

South Australia – a new hub for international cooperation

## The Asian boom and Australia's proximity

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**Government of South Australia**

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## ***Introduction***

International Commerce and Markets have always played a major role in the exchange and spreading of research and ideas.

During the Roman Empire, international politics became a fundamental element because the broad extent of the empire demanded new instruments of command and control, as well as diplomatic relationships. The Mediterranean Sea, at that time was a crib for philosophers, mathematicians and of ideas in general.

After the fragmentation of the empire, countries behaved in a closed and diffident manner and the diplomatic activity aimed more to avoiding conflicts than to creating liaisons.

During the fifteenth and sixteenth centuries, the rise of independent nation states brought to the institutionalization of diplomacy and armies. The discovery of new regions and different cultures exported the European nation system to the Americas, Africa and Asia. Numerous trading routes were established exchanging goods and creating a competition between the major maritime cities.

It wasn't until after the Second World War that our current international system was implemented. It recognizes a global unit composed at the individual level by nations but collaborating on transnational and intergovernmental affairs. The Atlantic Ocean became the new pulsing heart of innovation, creativity and initiatives.

The third millennium has brought to an even wider extent of international trade in ideas, intelligence and minds. Countries that were not economically capable of dealing in this market in the past century have now grown and strengthened. The core of international cooperation is shifting from the Atlantic to the South Pacific Ocean.

This report reviews key statistics regarding the South Pacific, Australia and South Australia and explores the main parties involved in international cooperation with South Australia.

# 1 - South Pacific and the New Geopolitical Area

When you take a glance at the past decade that ran from 1 January 2000 to 31 December 2009, it's easy to find a few keywords to highlight the major events of those years.

## 1.1 Economic growth and Global financial crisis

These two words side by side might seem an oxymoron but in spite of the recession experienced by most of the industrialized countries, the world's GDP was \$32.11 trillion US dollars in 2000 and almost doubled its size to \$58.13 trillion US dollars by 2009.<sup>1</sup>

In 2009 the USA was still leading the world economy with a GDP around \$14.2 trillion US dollars. It was followed by Japan with \$5.06 trillion dollars and the People's Republic of China with a \$4.9 trillion dollar GDP. This last country rose from 6<sup>th</sup> position (\$1.2 trillion dollar GDP) in just nine years.

Strategists used to say that if the US economy sneezed, markets in the rest of the world would catch a cold. Nowadays the Chinese economy is having almost the same effect. It has come out of the financial crisis better than many expected, and has become the impetus that pulled other countries out of the recession.<sup>2</sup>

China's rapidly expanding economy is producing positive spillovers to neighboring economies. In recent years, the value of trade between China and Asean has soared to around \$200 billion from a low \$20 billion in 1995.<sup>3</sup>

China is also Australia's top two-way trading partner and top import source. In fact Australia is signing massive contracts with China to feed its growing production with natural resources such as coal, iron ore and concentrates, gold, natural gas etc. Thanks to its commodity exports, Australia kept developing even during the financial crisis.<sup>4</sup>The table below shows how economies closest to China have grown two times more than the less economically-China -dependent countries.

Table 1

	GDP (billion US dollars)		
	2000 <sup>5</sup>	2009	increase in 9 years
China	\$1,200	\$4,909	309%
India	\$460	\$1,236	169%
Australia	\$400	\$997	149%
ASEAN	\$597	\$1,480	148%
New Zealand	\$53	\$117	121%
EU	\$9,395	\$16,240	73%
South Korea	\$512	\$832	63%
USA	\$9,765	\$14,260	46%
Japan	\$4,650	\$5,068	9%

<sup>1</sup> "The World Bank: World Development Indicators database, 1 July 2009. Gross domestic product (2008).

