

OCCASIONAL ADDRESS

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Delivered at the UTS graduation ceremony
for graduates from the Faculty of Engineering
Great Hall, City campus, Wednesday 14 May 2008, 5.30pm

Deputy Chancellor, Vice-Chancellor and President, Presiding Dean, Deputy Vice-Chancellor and Vice-President (External Relations) and Registrar, Deputy Chair of the Academic Board, Staff, Distinguished Guests, Graduates and family and friends, thank you for this opportunity. As an engineer it gives me great pleasure to be able to deliver this occasional address.

The former US President, Herbert Hoover once said, "Engineering is a great profession. There is the satisfaction of watching a figment of the imagination emerge through the aid of science to a plan on paper. Then it moves to realisation in stone or metal or energy. Then it brings homes to men or women. Then it elevates the standard of living and adds to the comforts of life. This is the engineer's high privilege."

And indeed as young engineers going out into the workforce, you are in a privileged position. Not only because of the impact that you are going to have on society but also because this is an extraordinary time to be a young engineer.

The world has changed dramatically from when I entered the workforce in 1967. The 1960's was a period of great expansion and opportunity but I have never seen anything in my working life like the opportunities that we see now.

So what is driving this change? Well fundamentally it's Asia. For the first time in human history more than half of the world's population is experiencing sustained economic growth.

And Australia is fortunate to be positioned smack bang on the edge of this 'new world'. What a contrast to our position for most of the 19th and 20th Centuries, when we were located on the other side of the world; weeks away from markets that wanted our wheat or wool or gold.

Now we are only a couple of hours away from 3.9 billion people or 60% of the world's population. This creates great opportunities for Australia.

And despite the current sub-prime fallout, our economy remains in good shape. We've undertaken some hard economic reform in the 1980's and 1990's, which means our economy is much better positioned than Europe or the US.

We are not as reliant on the US economy as we once were and we are less sensitised to oil price shocks. We are saving for our retirements through superannuation and are therefore much less reliant on pensions.

Generally our governments are in a sound financial position and Federally we are running large budget surpluses and the Commonwealth has no net debt. Contrast this to budget position of most other Western countries or our position through the 1970's and 1980's and most of the 1990's.

And of course we have a relatively young and growing population, albeit the trends in the demographics are quite serious.

So I'm confident about Australia's position as being the best country in the world in which to live, work and raise a family; despite the current gloom and doom in the financial markets. We are well positioned and have great advantages by being located so close to the tigers of Asia.

China, India and other parts of the developing world are experiencing industrialisation and urbanisation at an unprecedented rate. Prior to about 1700, Asia represented half of the world economy.

In another 30 years it will again represent around half of the world economy. And that growth is creating a vast appetite for resources both here in Australia and around the world.

Since the reforms of Deng Xiaoping began in 1978, China's economy has grown by more than 8 percent per year. If anything, that growth has accelerated in the last 15 years, reaching double digit levels.

China is now the world's top consumer of aluminum, copper, lead, nickel, tin, zinc, iron ore, coal, wheat, rice, palm oil, cotton and rubber. It has been the world's top consumer and producer of steel for a decade, producing a third of the world's steel, three times as much as either the United States or Japan.

And remember that India, a country with almost as many people as China, is nowhere near as advanced as China in terms of its economic development.

The demand for these resources is directly and indirectly driving up energy prices and so we are also seeing great changes in the allocation of wealth. The Middle East, China and Russia are the new rich and in turn they are investing that wealth in infrastructure and property and resources projects.

These changes create opportunities for engineers. It is engineers like you who will build the roads and the airports, the offices and the resorts, the mines and the processing plants. And what great opportunities there are.

We all know about the infrastructure challenges facing this country. Analysts such as ABN-AMRO have forecast that some A\$380 billion needs to be spent over the next decade. Yesterday's Federal Budget highlighted some the projects and priorities as Australia commences a major public infrastructure rebuilding and investment task over the next five to 10 years.

But other countries in the region are experiencing similarly large investments. The Indian Government has outlined over \$US450 billion worth of investment that is required by 2012. Projects in the United Arab Emirates over the next decade are expected to total \$US310 billion.

These sorts of investments will provide enormous opportunities for engineers. The market is huge, it's global and it's growing. If you remain flexible you will have opportunities to travel and live abroad. My advice to you is to seize these opportunities, be flexible and go out and see the world. If you want to stay close to Bondi and enjoy the city life, you'll probably do alright. But the big projects, the great experiences and best careers will be found by following the vast opportunities that are in front of you right now.

Sir Eric Ashby described the role of engineers as follows: "The engineer is the key figure in the material progress of the world. It is his engineering that makes a reality of the potential value of science by translating scientific knowledge into tools, resources, energy and labor to bring them into the service of man ..."

You are indeed in a fortunate position. The opportunities are boundless, not just in Australia, as it was when I graduated, but all over the world. Your skills will be in demand and you have great opportunities to go forth and make a great contribution to society.

Thank you Deputy Chancellor, Vice-Chancellor and President, Graduates, Ladies and Gentlemen for the invitation to join you today. I hope you will enjoy the rest of the celebration, and I wish all of you new UTS graduates the very best of luck in your future careers. You are indeed privileged.

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