

24 May 2005



West Australian
Symphony Orchestra
MATTHIAS BAMERT CHIEF CONDUCTOR

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Dear Ms Leemen

Thank you for the invitation for the West Australian Symphony Orchestra to provide a submission for the Senate inquiry into Australia's Relationship with China.

Included with this letter, I enclose our submission for the Senate inquiry and a press kit relating to the recent announcement of the Orchestra's proposed tour to China in 2006.

On 9 May 2005, the West Australian Symphony Orchestra announced a proposed trip to China in May 2006, which is supported by both the State Government of Western Australia and the seven Australia North West Shelf Venture participants.

This tour is significant for the West Australian Symphony Orchestra but also coincides with the first shipment of liquefied natural gas from the North West Shelf to China.

Through this tour we aim to strengthen cultural ties with China, while providing unique gala events and networking opportunities for the State Government and the North West Shelf partners with Chinese delegates.

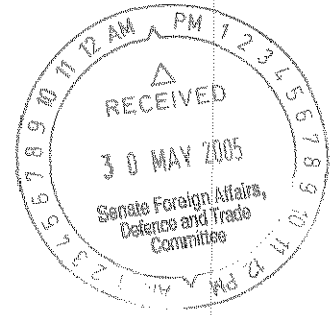
The subsequent information included in this pack outlines the tour, the relationship with the North West Shelf Venture partners and the objectives and outcomes Western Australia, and Australia can expect from the Orchestra's Tour.

If you require any further information on this project, please don't hesitate to contact me.

Yours sincerely

Keith Venning
Chief Executive Officer

Emirates
Principal Partner



Senate inquiry into Australia's Relationship with China: Perth Hearing 1 August 2005



West Australian
Symphony Orchestra

Prepared by the West Australian Symphony Orchestra

May 2005

Executive Summary

The West Australian Symphony Orchestra (WASO) has long since identified China as an important international destination to tour given the strategic and economic importance of China to Western Australia. Following an approach by the Orchestra to the Chinese Consulate in Perth and subsequent dealings with the Chinese Embassy in Canberra, the Orchestra received an invitation from the Chinese Government to tour the Chinese mainland in May 2006.

Simultaneously with the approach to the Chinese government, WASO approached the North West Shelf Venture Australia LNG participants of Western Australia to identify the economic benefits of the WASO touring China and their interest to support the tour. It was established that the timing of the proposed tour is absolutely unique within the historic trade negotiations between our two countries and the proposed tour would offer significant and important economic, as well as cultural, returns to Western Australia.

The North West Shelf venture partners have agreed to participate in the tour and have committed financial support up to the level of \$500,000.

China 2006

The tour of China by the West Australian Symphony Orchestra marks the beginning of the largest single export contract in Australia's history. Significantly, the first delivery of gas in May 2006 will also be China's largest single import contract deal. It is vital that Western Australia celebrates this special occasion beyond simply the trade of raw materials but as the beginning of a new and valuable partnership with China.

China's growing demand for raw materials provides a unique leverage opportunity to develop other areas of WA's economy. Currently, annual trade with China is valued at over \$4.6 billion. This can increase, with opportunities to develop small business, education and tourism. Of Chinese visiting Australia, only 4% come to Western Australia yet WA is the gateway to our relationship. It is also significant that free trade negotiations have now begun and culture & tourism have been identified as a crucial element.

Mutually beneficial cultural exchange programs between Australia and China have been highlighted as an essential component of the relationship between the two countries, strengthening the political, social and cultural links.

In 2004, the Commonwealth Government Senate Committee on Foreign Affairs, Defence and Trade instructed an inquiry into the importance of relations between China and Australia. The Western Australian submission to the inquiry confirms the joint responsibility of both Australia and China to 'foster greater cultural understanding between the two trading partners'. The report highlights the need to develop cultural exchange projects to support the future trading relationship and, significantly, quotes China's belief that high level trade commitments must go hand in hand with increased levels of cultural exchange. The report calls for increased funding to be made to support cultural exchange projects that meet 'diplomatic and/or trade objectives'.

Indeed, arts and culture play a vital role in developing long lasting bonds between people and regions. They are an important dimension of foreign affairs, acting as tools of communication for both government and the community. They help to promote understanding and respect of cultural differences and are invaluable assets in creating goodwill, which is essential to the establishment of ongoing and mutually beneficial trade relations.