<sup>2</sup> "China's influence on markets is growing" by Jennifer Hughes&Robert Cookson 22<sup>nd</sup> Jan 2010

<sup>3</sup> "Asia Free-Trade Zone Raises Hopes, and Some Fears About China" NY times 1 January 2010

<sup>4</sup> [www.economywatch.com/world\\_economy/australia](http://www.economywatch.com/world_economy/australia)

<sup>5</sup> GDP statistics – countries compared – NationMaster.com

The following four countries on the world's GDP ranking are four members of the European Union (Germany, France, UK and Italy) and their combined GDP (\$10.33 trill) makes up for 63.6% of the EU's total GDP (\$16.24 trill)(see Table 2).

Members of the EU all suffered a GDP negative growth rate in 2009, except Poland with a 1.7% increase. Half of the South Pacific countries had increases in their GDP; these included China (9.1%), India (7.4%), Laos (6.5%), Vietnam (5.3%), Indonesia (4.5%), Burma (Myanmar) (1.8%), Australia (1.3%), Philippines (0.9%), and South Korea (0.2%).<sup>6</sup>

After Brazil, Spain, Canada and Russia, in 12<sup>th</sup> position we find India whose GDP has more than doubled in nine years, from \$460 billion to \$1.236 trillion dollars.<sup>8</sup>

Table 3

CIA WORLD FACTBOOK 2009	
This entry gives GDP growth on an annual basis adjusted for inflation and expressed as a percent.	
Countries	% Of growth
Asean	12.8
China	9.1
India	7.4
Laos	6.5
Vietnam	5.3
Indonesia	4.5
Burma	1.8
Australia	1.3
Philippines	0.9
Brunei	0.5
South Korea	0.2
World	-0.7
Singapore	-1.3
Cambodia	-1.5
New Zealand	-1.6
Malaysia	-1.7
Thailand	-2.2
France	-2.5
United States	-2.6
EU	-4.1
Germany	-4.9
UK	-4.9
Italy	-5.1
Japan	-5.3

Table 2

GDP in 2009 (in millions of US dollars) <sup>7</sup>	
-World	58,150,000
-EU	16,240,000
-South Pacific	15,196,000
1 United States	14,260,000
2 Japan	5,068,000
3 China	4,909,000
4 Germany	3,353,000
5 France	2,676,000
6 UK	2,184,000
7 Italy	2,118,000
8 Brazil	1,574,000
-ASEAN	1,480,000
9 Spain	1,464,000
10 Canada	1,336,000
11 Russia	1,255,000
12 India	1,236,000
13 Mexico	1,017,000
14 Australia	997,200
15 South Korea	832,500
16 Netherlands	794,800
18 Indonesia	539,400
28 Greece	330,800
33 Thailand	263,900
39 Israel	194,800
40 Hong Kong	210,700
41 Malaysia	191,500
46 Singapore	177,100
48 Chile	161,800
49 Philippines	161,000
55 New Zealand	117,800
59 Vietnam	92,440
90 Burma (Myanmar)	27,550
121 Cambodia	10,800
125 Brunei	10,550
142 Laos	5,598

<sup>6</sup> CIA-The World Factbook [www.cia.gov/library/publications/gdprealgrowthrate](http://www.cia.gov/library/publications/gdprealgrowthrate) (2009 estimates).

<sup>7</sup> Field listing – GDP (official exchange rate), CIA World Factbook

<sup>8</sup> Field listing – GDP (official exchange rate), CIA World Factbook

## 1.2 Free Trade Agreements

Member countries of the ASEAN are playing an important role in the global economy. They find themselves at the centre of a new geopolitical area that comprises Japan, China, India, Australia, New Zealand, and South Korea.

This emerging area of increasing importance has reconfigured itself during the past ten years due to a new trend that has developed among these countries: the removal of trade and investment barriers through the negotiation of Free Trade Agreements (FTA's).

Many agreements have commenced, been negotiated and signed in recent and the current year.

