and make it agile and strong. We are the nation that stared down the Global Financial Crisis.

We are the nation which has produced twenty one years of economic expansion – a generation of economic sunshine.

We are the nation with low inflation, unemployment and interest rates. With strong public finances, triple-A rated.

We are the nation that is now poised to seize a clean energy future, to capture the benefits that flow from ubiquitous broadband, to share the benefits of high profitability in mining, to create a higher skilled workforce.

I am determined that we will be a nation self-confident enough to feel our strengths and wise enough to know we must build on them.

We will embrace change. Not because we face immediate crisis. Not because we are standing on a burning platform.

But because we face unprecedented opportunity. Because we burn with ambition for our nation’s future.

That’s why I have chosen this moment to lay out a plan for our nation’s future, which weaves together the policy approach we have been pursuing in government with new policy directions to create the next chapter in our nation’s story.
THE OPPORTUNITY

Planning for our future not only requires us to understand our strengths, it requires us to understand the scale and nature of the opportunity before us.

While Australia was changing – Asia was changing too.

Whatever else this century brings, it will bring Asia’s return to global leadership, Asia’s rise. This is not only unstoppable, it is gathering pace.

The weight of world’s economy is genuinely moving in our direction. When we map the centre of gravity of global consumption we see it is shifting east by more than one hundred miles a year, as demand grows on our side of the world.

By 2025, it will have reached as far as central India. The world economy is coming our way.

We are living through an economic and social transformation on a scale and at a speed which defies comparison.

A new Indonesia, Islamic and democratic – a new China, urban and soon ageing – a new India, reforming and young.

Above all, a new urban middle class.

Asia will become home to most of the world’s middle class by as early as 2025. Not only becoming the world’s largest producer of goods and services; becoming the largest consumer of them.

This is good news for Australia and it should drive a profound change in our thinking about our economic relationship with Asia.

Deep in our Australian culture are the assumptions that equate low wages with Asian labour.

Not just in populist politics or at the front bar. These assumptions are never far behind debates about workplace flexibility and international competitiveness either.

In the Asian Century, that changes.

The opportunity which a middle-class urban Asia creates won’t fall into our laps. The world will still be a competitive one where we must make our own living and our own way.

But with the right plan, we can make the new middle-class Asia a new market for a high-wage, high-skill Australia.

Think of it this way: back in the 80s Fosters beer tried to get into China. Today it is Grange carrying the flag.
For the first time in our history, Asia is not a threat to our high-skill high-wage road. It is a reason to stay on it.

Our national challenge is to do the things which will ensure that it is Australian products and services – Australian workers – who get the benefit of this new Asian demand.
A PLAN FOR AUSTRALIA’S FUTURE SUCCESS

Success in this century will be hard fought and hard won. We must have a clear plan to shape our future.

This is the White Paper on Australia in the Asian Century.

National objectives for 2025, the pathways to get there, across the five key areas where we need to act.

First, economic strength – through building a productive and resilient economy.

We will maintain the stable macro-economic framework created after 1983 – a floating currency, independent monetary policy and strong fiscal rules.

This is the essential platform for the next stage of our economic strategy.

Our national effort will extend our comparative advantage in sectors where Australia already performs well and new markets are emerging.

We will still benefit from Asia’s appetite for raw materials and energy. But beyond that, we must build greater resilience in the Australian economy.

Strengthening sectors like agriculture, tourism, financial services, health and education, transport and logistics, manufacturing.

Helping Australian firms win work and create jobs here in Australia. Helping them open up new opportunities to export and win business in the region.

Shaping these efforts will be our relentless focus on Labor’s five pillars of productivity: education and skills; innovation; infrastructure, tax reform and deregulation.

Tax reforms to create the right incentives to invest in the new capital and research.

Long term planning and partnership for future infrastructure needs, including in those parts of Australia where Asia’s rise is driving greatest change, like Darwin.

Greater collaboration between universities and firms, helped by Government, to turn specialist knowledge into commercial advantage.

Shared commitment to developing an ‘Asia-capable’ workforce.

Our plan is to grow: business innovation, new partnerships, new methods, new practices, new ideas.

Our 2025 goal is to be in the world top five for ease of doing business and the world’s top 10 innovation systems.
Second, strong minds – an education and skills plan to build capabilities.

More than ever before, it's impossible to maintain a strong economy without a world-class education system.

I am determined that our nation will set high expectations for every student and deliver the support they need to meet them.

Unlike in ages past, we will not settle for a student sitting at the back of the class not learning and then drifting away from school early.

We can no longer tell ourselves this is all ok because a manual job will materialise for the child who cannot read, write or count.

Our national passion must be to ensure all students are achieving, not just some. With the nation benefiting from the skills and knowledge of all Australians, and with all Australians getting the opportunity for a life of dignified secure work.

Above all, success for an open Australia in a middle-class Asia starts in the classrooms, training centres and lecture theatres of our nation.

Where we open minds, not just markets, to our region.

Our plan is to drive excellence, grow equity, get the most out of everyone.

Our 2025 goal is that our school system is in the top five in the world, 10 of our universities are in the world’s top 100.

That every Australian student has continuous access to high-quality education through our national plan for school improvement and that education includes access to Asian language learning.

Third, expanding and integrating regional markets, and building the presence of Australian firms in those markets.

For the whole economy to be as strong as mining and agriculture, the whole economy must be as engaged in the region as mining and agriculture.

Yes, we are actively working to lower trade barriers, particularly at APEC and through comprehensive free trade agreements.

We want capital and ideas to flow more easily across borders for investment, innovation and jobs growth.

New integration of regional markets is needed but we must aim higher and create new regional business relationships, new models and partnerships.

