

Speech by Mrs Gina Rinehart
National Agriculture & Related Industries Day
Gala Dinner
Australian War Memorial
21 November 2017, Canberra
(Delivered in short version 19:50)

Good evening distinguished guests and friends, and warmest welcome to all.

It is wonderful to see you here, I know some of my friends have come from far and wide across Australia, thank you very much.

From rural barbecues, to the Archibull award in Sydney and cocktails in cities, from Perth to Wagga Wagga, from Kingaroy to Alice Springs, from Canberra to Tasmania, ag day events and celebrations across all of Australia!

Thank you to the Australian War Memorial for letting us hold our inaugural day cocktails and dinner here.

As many of you would know, people from the country form a very large proportion of the brave men and women who defend our country.

Please join me in expressing our thanks and gratitude.

Tonight, isn't it great to celebrate the inaugural National Agriculture & Related Industries Day!

Thank you to each and all of our sponsors for helping make tonight possible. Particularly thank you to the Pastoralists and Graziers Association of WA, who have been with me all along, since I first approached the Federal Government for approval to have a National Agriculture and Related Industries Day.

The Northern Territory Cattleman's Association has also supported me in this approach, which received enthusiastic support from the Prime Minister and the then Deputy Prime Minister and Agricultural Minister, Barnaby Joyce, who I am delighted is with us tonight.

And, more recently, the National Farmers Federation have made a fantastic effort helping with agricultural functions across the nation, taking Agriculture and Related Industries Day to Australians, letting everyone know how important our industry is; economically and culturally to this great nation. Thank you Fiona, Tony and the NFF.

I certainly think as far as inaugural days go this is terrific! Our inaugural dinner has sold out, with many others wanting to be here with us tonight. I know it is often tough on the stations, farms, oceans and in our outback so let's thoroughly enjoy tonight! And, let's hope with the NFF's and other agricultural organisations help, this important national day continues to grow enthusiastically.

Now, the Hon Adam Giles our MC, thank you very much Adam, indeed for all of your months of great help with this day, has already done some acknowledgements. I would like to also pass on my thanks to all of our dignitaries who are here tonight.

However, I would particularly like to single one person out, who you'll be hearing from later tonight – a champion of our industry and our friend, Barnaby Joyce. I know something of the very long hours you are doing right now and to take time out of your campaigning schedule to come here, to be here for the industry you love and support, and to recognise the dedication that 1.6 million Australians have to agriculture....thank you.

What a great voice for Australian agriculture. The agriculture industry was very fortunate to have had such a dedicated, understanding and enthusiastic Minister, one with years of firsthand experience, a real Aussie country boy, and boy do we hope you return!

Could you please stand, with your tambourines in hand, and join me in very well deserved applause?

National Agriculture and Related Industries Day is the day to pose a question, for all Aussies to please consider: "Where would our country be without our farmers, pastoralists, fishermen, fruit, vegetables, flowers, timber providers, viticulturists, pearlers, poultry and bee keepers, in short, without our agriculture?"

Let's think about those 1.6 million employees in our agriculture industry, and the income tax they pay, and the tax from the 130,000 agribusinesses in Australia, not just company taxes, but payroll tax, stamp duty, the GST and licences.

If we didn't have a sustainable agriculture industry, who would be paying the then missing taxes to support our defence, police, roads, airports, elderly, health, parks, public sporting facilities and more.

These business and employment taxes help to show a very important picture of agriculture, an industry vital to our country and its future.

And, I haven't even spoken about the importance of reliably feeding Australians with fresh and clean produce.

Today is a national day to celebrate the enormous contribution and importance of our agriculture and related industries. It's particularly about acknowledging, better understanding and celebrating those who work in the industry, often in the heat and very

difficult conditions. People ask why it is not just National Agriculture Day. Well it's because agriculture doesn't work in isolation.

Our agricultural industry supplies work to multitudes of people and businesses, those who supply our stations, farms, poultry and bee keepers, fishermen, vineyard , pearlers, with a huge variety of things, drive supplies around, provide maintenance for equipment and other agriculture needs, load our products onto ships, act as agents or market our products, prepare our accounts for taxation, sit in offices filling out the multitude of forms for permits and approvals the governments insist upon, and more.

