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Good evening. I begin by acknowledging the Traditional Custodians of the land on which we meet today, the Ngunnawal and Ngambri people, and pay my respects to their Elders past, present and emerging, extending that respect to all Aboriginal and Torres Strait Islander peoples here today.

My thanks to the Australia China Business Council for hosting us this evening, in particular National President David Olsson and CEO Tom Parker.

I am confident the people in this room, and many more beyond it, appreciate the work you do promoting bilateral trade and investment. The links you continue to forge between our countries are vital to the aspirations, health and wellbeing of millions of people.

I'd also like to acknowledge the distinguished guests joining us this evening:

- Senator the Honourable Don Farrell, Minister for Trade & Tourism
- The Honourable Tim Watts, Assistant Minister for Foreign Affairs
- Gao Feng, Minister Counsellor, Chinese Embassy
- Members of the Coalition; and
- Julie Bishop, former foreign minister and Chancellor of the Australian National University

It's a great honour to be here to talk about the importance of the Australia-China relationship.

Setting the scene - a major milestone

Just 54 days ago we celebrated a milestone. A big one: four billion tonnes of iron ore shipped to China from Rio Tinto's Pilbara mines in Western Australia.

Four billion tonnes of iron ore is a lot. It's enough to make steel for about 45,000 Sydney Harbour Bridges, or more than 23,000 Beijing National Stadiums¹.

We delivered our first shipment of Pilbara iron ore to China 51 years ago. Almost 22,000 tonnes from Dampier Port to Shanghai No.1 Steel Mill, now part of China Baowu Steel Group².

With near-perfect symmetry, the ship carrying the four billionth tonne was loaded in mid-July 2024, again at Dampier Port, and again destined for China Baowu, today the world's top steel producer.

I note this for a couple of reasons.

First, we're proud of that milestone. Very proud. It's testament to the sweat and toil of so many people, especially those who came before us.

I've said this before: talented and dedicated as our people may be, today's Rio Tinto stands on the shoulders of giants.

The other reason I mention our four billion-tonne shipment is this... it's an opportunity for reflection.

How was this remarkable milestone achieved?

What was good and essential to the partnership that underpinned it?

And where do we go from here?

¹ <https://www.riotinto.com/en/news/releases/2024/rio-tinto-ships-4-billion-tonnes-of-iron-ore-to-china>

² <https://www.riotinto.com/en/news/releases/2024/rio-tinto-ships-4-billion-tonnes-of-iron-ore-to-china>

It's the right time to think about those things.

Our chief executive of iron ore Simon Trott put it very well. He said:

“Every time I visit China and see the skyscrapers, the high-speed rail, and all the infrastructure that has helped improve the lives of 1.4 billion people, it makes me proud to think that most of what I see contains steel that was made with Rio Tinto iron ore³.”

The sentiment is right on the mark.

It seems to me that Australia, China and Rio Tinto share the past and the future. We are in this together.

Culturally, we are as complicated and complex a set of partners as you'd hope to find. But our three-way partnership – China, Australia and Rio Tinto – has endured. It remains strong, despite our differences.

We may disagree from time to time, but we align on the broadbrush strokes.

We trade in iron ore and bauxite, but we share so much more: experience and expertise, advances in technology and a deep conviction that learning and education matter.

³ <https://www.riotinto.com/en/news/releases/2024/rio-tinto-ships-4-billion-tonnes-of-iron-ore-to-china>

Rio Tinto's role in the Australia-China relationship

Under the visionary leadership of the recently departed Sir Rod Carnegie, Rio Tinto was the first Australian company to export iron ore to China⁴. We started modestly, supporting China's growing steel industry in the 1970s.

Trade expanded through the decades and our partnership broadened and blossomed.

- In the late 1980s we partnered with Sinosteel to build the Channar mine in the Pilbara.
- In 2004 we unlocked the Eastern Range iron ore deposit with China Baowu.
- In 2022 we announced a \$2 billion joint venture to develop the neighbouring Western Range deposit, once again with China Baowu. Construction of Western Range is on schedule, and we expect first production in 2025.

Baowu is not just a customer of our high-quality iron ore.

Their steel makes specialised equipment for our rail transport – a world-class, hi-tech system that serves the very mines that produce the iron ore.

It's the definition of a circular economy, and emblematic of a mutually beneficial partnership.

Today Baowu subsidiary Masteel is our main supplier of high-performance rail wagon wheels⁵.

And of course, our relationship with Chinalco, China's state-owned aluminium producer and our largest shareholder, is a cornerstone to our business.

⁴ <https://www.riotinto.com/en/news/releases/2024/vale-sir-roderick-carnegie-ac--rio-tinto-statement>

⁵ <https://www.riotinto.com/en/news/stories/co-creating-the-future-of-low-carbon-steel>

Our partnership is a showcase for Australia-China business relations in the mining sector. And it has had a profound and positive impact on both countries.

Economic impact of the partnership

In 2023 two-way trade between China and Australia exceeded \$326 billion⁶. Iron ore exports alone were worth \$115 billion.

