

**Build on past achievements**

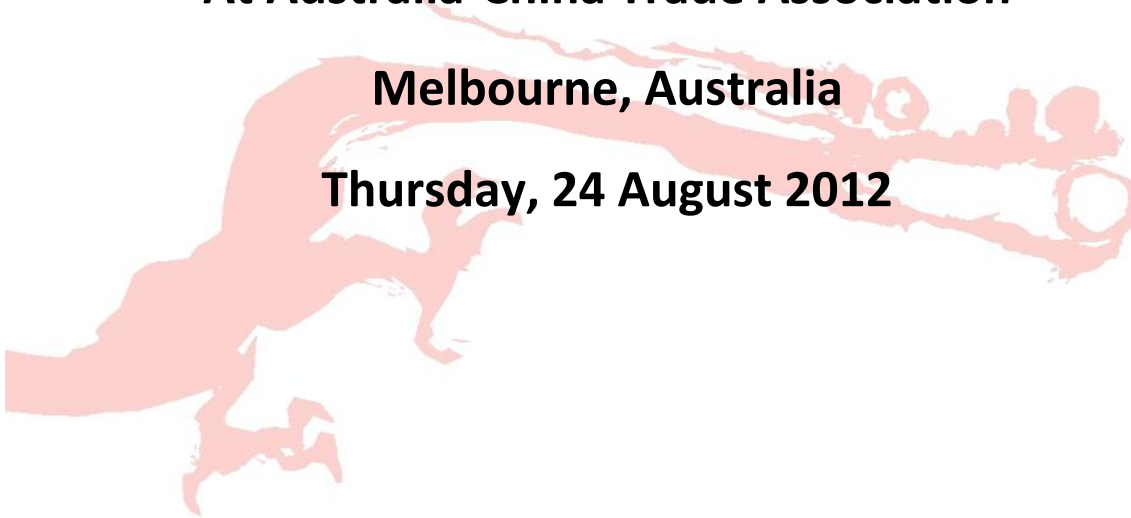
**Work together to create a better future of China-  
Australia Relations**

**Remarks by Ambassador Zhou Wenzhong**

**At Australia-China Trade Association**

**Melbourne, Australia**

**Thursday, 24 August 2012**



Ladies and Gentlemen,

Dear Friends,

It gives me great pleasure to come to Australia at the 40<sup>th</sup> anniversary of China-Australia diplomatic relations to renew our friendship and discuss the good prospects of China-Australia relations with friends of ACBC and Asialink. Over a long period of time, you have played a positive role in promoting economic cooperation and trade and enhancing mutual understanding and friendship between Chinese and Australian people. I highly appreciate it. I would like to take this opportunity to pay high tribute to you for your long-standing efforts in promoting China-Australia relations.

Ladies and Gentlemen,

Dear Friends,

Forty years ago, the older generation of Chinese and Australian leaders opened diplomatic relations with great political wisdom, thus ushering in a new chapter of China-Australia exchanges. Over the past 40 years, with the joint efforts of the two governments and societies, China-Australia relations have made enormous progress. We can say proudly that our bilateral relations have developed by leaps and bounds in breadth and depth since the early days of diplomatic relations.

Politically, China and Australia have enjoyed frequent exchanges at the top and other levels. President Hu Jintao, NPC Chairman Wu Bangguo, Premier Wen Jiabao, CPPCC Chairman Jia Qinglin, Vice President Xi Jinping, Vice Premier Li Keqiang and other Chinese leaders have visited Australia. Governor-General Quentin Bryce, Prime Minister Julia Gillard, Deputy Prime Minister Wayne Swan and other Australian leaders have visited China. During Premier Wen's visit to Australia in 2006, leaders of the two countries reached important agreement on establishing and developing a comprehensive and cooperative relationship of mutual benefit. During Vice Premier Li's visit in 2009, our two countries issued a Joint Statement establishing principles guiding the future development of bilateral relations. Our leaders have also maintained frequent contacts on multilateral occasions. In addition, the two sides have established dozens of dialogue and consultation mechanisms for regular communication and coordination, which have played an important role in enhancing political trust and deepening cooperation.