You do not just need to be a pastoralist, farmer, a fisher, bee or poultry keeper or pearler to be working in the agricultural industry; many others are employed indirectly or given opportunities, thanks to the agricultural industry.

To not consider the related industries and their jobs is akin to, for example, looking at the closure of our former car manufacturing industry and when it closed not considering the implications for those in the related industries.

For example, those who work in parts manufacture, the carpet makers and leather tanners to make the products which go into the upholstery, gloves and protective gear for workers, security personnel, the extra supplies to the factory, right down to paper, pens, cleaning, cafeteria, maintenance, pot plants, reticulation, lighting and more.

This supports the reason why we should refer to agriculture *and* its related industries. We should not forget the related industries who depend upon the agricultural industry.

The reason I initiated the national day is not to knock those who are not working on the land, but to try to create a better understanding of those who do work on the land, or our oceans, the difficulties they face, and the very real issue of our agriculture industry keeping cost competitive and reliable.

Am I being too concerned?

Think of Tasmania. For decades this was known as the "apple isle" and excellent apples were produced. With government regulation and overseas cost competition, this is no longer so. Each of our agriculture industries needs to be focussed on what can happen, when government burdens get too high, hence, costs get too high, and in turn should speak out continuously against increasing red tape and compliance burdens, payroll tax, escalating stamp tax and licences, and other government burdens, to help protect their very future.

How many of you have heard similar examples like this next one?

A group of people sit in a café in an inner city having a conversation about animal rights and the environment and arguing against using more water for agriculture and development in regions of Australia.

Please don't get me wrong, I am one of the most dedicated pastoralists for better, more humane animal management practices and are significantly investing in shading for cattle yards and feedlots, shading for calving and water troughs, self-mustering, cleaner water, changing the culture where animal welfare is concerned, and more.

But back to the group of people sitting in the café.

They are arguing against the industries of mining, petroleum, much of agriculture, fishing, even eggs, and against further water allocation. We hear these sorts of conversations around every city in Australia. Isn't this an example of why we need more education about where things come from and the contribution the agriculture and its related industries make to Australians?

I note in these conversations we don't hear suggestions of what they'll do to work harder and invest their monies to create more revenue to be able to keep funding what the agriculture and our related industries contribute towards our defence, police, elderly, hospitals, parks, public sporting facilities, roads and airports. Nor do I hear suggestions of what should be cut and left with less revenue, or even which government departments should be cut and which government employees should receive less money.

How is this for another example? Please picture this in your mind. A group of city people are sitting on chairs clad in wood, which was grown and milled in Tasmania. The table they are sitting at is made of chipped wood from a pine forest from the Green Triangle in South Australia.

The chips glued together with glue made from animal products in Victoria, and the table covered in cutlery made from iron ore dug out in West Australia, and they drink wines produced around Australia.

As they sit around the table they are wearing clothing made from wool grown on our stations and farms, and or cotton grown in the Kimberley's or north western New South Wales, grown using access to water licenses. Their feet are covered in leather boots made in South Australia, with the same leather used to make the belt holding up their strides. The leather comes from cattle raised throughout Australia.

They are enjoying some canapés of Huon smoked salmon from Tasmania, and fresh Moreton bay bugs from Queensland, then eating an entrée of prawn cocktail where the prawns were ocean harvested on a large trawler off the Northern Territory, with Aussie grown lemons and lettuce, and a main of Aussie 4-month old succulent spring lamb chops. These chops are of course enjoyed with some Aussie grown peas followed by an Australian made ice cream, produced from cows in Sir Joh's wonderful state of Queensland. The ice cream is topped off with Aussie strawberries provided by our market gardeners, thanks to water licences, and Aussies best cream from Bannister Downs in west Australia, with milk for their coffees from Bannister too.

They proceed to wash the meals down with a bottle of water, the bottle which is made through the petrochemical process. And of course we all know that *ALL* plastic comes from the petroleum industry.

The point here is that these products which we consume are in our everyday lives, yet some in our communities campaign against what they and their children actually need. It seems to me that these people have irresponsible disregard for the vast majority of Australians who benefit from our defence, our roads, our airports, our public hospitals, our police, our parks, our public sporting facilities, and much more that our agriculture and related industries, help to provide.

