



Speech

by

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## **Introduction**

John Brumby, Premier of Victoria; Bruce Jenks, Assistant Secretary-General United Nations Development Program; Simon McKeon, Chairman, and Mark Ingram, Executive Director, Business for Millennium Development; ladies and gentlemen.

Thank you very much for the invitation to address you today and thank you all for attending the Business for Millennium Development Summit.

Business for Millennium Development is a uniquely Australian initiative dedicated to raising awareness of the Millennium Development Goals (MDGs) within the Australian and international business community.

In 2007, prior to the establishment of Business for Millennium Development, a survey of Australian CEOs found only 2 of 20 knew about the MDGs.

Your attendance here today demonstrates how this has dramatically changed.

This Summit will consider ways of applying your business skills to alleviate poverty in our region and the world.

On behalf of the Prime Minister and the Australian Government, I thank you for so publicly demonstrating your interest in taking part in these efforts.

## **The Millennium Development Goals**

In 2000, the Millennium Development Goals gave the world, for the first time, a consensus about the most important development challenges for the first fifteen years of this century.

Previous attempts to encourage global cooperation had foundered because of philosophical arguments about approaches to alleviating poverty.

The adoption of the MDGs bypassed these theoretical arguments and secured international agreement to a concrete set of goals and on ways to measure the international community's progress in meeting them.

The eight Millennium Development Goals are to:

1. Eradicate extreme hunger and poverty;
2. Achieve universal primary education;
3. Promote gender equality and empower women;
4. Reduce child mortality;
5. Improve maternal health;

6. Combat HIV/AIDS, malaria and other diseases;
7. Ensure environmental sustainability; and
8. Develop a global partnership for development.

If we are to achieve these goals by 2015, action by governments alone will not be enough. It will require joint action by governments, NGOs and the private sector.

### **Good International Citizens**

The Government came to office committed to enhancing Australia's reputation as a good international citizen.

In our first actions we ratified the Kyoto Protocol and delivered an apology to Indigenous Australians.

We plan to continue as an active government, committed to addressing the challenges we face nationally, regionally and globally.

Our standing as a good international citizen, working regionally and internationally, is critical to advancing Australia's foreign policy and national interests.

Governments should represent the values, virtues and characteristics of their people.

Australians are generous and practical and these values underpin the Government's foreign and development assistance policies and priorities.

In terms of international development, this means helping those less well off than ourselves.

It means tackling the poverty and despair that help give rise to modern terrorism and transnational crime and that challenge our national security.

It means addressing environmental degradation and disease which have the potential to undermine our future economic growth and wellbeing.

Our commitment to development assistance is fundamentally based on our desire and responsibility to help those in poverty but it is also undertaken to advance Australia's national and foreign policy interests.

Our commitment to development assistance is not separate from our foreign policy, it is a critical element of our foreign policy.

This approach has a very strong parallel with what we ask of you through Business for Millennium Development.

We do not ask only for philanthropy but also for a clear-eyed understanding that your interests, particularly in terms of future growth, are best served by meeting the MDGs which will expand markets, enhance opportunity for millions and increase global wealth and prosperity.

### **What Can Business and Industry Do?**

Many Australian companies are already seeing the benefits of business opportunities which both increase profits and fuel economic growth in developing countries.

Australian businesses have close economic links with developing countries in Asia. Their economies have grown rapidly in recent decades and, despite the recent financial crisis, are likely to continue to grow over the medium term.

Australian businesses are also increasingly involved in Africa which, despite its many development needs and poor results on the MDGs, is in parts growing even more rapidly than Asia.

These regions promise great business opportunities for Australian companies. Because of the responsible way Australian businesses generally operate, the involvement of Australian companies promises great benefits to the peoples of these developing nations.

According to the United Nations Development Programme's Framework for Action, most companies have the potential to make a contribution to the MDGs.

The UNDP has found, for example, that social entrepreneurs and small and medium enterprises are making a major contribution to the MDGs by doing good business in ways that help people meet both their immediate needs and longer-term aspirations.

One good example is a solar energy company in Laos creating a series of franchises through the country's rural population which helps deliver much-needed energy services to households and enterprises, while providing franchisees with incomes and an incentive to grow a business.

Larger companies, such as mining enterprises, are now putting more resources into community development because they also recognise that being a good corporate citizen makes for better business.

BHP Billiton provides training to almost 10,000 Mozambicans who do the lion's share of the work at BHP's aluminium plant in Mozambique.

It makes commercial sense for BHP to employ local labour. These employees have now gained very valuable skills and the benefits flow to their families, reducing poverty.

BHP Billiton is also involved in a project responding to HIV in South Africa. The company introduced a workplace strategy in 1993 offering employees HIV education, voluntary counselling and testing, health insurance and treatment.

By 2006, the company's policies had seen employee HIV prevalence well under half of that in the general working-age population - 7.7 per cent compared to 18.8 per cent.