In the Western Australian Department of Industry and Resources' Trade and Investment Strategy 2004-2005 – *Going Global*, the State Government stresses the importance of implementing a variety of mechanisms that showcase Western Australia. One such strategy adopted is to

Establish, maintain and enhance strategic country and state relationships, including at a Government-to-Government level, in order to underpin and facilitate trade and investment relationships.

This paper points to a way that the Government can ensure that Western Australia maintains a strong and defined international profile to preserve market share and promote the State. One method cited to achieve this is to 'capitalise on the profile raising potential of Sister State relationships in order to provide a platform for enhanced trade and investment activities'.

This cultural exchange offers a unique opportunity to recognise the 18-year sister-state relationship between Western Australia and Zhejiang with the Orchestra visiting Hangzhou within the Zhejiang Province. In addition it provides an important occasion on which to build relations and trust throughout China from Beijing to Hong Kong.

West Australian Symphony Orchestra

The state and national profile of the West Australian Symphony Orchestra (WASO) has never been higher and WASO's success continues. Matthias Bamert, the Chief Conductor and Artistic Advisor will continue with WASO to 2007 and the Orchestra has recently appointed internationally celebrated violinist, John Harding, as the new Concertmaster.

The Orchestra now has 83 full time professional musicians and performs a varied program of music that reaches a broad cross section of the Western Australian community. WASO presents over 180 performances annually to an audience in excess of 180,000 people. In the last four years revenue from ticket sales has increased from \$1.5 million to \$4.1 million per annum.

The Board of the Orchestra led by the Chairman, Janet Holmes à Court, consists of business leaders with a wide variety of experience in business disciplines that are also relevant to the arts. The Board is committed to ensuring the music performed by the Orchestra is available to, and has appeal to, the broadest section of the West Australian public. They are also committed to the Orchestra being a centrepiece of Western Australian life and the role it should play in support of business in the state.

The West Australian Symphony Orchestra is primarily funded by the Federal Government through the Australia Council and the State Government through Arts WA. The other major source of funding for the Orchestra is through partnerships with the business community. This is an essential component of the overall funding requirements and the Orchestra now have over eighty corporate partners, including all the North West Shelf Australia LNG venture participants. Corporate partnership income totalled \$2,249,833 in 2004, making up 17.4% of the organisation's revenue.

It is the strength of these business partnerships that have lead the North West Shelf Australia LNG venture partners and CNOOC (who made a donation of \$100,000 to WASO in 2003) to support the proposed Orchestra tour to China. It will be the first time the Orchestra has toured internationally for twenty-two years and the tour is expected to make an important contribution to the orchestra's continued development and success.

North West Shelf Australia LNG

The North West Shelf Venture (NWSV) is Australia's largest resource development project, with investment totalling more than AUD\$12 billion since 1984. Based on huge gas and condensate fields on the North West Shelf of Western Australia, the Venture supplies natural gas to the domestic market in WA, liquefied natural gas (LNG) to Japan and condensate, crude oil and liquefied petroleum gas (LPG) to international markets. Major resource exports to China begin in 2006.

The North West Shelf Venture comprises six internationally recognised companies, with each participant holding an equal 1/6th share in future gas sales (subject to various joint venture arrangements). These companies provide valuable technical and marketing expertise to the Venture's operating and sales activities.

The North West Shelf Venture participants are BP Developments Australia Ltd., ChevronTexaco Australia Pty Ltd, Japan Australia LNG (MIMI) Pty Ltd., Shell Development (Australia) Ltd., BHP Petroleum (North West Shelf) Pty Ltd. and Woodside Energy Ltd. (China National Offshore Oil Company ((CNOOC)) are not a NWSV participant. However, they have a close working relationship with the ALNG participants and are the seventh partner in the WASO China Tour project).

Woodside, the Operator of the North West Shelf Venture, has its headquarters in Perth, Western Australia. Perth hosts a growing oil and gas industry, with Western Australia producing more than half of Australia's total oil and gas production. In 2000, the Venture accounted for more than a third of Australia's oil and gas production.

The NWSV is currently Australia's only exporter of Liquefied Natural Gas (LNG). Each year the North West Shelf produces more than 7.5 million tonnes of LNG. The majority of these sales have been to Japanese customers under long-term contractual agreements. Spot sales have been made to buyers in the United States, Spain and Korea.