Many people know me from iron ore operations, but today is a day to share some agriculture stories. Some know a little about my recent expansions in the cattle business, which investment in Australia was made possible by our long-term efforts and high-risk investment in the mining industry. What many do not know is my family's long-term involvement in the agriculture industry, particularly the cattle industry.

Since the second half of the 1800's when the Hancock's first went to the northwest and established the first stations, town and port there, Hancock has held stations continually and is one of Australia's longest continual station owners in the cattle industry.

Indeed, our continuous cattle station ownership stretch back some decades earlier than Kidman. This history and the struggles of our family as pioneers and in the outback, which I admire greatly, is something I hold close to my heart. As I am sure many others do too, especially those with similar or long histories in agriculture.

My great grandparents founded several of the first stations in the north, including Ashburton Downs, with its famous cattle brand, Hancock 3 b, chosen by my great grandfather, given he had 3 sons, including my grandfather.

I was brought up on Mulga Downs station, in the north west, owned at that time by my grandfather and father, which was then a sheep station, now cattle, and which we still hold today, and then nearby Hamersley station, a cattle station. I loved my life on those stations, as like many other station kids, boarding school was just a required interlude, one not particularly liked! I'm very grateful for my station upbringing in Australia's north. And I still believe station life is great for families with children.

Briefly, our company history goes back to November 22, 1952, some 65 years ago tomorrow, with my father's historic flight of discovery over the Pilbara identifying iron ore deposits, finds which, after the government eventually lifted its iron ore export embargo in 1960 and the state government eventually lifted its embargo more than a year and a half later, became very significant for west Australia, then a mendicant state, a state requiring handouts from other states.

Indeed significant for Australia. This find influenced my father to found Hancock prospecting, which bears his name today. Years later, in 1992 I took over the chairmanship of Hancock Prospecting, a company then burdened by bad luck and financial pressures, and

the few remaining assets were stressed assets. It was a challenging time, with many challenging years followed!

We could not rely on luck, particularly when the only luck I seemed to have was bad luck! However with a small dedicated and loyal team, we worked hard, in fact, very hard, and trickled the available company money into tenements.

Today Hancock Prospecting is a much bigger Australian company.

Our latest mine, the mega Roy Hill iron ore mine, achieved several firsts, and is now producing at or above the rate of 55mtpa (million ton per annum), with 55mtpa being the biggest single iron ore mine in Australia.

These efforts and investments over decades and their returns now place Hancock as one of Australia's top tax payers. After we pay our tax it enables us to invest even more in Australia.

In recent times, Hancock's majority joint-venture purchase of S. Kidman and Co in December 2016 marked another historic moment, including for me.

Cattle King Sir Sidney Kidman, who founded S. Kidman and Co in 1899, in his heyday owned 100 stations, where nearly all were held by Kidman, a few held jointly with others.

Such an incredible story in our agricultural history, and outstanding accomplishment from his early beginnings, going off as a young teenager, with little education, just 5 shillings in his pocket, the clothes he was wearing, a thin rug, and an old one eyed horse, Cyclops, to build a pastoral holding across many states, which became the largest private land holding in the world!

He had a willingness to work hard, didn't suffer from today's entitlement malaise or anything like the government tape and compliance burdens we have today. If he had, the Kidman Empire would never have been possible. Sadly in the generations that followed, these dwindled to around 10 stations by 2016, sometimes shareholders like the money to spend on themselves, rather than continuing to invest in stations or the family business.

Sir Sydney was a long-term friend and a business partner of James Nicholas, a great entrepreneur, pastoralist, and gentleman, who I'm very proud to be able to call my grandfather. He was Hope Nicholas' father, Hope Nicholas being my beautiful mother and an exceptionally fine woman.

Grandfather Nicholas, (I also had an uncle, another pastoralist, called James Nicholas, named after his dad), once had an initially small coaching business where he encouraged his friend then Sidney Kidman to help supply horses which he needed for his expanding coach service from Broken Hill to the Terowie tin field and to other exploration finds he knew about. Together they owned stations to raise their horses in the Macdonald ranges, Owen springs and at Mt Birrell.