BHP Billiton is also leading a consortium of eight global mining companies in funding clinical trials of a new HIV therapeutic vaccine in South Africa.

Another good example is the ANZ Bank's project in Cambodia which will allow 400,000 low-income textile workers to use the SMS function on their mobile phones to cheaply and securely send money to their families.

Tim Costello recently relayed another story about the same project: after taking over the Bank of Cambodia, the ANZ provided more microfinance loans in a year than all the NGOs in Cambodia had ever done.

These examples just underline why your involvement is so important.

### **Global Financial Crisis**

The impact of the global financial crisis is already being felt in developed and developing countries around the world.

Successful restructuring and stabilisation of financial markets by governments is critical to containing the adverse economic fallout on developing countries.

That's why it's so important that Australia has been invited to attend a summit of leaders of the G-20 on 15 November.

The summit will bring together leaders of the United States, Japan, the United Kingdom, France, Germany, Italy, Canada, the European Union, China, Brazil, India, Russia, South Korea and other major economies.

It will also be attended by U.N. Secretary-General Ban Ki-Moon.

It is important that this meeting address not only the immediate financial crisis, but also the longer term reform of international financial institutions.

In his speech to the United Nations General Assembly last month, the Prime Minister outlined a number of reforms that Australia believes are necessary to ensure that a crisis of this kind cannot occur again.

If there are to be tough economic times ahead the world's poorest will be hit hardest.

Australia's commitment to increase development assistance to 0.5% of GNI by 2015 will not be shaken by the global financial crisis.

As US President Bush, World Bank President, Bob Zoellick, and UN Secretary-General, Ban Ki-Moon, have all said in recent days now is the time to reaffirm, not walk away from, the international community's commitment to the Millennium Development Goals.

This is precisely what the Prime Minister and I have done.

We have reaffirmed our commitment to increase our development assistance to 0.5% of GNI by 2015 to advance global progress towards the MDGs.

It is also vital that the current crisis is not made worse by countries turning inward and turning away from trade openness or by businesses turning inward and reducing their investment.

### **Government Action on the MDGs**

Prior to the 2007 election Labor made key development assistance election commitments.

As well as our commitment to increase Australia's development assistance to 0.5% of GNI by 2015-16, Labor also promised to provide:

- \$300 million to address critical needs in water and sanitation,
- \$150 million to assist our near neighbours adapt to the effects of climate change, and
- \$45 million to reduce the impact of treatable blindness and to address issues of disability more broadly.

The Government delivered these commitments in the 2008-09 Budget.

In addition to our election commitments, the 2008-09 Budget also delivered:

- \$200 million to strengthen our partnerships with key United Nations agencies;

- over \$125 million for key economic infrastructure in the Pacific;
- over \$100 million to boost Pacific public sector capacity; and
- over \$50 million to assist with land reforms in the Pacific, a critical precursor to economic and social development.

The \$200 million to UN agencies with a record of achievement in development, demonstrates our renewed commitment to multilateralism, and, in particular, our belief that multilateral partnerships can in some cases achieve much more than donors can achieve on their own.

These contributions will give greater impetus to particular global initiatives aimed at achieving MDGs, and the co-sponsor of this event, the United Nations Development Programme, will be one of the beneficiaries of this initiative.

You will hear more about the details of what UNDP is doing from Bruce Jenks.

The Government is also committed to investing more development assistance in education, health, infrastructure for transport and utilities, water supply and sanitation, rural development and in environmental initiatives.

This investment goes to the heart of meeting basic human needs as well as contributing to better functioning societies and economies so that people in developing nations can become more self-reliant and prosper.

## **Focus on the MDGs at the UN General Assembly**

At the recent UN General Assembly in New York, which I attended with the Prime Minister, there was a focus on the challenges we still face to meet the MDGs.

There are still far too many women dying in childbirth and far too many children dying of preventable diseases.

There are many countries, indeed regions, which are not on track to meet any of the MDGs.

But there are some good news stories too.

In some countries poverty has reduced, enrolments and gender parity in schools has increased, there are now fewer deaths due to measles, and more people have access to safe drinking water.

At the UN General Assembly, ten private companies were recognised for their work in improving the lives of the world's most disadvantaged people.

They received World Business and Development Awards for their creative initiatives to improve the lives of millions of poor people across Africa, Asia and Latin America.

The businesses ranged from a family-owned soybean business in Ghana, to a leading telecommunications company in the Philippines.

There is also an impressive list of case studies for discussion at this summit, of Australian companies that are having a positive sustainable impact on poverty reduction through profitable business ventures.

## **Conclusion**

To achieve the Millennium Development Goals the Australian Government has committed to increase both the quantity and the quality of our development assistance.

But all elements of Australian society - government, NGOs and business - will be required to contribute to the achievement of the MDGs.

Development assistance, alone, will not be enough.

Economic growth - driven by the private sector - remains the long term solution to poverty. In the end, the best form of development assistance is economic growth.

I look forward to working with you, as leaders of Australian business, towards achieving the MDGs.

Thank you