North West Shelf Australia LNG (ALNG) is Australia's pre-eminent marketing services organisation for Liquefied Natural Gas. Also with its headquarters in Perth, Western Australia and representative offices in Japan and China, North West Shelf Australia LNG is uniquely positioned to meet the LNG requirements of the future.

North West Shelf Venture, being close to Asia where demand for LNG is rapidly increasing, has many natural advantages over other LNG suppliers. These advantages include a stable political and legal framework, secure supply and advanced technology. North West Shelf Venture is a LNG supplier of choice.

Australia's LNG export industry already generates more than A\$2 billion in export revenue each year and is a major contributor both directly and indirectly to the Australian economy. Natural gas is expected to be the fastest growing energy source in the 21st century because of its technical, economic and environmental advantages.

Export to China has been a major focus for the North West Shelf LNG partners in recent years. The trade potential between Western Australia with China is extremely significant and its success will provide benefits to the whole Western Australian community. 2006 will mark this first shipment of North West Shelf gas to China - it will be a major milestone and the beginning of one of the largest export relationships ever created in Australian history. It is the culmination of 30 years relationship building between the two nations.

Project Background

In March 2004, WASO commenced negotiations with the Consul General, the People's Republic of China in Perth, to explore the possibility of the Orchestra undertaking an official cultural exchange concert tour to China. The Consul General, Mr Zhong Ziqi, supported the idea and agreed to contact the Embassy of the People's Republic of China in Australia based in Canberra. WASO subsequently contacted Her Excellency Mme Fu Ying, Ambassador of the People's Republic of China based in the Canberra embassy.

In May 2004, Dr Geoff Gallop MLA, Premier of Western Australia, supplied the CEO of WASO with a letter of support for the proposed China tour. This was forwarded to the Cultural Counsellor, Embassy of the People's Republic of China in Australia. The CEO of WASO informed the Embassy of the Orchestra's intention to visit various cities in China as part of the proposed cultural exchange and requested formal approval to undertake the visit during May 2006.

In July 2004, the CEO of WASO received faxed correspondence from Mr Chen Jiang, Assistant General Secretary of the China International Culture Association in Beijing, extending a formal invitation on behalf of the Culture Association for WASO to visit China in May 2006. The invitation was intended to develop friendly relations and cultural exchange between China and Australia. The faxed message was confirmed by correspondence.

As a result of ongoing liaison between the CEO of WASO and Mr Bill Bloking, President Australia Asia Gas of BHP Billiton Petroleum, contact was made with the North West Shelf Australia LNG partners. The six partners include BHP Billiton Petroleum, Woodside, BP Australia, Shell Development, MIMI, and Chevron Texaco. Following extensive lobbying and work by Bill Bloking, all the North West Shelf Australia LNG partners and a seventh partner, China National Offshore Oil Company (CNOOC) who work closely with the NWSV partners, agreed to support the WASO concert tour of China in May 2006. This was confirmed by Bill Bloking to the CEO of WASO in December and subsequently at a luncheon involving all the partners on 4 February 2005. Their commitment to the WASO is 50% of the total tour costs up to \$500,000.

Project Outline

The WASO will tour China from 7 May to the 22 May 2006. The concert tour will coincide with the first shipment of North West Shelf gas to China. It is an extremely important time for relations between China and Australia, particularly the State of Western Australia and the North West Shelf Joint Venture gas project participants.

Following discussions between WASO and the North West Shelf Joint Venture partner representatives it is proposed that the Orchestra will visit Beijing, Hangzhou, Shanghai, Guangzhou, Shenzhen and Hong Kong. It is proposed to have two concerts each in Beijing and Shanghai with single concerts in each of the remaining cities.

These cities have been chosen as they represent the key cities offering business development opportunities to Australia. They also reflect the operational significance of the Australia ALNG participants in China and Perth's sister-state relationship with the Zhejiang Province. The tour will appropriately begin in Beijing, as the political capital and from where WASO's invitation to tour China originated. The invitation to perform in the Meet In Beijing Festival in May 2006 is the basis for our cultural exchange invitation and WASO is working with the China International Culture Association in this respect. The tour of the other cities will follow, ending in Hong Kong.

The concert tour will most likely be led by WASO's Chief Conductor, Matthias Bamert, and extend over a two week period. The Orchestra will be made up of 94 players, including Concertmaster John Harding. Renowned French pianist Jean-Yves Thibaudet has been invited to perform as part of the tour given the popularity of piano music in China. Ten WASO support staff will organise and coordinate the tour with support from International Management Group (IMG).