Economically, China and Australia have reaped fruitful results from cooperation. When we established diplomatic relations in 1972, two-way trade volume was less than US\$100 million, whereas in 2011, it reached US\$116.6 billion, an increase of over 1,000 times in 40 years. China has become Australia's largest trading partner, import source and export market. Australia has become China's largest source of iron ore, aluminium oxide and wool, second largest source of coal and the second largest destination of China's investment abroad. It has been widely noted that while the world economy has been severely hit by the international financial crisis and global trade has shrunk considerably, China-Australia trade has continued to grow. Our close economic relations have been important to our efforts to counter the financial crisis and maintain economic growth. It was reported by the Australian media that it was Chinese demand that helped Australia avoid recession in the financial crisis.

Culturally, China and Australia have enjoyed vigorous people-to-people exchanges. Forty years ago, there was hardly any Chinese students in Australia while in 2011, the number of Chinese students reached 189,000. This means one out of four international students in Australia comes from China. The number of Chinese tourists also increased from less than 500 forty years ago to 652,000 in 2011. China has become Australia's largest source of overseas students and tourism revenue and third largest source of foreign tourists, bringing billions of dollars of revenue to Australia every year. China has set up 12 Confucius Institutes in Australia and Chinese has become the second largest language in Australia. From June 2010 to June 2012, we have together staged the Chinese Culture Year in Australia and the Australian Culture Year in China, which included a variety of high-level activities. The two countries have established 82 pairs of sister provinces/states and cities, contributing to dynamic exchanges at the sub-national level. Cultural and people-to-people exchanges have played a positive role in strengthening mutual understanding and mutually beneficial cooperation.

China-Australia relations have undergone extensive and profound changes in the past 40 years. The seeds that Chinese and Australian leaders sowed 40 years ago have grown into a towering tree bearing rich fruits. Such achievements could not have been anticipated even by the most optimistic observers of our relationship 40 years ago.

Ladies and Gentlemen,

Dear Friends,

Since our two countries differ in history, culture, social system and development stage, we naturally have different views on some issues. Looking back at the past 40 years of our relations, I believe its continuous development yields four conclusions:

First, mutual respect. Bearing in mind the big picture of bilateral relations and shared interest of our people, the two sides have shown mutual understanding and treated each other as equals. We have tried as much as possible to respect and accommodate each other's core interests and major concerns and resolve differences through dialogue and negotiation.

Second, mutual benefit. With highly complementary economies and distinctive features of industrial structure and resources endowment, China and Australia are natural cooperation partners. Both sides have recognized and tried to make good use of this so that economic cooperation and trade has become an inexhaustible force driving bilateral relations.

Third, keeping abreast of the times. Both countries have keenly recognized and followed the latest developments in international and regional situation and adjusted in a timely manner our respective foreign policies and bilateral relations in line with our own interests so as to keep to the right direction of bilateral relations.

Fourth, people-to-people friendship. There are two issues left from history or fundamental clash of interests between our two countries. Our people, always friendly towards each other, have a strong desire and interest in friendly exchanges and mutual understanding.

These successful experiences are highly relevant to the growth of China-Australia relations at this stage and in the future. They are a precious legacy left to us by generations of Chinese and Australian leaders, and must be cherished.

Ladies and Gentlemen,

Dear Friends,

Since the beginning of reform and opening-up 30 years ago, China has enjoyed fast and sustained economic growth and all-round social progress. As China develops, Australia and the broader international community have shown great interest in China's direction and strategy of development. Different views have been expressed in this regard. Let me share my observations with you.

The direction and strategic intention of China are clear and simple. Two words: peaceful development. To be specific, China endeavours to become a country where people live and work happily, a country with coordinated development of political, material and cultural civilizations and harmony between man and nature, and a country that is a responsible member of the international community. We will achieve this through peaceful means, through constant improvement of our own system, through the hard efforts of the people and win-win cooperation with other countries.

The path of peaceful development is a strategic choice made in view of the trend of the times and China's fundamental interest. It is essential to China's desire to achieve sustainable development. It reflects the will of the Chinese people. It is a pursuit of generations of Chinese people, and will not change because of the evolving international or regional situation or China's own development. It has been incorporated into the report of the 17<sup>th</sup> Party Congress and the 12<sup>th</sup> Five-Year Plan. It is a path that has been proven to benefit not only the Chinese but also people of other countries. We have no reason not to be committed to it and develop it.