This means business pushing into the new spaces and operating across the borders we are lowering.
Broader and deeper supply chains across the region, enabling small businesses as well as multinationals to take advantage of growing markets.

Our plan is for a new kind, not just a new level, of private sector engagement.

Our 2025 goal is that Australia’s trade links with Asia will be at least one-third of GDP, up from one-quarter in 2011.

Fourth, deep and broad relationships with the region at all levels.

We should devote a truly national effort to building more comprehensive relationships with our key partners across the region, including through our diplomatic networks.

Australian social and cultural life will gain greatly from enhanced people-to-people links.

Leisure and sport, work and holidays, learning and culture are all being refined and redefined in contact with neighbours we will know even better through this century.

Our "diaspora" in the region are not just an asset to our economy – they are faces of our cultural diplomacy.

And through these kinds of personal connections, our public conversation will become more Asia-centred.

Think about the media time given over to reporting the challenges of fiscal policy in Portugal or Greece or the US presidential elections.

Should less time really be devoted – as it is now – to reporting the economic trends of Indonesia, the debates around freer trade in Japan, the political transition in China?

Our plan is for a myriad of stronger, deeper, broader cultural links with the nations of Asia at every level of society.

Our 2025 goal is drive broader change by ensuring one-third of board members of Australia’s top 200 publicly listed companies and one third of the senior leadership of the Australian Public Service will have deep experience in and knowledge of Asia.

History tells us as economic weight shifts, so does strategic weight.

The new Asia dissolves simple strategic triangles; we seek our security in a region of dozens of strategic intersections.

So fifth, sustaining the security of our diverse region.

Our past engagement is a strength in this crowded and complex environment.
Regional militaries are modernising. Economic growth will put more pressure on energy, water and food resources.

At the same time, all countries in the region, particularly the major powers, have a deep interest in strategic stability.

So we need not be pessimistic – but just as we work to shape the economic future of our region, so too do we work to shape our security environment.

We are supporting the stabilising presence of the United States, a strong Defence Force, building habits of trust and co-operation in our region and a rules-based regional order.

We have an ally in Washington – respect in Beijing – and more.

An open door in Jakarta and Delhi, Tokyo and Seoul.

We are engaged institutionally through the developing East Asia Summit and at the United Nations – now through Australia’s membership of the Security Council.

Our plan is to stand strongly in our changing region as a mature and confident power.

Our 2025 goal is for Asia to be a region of sustainable security in which habits of co-operation are the norm.

These are our five long-term national directions.

And with these long-term directions as our guide, I announce today the first policy steps.

All schools will engage with at least one school in Asia to support the teaching of a priority Asian language, taking advantage of the National Broadband Network.

We will fully implement the Australian Curriculum, which includes the cross-curriculum priority of ‘Asia and Australia’s engagement in Asia’.

All students will have access to at least one priority Asian language: Mandarin, Hindi, Indonesian and Japanese.

These strategies will be part of our National Plan for School Improvement.

We will provide 12,000 Australia Awards to Asian nations over the next five years, to promote people-to-people links between Australia and the region.

We will support business missions through an Asian Century Business Engagement Plan, which will be led by Trade Minister Craig Emerson.

We will appoint a Jakarta-based Ambassador to ASEAN to support engagement with the ASEAN Secretariat, ASEAN members and ASEAN-related forums.
We will make it easier for low-risk visitors to come to Australia and we will encourage more tourists from China and other Asian markets.

We will expand work and holiday program agreements with countries in Asia over time, starting with an increase to 1,000 places in our Work and Holiday Visa program with Indonesia.

These are important, immediate steps for Government.

They are the beginning for our long-term national plan.
OUR VALUES

My aim is not only to have a plan to succeed in this century. My aim is that we succeed on our own terms.

Right from the beginning, our nation has been different and we have tried to build a new kind of society and economy here.

Free of privilege given at birth.

Free of the snobbishness and obsequiousness that infects older nations.

And free also of the deep economic injustices that so many of us, or our forebears, left behind in another country.

A hundred years ago, we spoke of the “workingman’s paradise”.

Today we speak of the “high-wage, high-skill road”.

We have always wanted to do it our way.

We long saw Asia as a threat to all this – racially, militarily and economically.

Indeed this was precisely the moral paradox of the “workingman’s paradise” – a hundred years ago, high wages meant white man’s wages. No more.

Thirty years ago, Australia was still a closed and isolated economy, pockets of engagement were the exception and the old model of economic and social protection was breaking.

Thirty years ago, Asia was still largely a continent of poverty where the ascendant islands of opportunity in the North East didn’t outweigh the reality of the whole.

Back in the 80s we had to liberalise a closed economy to compete with the old Asia.

Today we have to educate an open society to compete in the new Asia.

Today, we no longer have to juggle our social democratic values and our Asian regional context – they come together as our two great national strengths.

There has never been a better time or a better age to be a Labor Prime Minister.

Today, our strength doesn’t defend our social model – it relies on our social model.

Today, Labor still believes in opportunity for all as the best vision of the future.

Today, opportunity for all, through education and work is also the best national plan for prosperity.
Because we can only win in this century if every child gets winning results at school.

We can only win in this century if every working person can win a great job.

We can only win in this century if every sector of our economy is dynamic, productive, engaged.
Australia in 2025: Winning in the Asian Century.

This is the plan Australia needs in the Asian Century.

A plan for national success.

A roadmap for the whole of Australia – governments, business, unions and the broader community.

We know Australia has changed and Asia has changed and we know this demands new changes of us today.

We know what national success means to Australians.

Australia only wins if every Australian wins. Australia is only strong if every Australian is strong.

We know we need a plan to build on our strengths.

This White Paper is the plan.

And with this plan, we know the answer to the question asked of Australia today.

Can we be a winner in the Asian Century?

Absolutely we can get it done.

[ENDS]