The latest FTA entered into agreement on the 1 January 2010 establishes the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA). It is the largest FTA that Australia has signed so far.<sup>9</sup>

Australia has other bilateral FTAs with:

- New Zealand (longest standing FTA)
- USA
- Singapore
- Thailand
- Chile

ASEAN has also signed many free trade agreements itself. One of the latest is with the People's Republic of China (ACFTA), which came into effect on the 1 January 2010. This FTA is the largest in terms of the free trade area and third largest in terms of nominal GDP.<sup>10</sup>

Another important FTA that came into effect at the beginning of 2010 is the ASEAN-India FTA. Singapore, Malaysia and Thailand accepted the FTA on goods in January 2010, the other seven countries are expected to implement the FTA by August 2010.<sup>11</sup>

As these FTAs grow in number and interweave they produce positive effects on the parts but negative effects on the countries not included in the agreements. A number of empirical studies have predicted how the scenario could change with larger region-wide FTAs and in general, how they would produce more economic benefits than bilateral FTAs.<sup>12</sup>

The following graphics illustrate the establishing free trade agreement network of the South Pacific. They highlight the centrality of the ASEAN countries in this newborn economic scenario.

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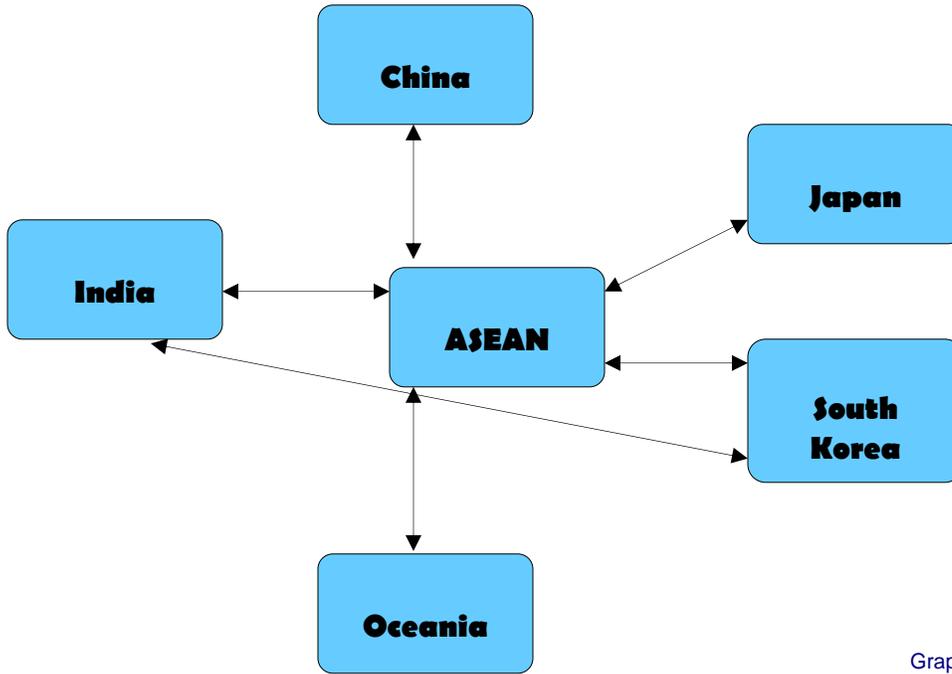
<sup>9</sup> Australian Government – Department of Foreign Affairs and Trade, [www.dfat.gov.au/trade/ftas.html](http://www.dfat.gov.au/trade/ftas.html)

<sup>10</sup> Gooch, Liz (31 December 2009) "Asia Free-Trade Zone Raises Hopes, and Some Fears About China" *The New York Times*. Retrieved 1 January 2010.

<sup>11</sup> IBEF India brand equity foundation, [www.ibef.org/india/indiaasean.aspx](http://www.ibef.org/india/indiaasean.aspx) last updated: June 2010