This coaching service grew as new exploration and mining areas opened up. But Sir Sydney decided that he'd prefer to focus on building his cattle interests, and my grandfather went on to build the coaching business, supplying country and mining communities with mail, passengers and supply services in at times, all states of Australia, except Tasmania.

This coaching business relied on horses and had around 1200 horses working to transport goods and passengers, which is why my grandfather went into stations.

Indeed the government of West Australia decided my grandfather held too much land, having become the largest land owner at that time in west Australia, and made him relinquish some of his stations.

So although I could say much more, I hope I've shown that it is with deeply felt appreciation that I can continue our family's long history in Australia's agricultural industry.

Now enough about my family history. Today is of course about the whole agricultural industry and all of the 130,000 businesses who risk their own money and livelihoods to contribute so much to Australia. And it's about the 1.6m Australians who contribute their working lives to this important Industry.

Today is a day to cheer on all those who work in these industries, and to remind those in the government and media of how much more difficult things would be if it weren't for the contribution of our agriculture industry, and the many related jobs and industries that depend upon the sustainability of Australia's agriculture industry.

The fact is around 16% of Australia's private sector workforce are based in Agriculture or their related industries. Every year each Australian pastoralist and farmer provides enough food on average to feed 400 other Australians and, export enough food to feed around 600 people living overseas.

Our industry is Australia's second largest export earner with \$1 out of every \$7 export dollars coming from farm and station produce and this helps raise enough taxes to help pay for our roads and bridges, hospitals, police and the list goes on.

As you enjoy your meals tonight please consider where your meal comes from. Prawns supplied and donated by Austral Fisheries, the Barramundi from Humpty Doo Barramundi in the NT, Meat Pies from Kidman Beef in Queensland and South Australia, and the Veggie wall from the Sydney Markets.

Our agriculture industry has invested all over Australia to help to build Australia to the enviable country it is today.

Remember that phrase '...off the sheep's back...' Yes we are a lucky country. Lucky that we have abundant land and water and sunshine. But we will be unlucky if we don't use it!

As an industry, we have brought investment, opportunities, infrastructure, some city conveniences and jobs into some of the most remote and in-need places in our country.

We support families right across the country.

Outside of mining, how many other industries have done as much, for as long as our agriculture industry and its related industries have?

The media and others at times without regard to our governments existing record debt, pressure politicians to spend more taxpayer's money, and politicians in turn often succumb to this and announce greater expenditure, and our record debt gets worse.

Indeed to the terrible point where we need to borrow more money to pay just the interest!

However, the focus seems to have been lost regarding creating the revenue to pay for our debt and increased expenditure.

We seem to have lost the basic understanding, or maybe just simple common sense, to realise that we need to create a good environment for investment and for enabling export industries to be cost competitive internationally. Instead, we take the path of too many expensive government burdens, and changing policies that are negative to industry and create uncertainties.

Is it any wonder that investment in Australia is now at the lowest level it's been since the Whitlam government? The Whitlam government was known for its anti-business approach, but back then we had less approvals, permits, licences and compliance burdens than now!

For Australia to prosper it needs investment to be encouraged with good policies. This includes especially less government tape and compliance burdens, and, lower government taxes and costs.

Australia needs our agriculture industry and our export industries to continue to thrive, but our government seems to be out of touch. Despite many speeches regarding reducing government red tape, what has actually been done outside of reducing government tape on charities and childcare, to cut government tape burdens on agriculture or other contributing primary industries? There are some people in our government wanting to cut, let us show them our support.

There are around 12 million people who work in Australia. How many do you think work in either the federal, states/territory or local governments? The answer. 1.9 million Australians. More than the whole Agriculture and Related Industries. Nearly 1 in every 6 employees works for some level of Government! And yes, it's our work and taxes that support this.

There's no 'buy Australian' campaign that will induce our trading partners to purchase our products if it costs more than competing nations, or if our supply is not reliable. There is no helpful place for government intervention in the commodities export market, but our international customers will buy our products if they remain cost competitive, and reliable.

As an export-orientated nation, with a relatively small population, our prosperity and living standards depend on our ability to export competitively and sell our goods overseas.

What many of us know, Fundamental to international competitiveness is low government regulation burdens, low taxation and other government expense, but we need to get governments to understand this and act. Just as President Trump and Prime Minister Modi do, two of the world's leading economies and democracies.