To achieve peaceful development, China needs to foster a stable and favourable international and neighbouring environment, rather than challenge the international order. We would never achieve our development at the expense of other countries. Over the past 30 years, China has broken the historical pattern that an emerging country would invariably resort to plundering and aggression. It has found a new path of peaceful development in a globalized world, relying on hard work, wisdom and win-win cooperation.

China is committed to the path the peaceful development. With its fast development, China has also brought opportunities to other countries through win-win cooperation. In recent years, China's economy has contributed over 10% to world economic growth and over 12% to global trade growth. China's booming economy has been a precious support to other countries, including Australia, in countering the international financial crisis and restoring growth. Australian statistics shows that its export to China accounts for ¼ of its total. There\*\* exports, along with Chinese investment, add US\$10,000 every year to each Australian family's income, and have created tens of thousands of jobs in Australia. In the next five years, China's total import is expected to exceed US\$10 trillion, signalling more opportunities for Australia and other countries. In addition, as a founding member of the United Nations and a permanent member of its Security Council, China has been fulfilling its international obligations and responsibilities by actively participating in the settlement of global issues such as energy, food, climate change, terrorism and infectious diseases and regional hot-spot issues such as the Korean and Iranian nuclear issues and the Arab-Israeli conflict. China also takes an active part in building global system and plays an important role in upholding world peace and stability.

In short, China is a predictable force with future direction and strategic intention. What has happened proves that the peaceful development of China, as the world's largest developing country, makes a huge contribution to peace and development of mankind. A rapidly developing China that upholds its independent foreign policy of peace is an important, positive factor in international relations. Yet it must be pointed out that China's peaceful development is not just China's business. This has been noted by former Australian Prime Minister John Malcolm Fraser, who said in a recent speech that whether China could develop peacefully will largely depend on the external environment and on how other countries treat China.

The international community should welcome and support China's peaceful development, instead of being afraid of it or seeking to contain it. Those who see China's development as an opportunity and seize it would benefit from it; and those who are suspicious of China's strategic intention would lose the good opportunity to cooperate.

I sincerely hope that you and other Australian friends will learn more about China's thousands of years of civilization and tradition and the evolution of its social and political system and mainstream value. I hope you will understand how much the Chinese people cherish its sovereignty, security, territorial integrity and social stability, recognize the difficulties that China has to overcome as a big developing country, have faith in the sincerity and commitment of the Chinese people to peaceful development, welcome and support China's commitment to peaceful development, and work with China to promote progress and harmony in the Asia-Pacific.

Ladies and Gentlemen,

Dear Friends,

The development of China and the historical changes in China's relations with the world have created important conditions for the growth of China-Australia relations. China and Australia are both important countries in the Asia-Pacific. We are both members of the UN, EAS, APEC and other important international and regional mechanisms. Both countries benefit directly from world peace and have been actively upholding it. We are both committed to economic restructuring and have a lot of commonalities in our development strategy. There provides solid basis, favourable conditions and broad prospects for us to deepen practical cooperation on a reciprocal basis.

The world has on the whole remained peaceful and stable, with a more robust trend towards peace, development and cooperation and continuing tendency towards multipolarity. Multilateralism and democracy in international relations have gained more support. At the same time, destabilizing factors and uncertainties are on the rise. Security threats have become more diverse and complicated. The deep-rooted impact of the international financial crisis is reverberating, triggering a tide of social movements.

The new international situation has brought unprecedented opportunities and broad space for the development of China-Australia relations. It has also put higher requirements on both sides. We should adapt to the developments in the international and regional situation, make the most of the 40<sup>th</sup> anniversary of diplomatic ties, keep up with the changing times, and work together to advance bilateral relations in a healthy and stable manner to bring more benefits to the two peoples. The two sides could make joint efforts in the following aspects.