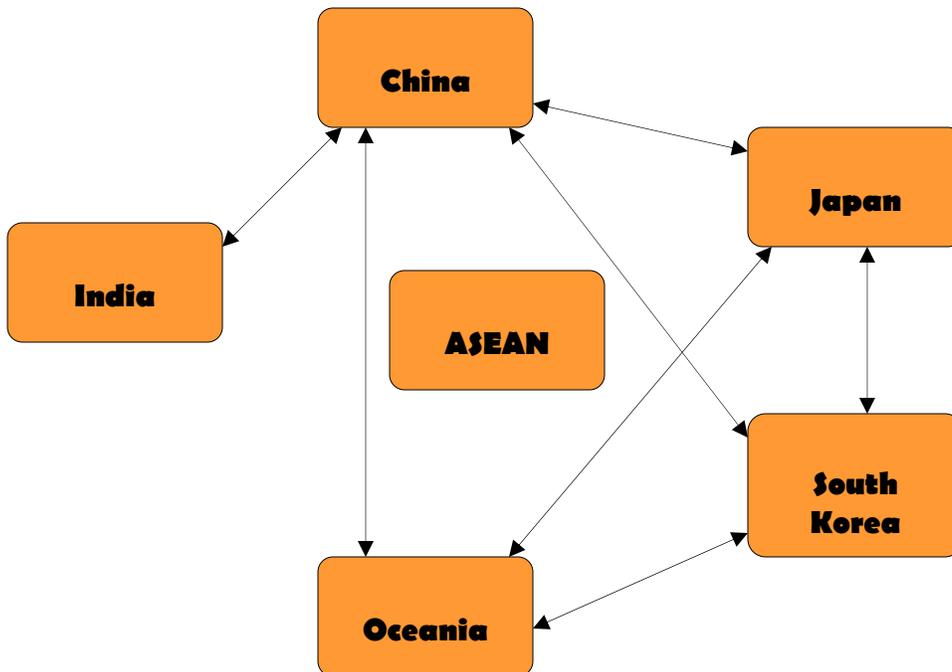
<sup>12</sup> As reported by Manlio Longinotti in "New trade networks in the Asia-Pacific and Australia's role in the regional context." March 2010

### Signed Free Trade Agreements



Graphic 1

### Free Trade Agreements under negotiation or consideration



Graphic 2

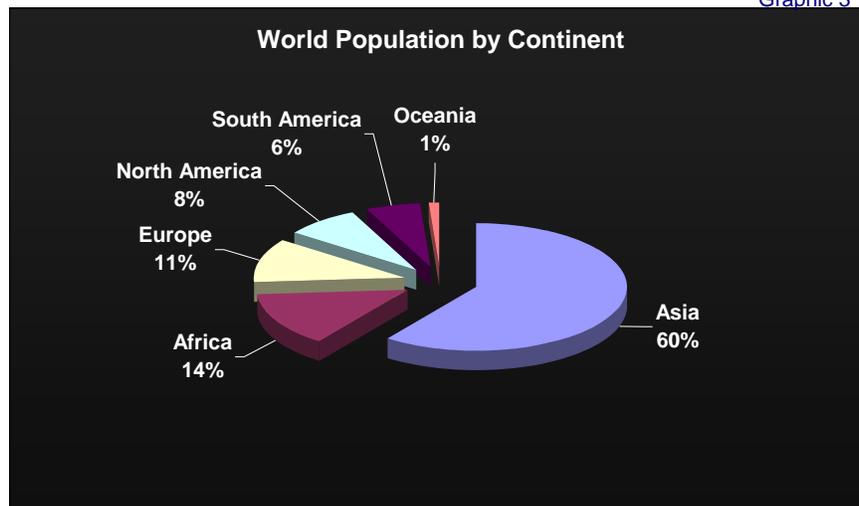
### 1.3 Population

The world's population today is about 7 billion people and continuously growing. 90% of the population lives north of the equator and 60% in Asia. The second most populated continent is Africa, then Europe, the Americas and finally Oceania.<sup>13</sup>

In 2010 the world's population growth rate was estimated around 1.13% but different regions have different growth rates. Laos experiences the fastest increase among the ASEAN countries with a 2.32% growth rate. The other nine ASEAN countries also have positive growth rates. Thailand is subject to the lowest positive growth rate: 0.63%. India has a 1.14% rate, Australia 1.20%, and China 0.66%. The country with the slowest growing population in the South Pacific is South Korea (0.27%). Japan has one of the most declining populations in the world undergoing a -0.19% growth rate.