Fuelled by Chinese demand, Australia's resources sector is the engine room of the national economy. From east to west, our industry directly employs more than 270,000 people in good, well-paid jobs, from miners and engineers to geologists and environmental specialists, from electricians to excavators.

Our sector indirectly supports hundreds of thousands more jobs in related fields ... transportation, equipment manufacturing and professional services. Cleaners, caterers, financial controllers.

A vital support network of small businesses has grown in mining towns throughout Australia ... bakers, builders and retailers. Hospitality services, hoteliers and maintenance contractors.

Regional towns are stronger, more prosperous and healthier. They're great places to live, grow up and to raise a family. I'm lucky enough to know.

My hometown is a place called Wickham. It's in the Pilbara, about 1500 kilometres from Perth. About 2,200 people live there.

I went to university in Perth then after some overseas travel moved back to the Pilbara to work for Rio Tinto, in the town of Tom Price.

Without iron ore, Tom Price, Wickham, and many other wonderful small towns, would likely not exist.

⁶ <https://www.dfat.gov.au/geo/china/china-country-brief#:~:text=China%20is%20Australia's%20largest%20two,in%202023%2C%20totalling%20%24326.9%20billion.>

Iron ore's importance is underscored by the substantial contribution it makes to government revenue and local content. In 2023 Rio Tinto paid \$10 billion in taxes and royalties to Australian governments and spent more than \$16 billion with Australian businesses.

Impact on China

In the years since that first shipment to Shanghai No.1 Steel Mill, China has become the world's dominant steel producer.

Steel production on a massive scale has driven rapid urbanisation. Over the past four decades, more than 500 million people have moved from rural areas to China's cities, raising incomes and living standards and improving access to health services.

It's one of the largest human migrations in history, literally built on high-quality Australian iron ore.

What began as a relationship based on direct trade has flourished into knowledge sharing, technological cooperation, cultural exchange and initiatives dedicated to priority areas ranging from rural revitalisation to education.

The China Development Research Foundation fosters economic development and social progress. We've been a partner for several years, helping build a unique rural revitalisation zone in Bijie, in Guizhou Province in south-western China.

A focus for Chinese leadership, the project has already produced an early childhood care program that's benefited more than 10,000 children. It has installed solar panel equipment to help local villagers transition to renewable energy and delivered a cultural heritage program for local schools.

We've renewed our commitment to the foundation to 2027. More programs will follow, supporting children in rural areas as well as ecological development, and the protection of cultural heritage.

Challenges and opportunities

Before we look ahead, one last reflection on the past: Would Australia, China and Rio Tinto have done as well from iron ore had we chosen a different path?

It's worth considering.

Today, both our nations are addressing climate change and transitioning to a low-carbon economy. We share interests in renewable energy, critical minerals for clean technologies and sustainable urban development.

I see Rio Tinto's role as a bridge, linking our nations.

Last December, the Rio Tinto Board met in China to explore how we might tackle the global climate challenge.

They weren't there to ask how we might do it alone – but how it could be done by combining knowledge and technical expertise. Our Board spoke with customers, partners, and government officials.

I'll note just a few other aspects to our partnership:

- We're working with Baowu and Shougang Group on projects to develop and implement low-carbon steelmaking technologies.
- We established the China Technology and Innovation Centre in 2022 to connect leading Chinese research and development with our internal expertise, and
- Our Tsinghua-Rio Tinto Joint Research Centre for Resources, Energy and Sustainable Development has published hundreds of papers on its research, making multiple policy recommendations to the Chinese government.

Then of course there's the Western Range iron ore project which we're developing with Baowu, our largest customer⁷. This new mine will extend our partnership well into the future, beyond a working relationship that's already five decades young.

Conclusion

Let me sum up... Australian iron ore and bauxite are more than just commodities in the story of China's development.

They have made possible higher standards of living and provided a bridge between two nations.

Australia's humble red-dirt resource in particular stands as a symbol of a connected global, modern economy.

Of course, challenges are part and parcel of long-term relationships. Perspectives may diverge and tensions may rise.

We have to continually work to stabilise the Australia-China relationship. Perhaps we will always have to tend to it, just as any relationship requires an investment of time and attention.

But let's be clear: we will share a path for a long time yet. Open communication and goodwill in the pursuit of common ground are key.

A strong partnership isn't worthy of the name unless it can endure. Ours has, and it will.

⁷ <https://www.riotinto.com/en/news/releases/2022/rio-tinto-and-baowu-agree-to-form-joint-venture-to-develop-western-range>

More than fifty years of iron ore trade. Four billion tonnes. 45,000 Sydney Harbour Bridges.

The numbers are staggering.

So too has been the impact on people's lives in Australia, China and around the world.

Rio Tinto is privileged to have played its part and we're looking forward to the next chapter. There's no better reward than being able to say that together we did something to make people's lives better.

Have no doubt: we are absolutely committed to the Australia-China relationship. We are stronger together.

Thank you.

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