The North West Shelf Joint Venture partners will conduct VIP functions in the cities where WASO is to perform. These functions, where practical, will be held at the concert venues to coincide with the WASO performances. The opportunity for additional culture and trade delegations to link into the tour will be provided to Western Australian businesses and groups. Indeed, WASO has already formed an alliance of the founding wineries of the Margaret River wine region to accompany the tour and represent the region's winemakers in the Chinese market.

Tour Itinerary:

Date	Activity	Destination
7 May	Travel from Perth	Beijing
8 May	Arrive in Beijing – rest day	Beijing
9 May	Performance - Meet In Beijing Festival Grand Theatre (TBC)	Beijing
10 May	Performance - Meet In Beijing Festival Grand Theatre (TBC)	Beijing
11 May	Travel to Hangzhou	
12 May	Travel to Hangzhou	
13 May	Performance Grand Theatre (TBC)	Hangzhou
14 May	Travel to Shanghai	
15 May	Performance – Spring Festival Grand Theatre (TBC)	Shanghai
16 May	Performance - Spring Festival Grand Theatre (TBC)	Shanghai
17 May	Travel to Guangzhou	
18 May	Travel to Guangzhou	
19 May	Performance Concert Hall (TBC)	Guangzhou
20 May	Performance Concert Hall (TBC)	Shenzhen
21 May	Performance Venue TBC	Hong Kong
22 May	Depart Hong Kong	Perth

Please note, cities and venues may be subject to change.

Project Objectives

The Western Australian Symphony Orchestra's tour of China has four broad objectives. They are:

- To tour the West Australian Symphony Orchestra internationally in China and the Asia Pacific region and raise the Orchestra's profile as one with an international standing.
- To celebrate and promote the first shipment of North West Shelf gas to China and build strong and lasting relationships with the Chinese government and trade stakeholders to support continued resources trade between our countries.
- To provide an opportunity for Western Australian business to forge relations with the Chinese business and cultural tourism markets.
- To showcase Western Australia.

Benefits to Western Australia

The Orchestra's tour of China will provide significant benefits to the Western Australian community in the areas of diplomatic, cultural, economic and government returns. These benefits can be summarised as follows:

Diplomatic Benefits

- Provides a celebratory offering to China in recognition of the unique and valuable relationship between our two countries, in particular Western Australia.
- Provides an opportunity to showcase the attributes of Western Australia in China.
- Provides the opportunity for government officials of Western Australia to develop closer relationships with their Chinese government counterparts.
- Celebrates Western Australia's interest in the beginning of free trade negotiations between Australia and China and demonstrates the opportunities of culture and tourism.
- Addresses China's Ambassador to Australia's call in April 2004 to develop cultural relations alongside the growing trade relations.
- A meeting of government delegations in an informal and relaxed environment.

Cultural Benefits

- Provides a unique opportunity to showcase Western Australia's premier arts organisation.
- Continues a major cultural exchange program between Western Australia and China that will result in increased international culture coming into WA.
- Demonstrates an unprecedented arts/business partnership to the business and arts community of Australia and the world.

- The possibility exists to link the tour to a Cultural Program in the lead up to the 2008 Beijing Olympics.
- Recognises the recent development and success of the West Australian Symphony Orchestra and will stimulate continued organisational motivation and growth.
- Provides an extension of the existing relationship between WASO and the participant companies of the North West Shelf Venture and will help develop long-term partnerships.

Economic Benefits

- Celebrates the business partnership developed between the North West Shelf Australia LNG venture partners and the Chinese government.
- Provides an opportunity to build brand recognition of the North West Shelf Venture and its participant companies in China.
- Provides a social and relaxed environment at which to continue to extend and build business and trade relationships and activities.
- Provides an opportunity for WA business to offer hospitality and build relationships with Chinese individuals and organisations within the Chinese mainland.
- Provides the opportunity to promote Perth and Western Australia as a tourism destination to the Chinese market.
- Provides the opportunity to showcase the Margaret River wine industry through the five founding Margaret River wineries.

Government Partnership Benefits

- Provides the opportunity for the Government of Western Australia to host Chinese government officials in China and build and extend strong relationships.
- Provides the opportunity for an 'all of government' approach involving the Department of Premier and Cabinet, Department of Industry and Resources and Department of Culture and the Arts.