First, we should approach and develop China-Australia relations with a strategic thinking. Political trust determines the quality, level and future of cooperation between countries. We should further enhance the strategic planning of bilateral cooperation, take good care of each other's core interests and major concerns and respect each other's choice of development path. We should manage and address differences through sincere dialogue, transcend differences in ideology and social system, increase mutual understanding and trust, and keep to the right direction of relations, so as to foster a good political condition for taking our relations to a new level.

Second, we should vigorously deepen practical cooperation. It is important to recognize to our cooperation is mutually beneficial, and create a fair, just, transparent and non-discriminatory investment environment. While establishing long-term and stable strategic cooperative relations in energy and resources, we should expand cooperation to new industries such as energy conservation, environmental protection, new energy, clean energy and cooperation in monetary, financial, agricultural and infrastructural fields, cultivate the services industry so that it will be a new source of growth in China-Australia cooperation, and inject new impetus to the development of China-Australia relations.

Thirdly we should continue to increase people-to-people contacts. We should make the most of the 40<sup>th</sup> anniversary of diplomatic ties and hold a series of celebrative activities, and encourage and support more contacts and cooperation between youths, think tanks, academia, social organizations and localities of our two countries through platforms such as sister cities and Confucius Institutes, so that more people in both countries will support, take part in the benefit from China-Australia relations, thus firming up public support for China-Australia relations.

Fourthly, we should jointly tackle global and regional challenges. Our two countries have many shared interests and responsibilities in maintaining regional stability and prosperity, advancing regional cooperation and solving global and regional issues. We should adapt to the trend for peace, development and cooperation in the Asia-Pacific region, view each other's position and influence in the region objectively and rationally, and support each other in playing a constructive role in regional issues. We should further enhance communication and coordination in multilateral fora and on major international and regional issues and make greater contribution to the building of a harmonious Asia-Pacific harmonious world.

Ladies and Gentlemen,

Dear Friends,

Taking this opportunity, I would like to also speak to you more about the Boao Forum for Asia. I have been Secretary General of the Forum since July 2010. The Boao Forum for Asia was established in 2001 at the initiative of senior political leaders in the Asia-Pacific. As a non-governmental, non-profit international conference organization, the Forum has developed, after more than a decade, into high-level platform for discussions on Asian and important global issues between government, business and academic leaders of relevant countries.

It is worth mentioning that as one of the 28 founding members, Australia has all along given high attention and strong support to the Forum. Former Prime Minister Hawke was one of the three initiators of the Forum. He has served as a member of the Forum's council and made important contribution to the development of the Forum. The Australian Government has always had high-level representation at the Annual Conference of the Forum. Prime Minister Howard and Prime Minister Rudd both attended and made keynote speeches at the opening plenaries of the Forum's Annual Conferences when they were in office.

The Australian business community has always actively participated in the Forum's activities. Leading Australian enterprises such as the FMG, Seven Group Holdings, Hancock Group, Commonwealth Bank of Australia and ANZ Bank have supported the Forum's development in various ways.



In July 2011, thanks to the joint support of the business communities of China and Australia, the Boao Forum for Asia and the Government of Western Australia held in Perth the Energy, Resources and Sustainable Development Conference. It was the first Forum conference held in Australia. More than 400 Government officials, business leaders, experts and scholars from China, Australia and other Asia-Pacific countries attended the conference and had in-depth discussions on global energy and resource supply and demand, innovative thinking on energy and climate change, and growth and sustainability. The conference offered new perspectives and new thinking for China and Australia to deepen win-win cooperation in the fields of energy and resources. The Boao Forum for Asia has played its role as a new platform for China-Australia trade and economic cooperation.

Here, I would like to thank my Australian friends of your contribution to the development of the Forum. I sincerely hope that you will continue to care about and support the Forum so that it will play its role as a platform for dialogue and discussion among Asia-Pacific countries to pursue development and prosperity.

Ladies and Gentlemen,

Dear Friends,

As a former Chinese Ambassador to Australia, I rejoice at the tremendous achievement of China-Australia relations in the past 40 years. I have every confidence in the future of China-Australia relations. I believe that with concerted efforts, it will become more fruitful in the next 40 years and live up to the expectations of successive leaders in both countries.

I wish all of you good health.

Thank you.

**Ambassador Zhou Wenzhong**

**23 August 2012**