Amongst the Western Countries, the US is the fastest growing country with a 0.98% rate. All the other countries have lower growth rates eg: France (0.55%) and UK (0.28%). Italy and Germany on the contrary are experiencing decreasing rates (-0.05%).<sup>14</sup>

Graphic 3



It is well known that China's population (1.3 billion) is the largest in the world, almost one fifth of the total population.

India follows it closely (1.2 billion) and ASEAN comes right after with more than half a billion people (593 million) exceeding both the European Union (499,7 million) and the United States (307 million).

The entire population of the South Pacific (3.3 billion) equals nearly half of the world's population. Evidence of the importance this area is gaining in the global context.

<sup>13</sup> [www.wholesomewords.org/missions/greatc.html](http://www.wholesomewords.org/missions/greatc.html)

<sup>14</sup> CIA – The World Factbook

## 1.4 Migration

Table 4

The International Organization for Migration (IOM), a leading intergovernmental organization in the field of migration, writes a biennial report on international migration.

In the World Migration Report 2010, it states that the number of international migrants today is the highest ever recorded.

There is an estimated 214 million international migrants in the world today. This number has increased sharply in the past decade, almost a 20% increase.<sup>16</sup>

Migrants represent only 3% of the world's population but the United States is home to one fifth of them and one quarter of Oceania's population is constituted by immigrants, which represents the global region with the largest immigrant share on the total population.

Immigrant Population - Immigrants as percentage of country population <sup>15</sup>	
Singapore	42.6
Brunei	33.16
Australia	19.93
NZ	15.48
USA	12.81
Germany	12.31
France	10.18
UK	8.98
Malaysia	6.15
Italy	4.29
Thailand	1.63
Japan	1.59
South Korea	1.15
India	0.52
Philippines	0.45
Laos	0.42
China	0.29
Burma	0.23
Indonesia	0.07
Vietnam	0.02

The Net Migration Rate represents the difference between people entering and leaving a country during the year per 1000 people. It indicates the contribution of migrants to the overall level of the population change but it doesn't distinguish between economic migrants, or refugees or lawful and undocumented migrants.<sup>18</sup>

Table 5

Net Migration Rate (migrants/1000 population) - 2010 est. <sup>17</sup>	
Australia	6.23
Singapore	5.82
US	4.32
Brunei	2.69
New Zealand	2.46
Germany	2.19
UK	2.16
Italy	2.06
France	1.48
India	-0.05
South Korea	-0.33
Vietnam	-0.38
China	-0.39
Indonesia	-1.24
Philippines	-1.34

Australia is the country with the highest net migration rate (see table 6).

Immigrants have always been a relevant aspect in Australia's history, from its discovery, to the immigration program post the Second World War. Today it is considered a world famous destination for Higher Education and its phenomenal economic growth needs migrants to fill its skill shortages.

It also is gaining importance on the Global Arena thanks to its Anglo-Saxon origin and its vicinity to the high-paced growing economies of South-East Asia.

<sup>15</sup> Nation Master [www.nationmaster.com](http://www.nationmaster.com) (2009)

<sup>16</sup> IOM website [www.iom.int](http://www.iom.int)

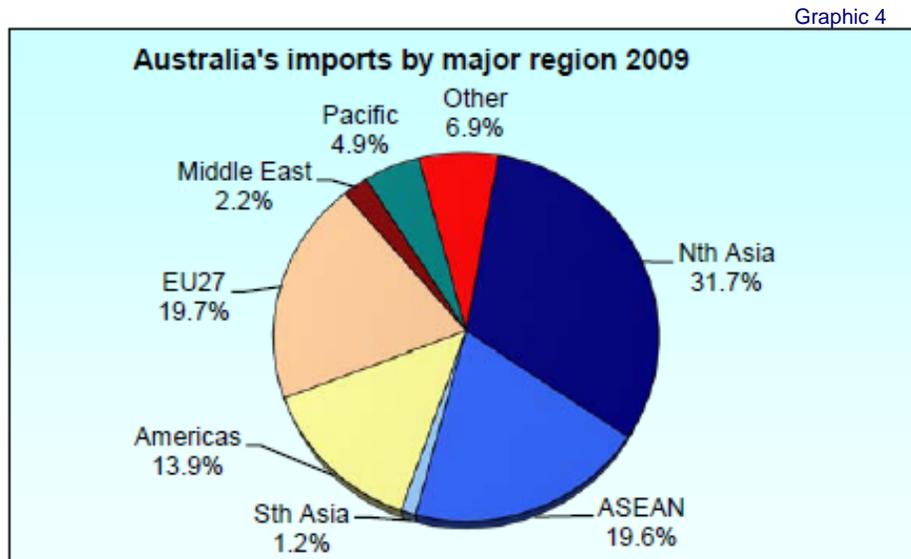
<sup>17</sup> The World Factbook – CIA (2010)