We need to get our governments to understand, despite its members usually not from a business background, that we cannot tax our way to prosperity, and the government needs to be more financially responsible. The Government needs to spend less. Instead of being induced to spend more, by self interest groups who often don't want to contribute themselves economically.

In late November Last year I visited Washington DC, where I had the privilege of listening to and meeting various senior members of Trump's campaign team.

President Trump won this election because he and his team listened to the people of America. The American people told them, they want America to be great again. Their countrymen told them they wanted, firstly less government tape, secondly less taxation, and for the USA to grow and provide more sustainable jobs. This is the same message I am suggesting to you tonight, but regarding our country.

How exciting last year's message to Trump and his subsequent election was. He is now delivering for America, and despite the naysayers who didn't vote for him but have a loud voice, what was a struggling economy is now rebounding.

Trumps work in cutting government tape and company tax is making it better to do business in America, stimulating investment and creating thousands of jobs. I was there when Anthony Pratt announced in New York that he'd invest US\$10 billion in the USA over several years, and the President of the USA stood up and applauded him!

If only we were hearing similarly from our governments around Australia.

We need to let our government know this would be good for Australians too. Instead of continuing along the path of Greece, that being, increasing irresponsible government expenditure and debt, to the ultimate detriment of the people of Greece. The Greek government even had to lay off many necessary police, nurses and teachers, thanks to the governments irresponsible spending, and payments to the elderly were cut causing much suffering, even riots.

Unfortunately, for Australia, government regulation and red tape is one of our biggest industries...and its growing!

Decades of increasing regulations with little thought as to how this would impact business, add to its costs, and indeed, impact the economy and living standards.

To attempt to illustrate just how bad Australia's red-tape problem is, the Institute of Public Affairs (IPA), estimates that red tape costs the Australian economy \$176 billion annually. Who can really tell that it's not even higher?

That's a staggering 11 per cent of GDP.

The IPA also estimates that under the Gillard and Rudd Governments, an astounding 444 bureaucratic government bodies were established in Australia, of which 198 are engaged in imposing regulations on different industries.

In a ranking by the World Economic Forum of the burden of government tape on companies, Australia is ranked 80th out of 140 countries.

Imagine the difference if the time and money spent on bureaucratic tape and compliance had been able to be channelled productively instead.

With over 700,000 Australians unemployed and more underemployed, and the growing elderly proportion of our population, our record debt, the question must be asked – how can we continue to afford this?

Red tape is not something that we can't change, governments can act to reduce it.

Other countries have done this with great success, such as our neighbour Singapore, and India under the very dedicated leadership of Prime Minister Modi. My goodness if India can do it under wise leadership, when its red tape was notorious, built up over decades of British then USSR influence, then Indian governments too!

Why on earth can't we in Australia. And why can't we learn from India and see the benefit tape reduction has already done for India, making India the fastest growing economy of significance in the world, encouraging industries growth and more than doubling its living standards in a short period of time, creating jobs and lifting many out of the misery of poverty.

As an industry, let's make agriculture and its benefits better understood, and let's make better understood the need to lessen government burdens, the two t's, tape and taxation.

Australia has the fourth highest company tax rate (for large businesses) out of the OECD countries, up there with Greece and Portugal, who's economies are struggling and have not been the models of success.

The Tax Foundation also found that Australia's 30% corporate tax rate is above the world average of 22.38%, and higher than that of other countries in the Asian region whose average corporate tax rate is 20.86%.

The agriculture industry has done so much for Australia throughout our country's entire history.

Whether it's the Kidman pies or, Paspaley's very beautiful pearls, boots you're wearing, your cotton shirt or whatever, agriculture is essential, we're vital to our country and its future, aren't we?

I am so pleased that we have a day to celebrate agriculture's importance and recognise its incredible stories and history, and I wish everyone, a very Happy Agriculture & Related Industries Day! And night!

Thank you again to our sponsors. And to everyone else who has helped to make possible this inaugural national day.

Now please sit back and listen to a song my good friend kindly created for national agriculture and related industries day, then please pick up your tambourines and let's celebrate together, this essential industry and all who contribute to it!

End