<sup>18</sup> The World Factbook – CIA (2010)

## 1.5 Trade: Australia's Exports and Imports

In 2009, Australia's major import sector was the manufacturing sector worth almost A\$150 billion. The minerals and fuels sector was the second major import sector (around A\$30 billion) and the agricultural sector and other goods were worth around A\$15-20 billion each.

North Asian countries were Australia's most important partners, accounting for 31.7% of total merchandise imports. 19.7% of the imports came from the European Union and 19.6% from ASEAN (see table 7).



Australia's leading import source in 2009 was China importing 17.8% of Australia's merchandise, a percentage that grew from 2008 even though all over imports from North Asian partners decreased. It was followed by the United States with 11.1%, a percentage that decreased.

Japan accounted for 8.3% of the imports, decreasing slightly from the year before. Thailand, on the other hand, imported for 5.8% increasing from 2008.

The following countries all had declines compared to 2008: Singapore with 5.6%, Germany with 5.3%, and Malaysia with 3.8%.

Imports coming from the Republic of Korea grew bringing it to 3.3%, equal to New Zealand's imports that suffered a decrease.

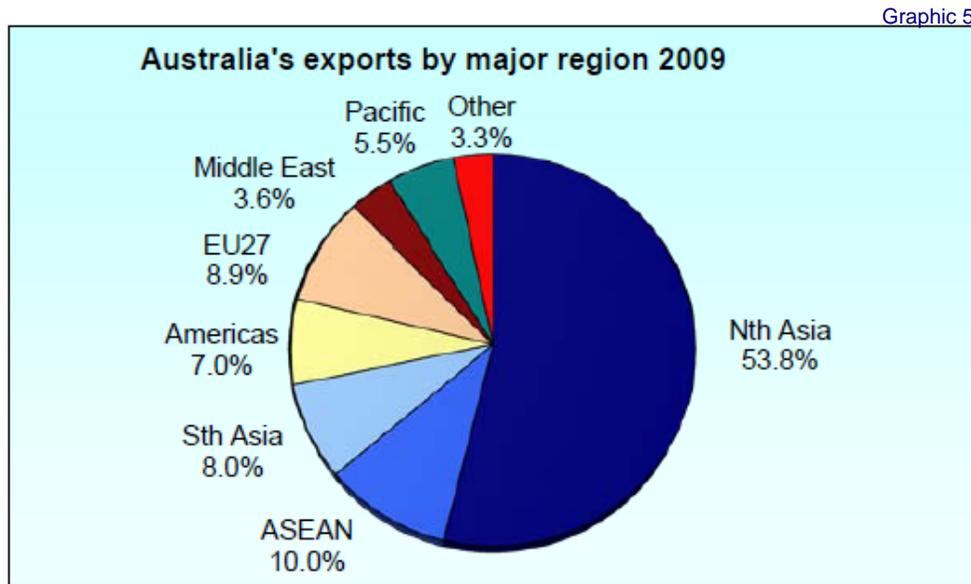
Lastly, imports from the UK heavily decreased placing it in last position on the Top Ten import sources of Australia in 2009.<sup>19</sup>

In terms of Australia's imports from around the World, there was an 11.2% decrease since 2008. Approximately the same decrease was also experienced by Australia's exports to the world.

<sup>19</sup> Australian Government - Department of Foreign Affairs and Trade website [www.dfat.gov.au](http://www.dfat.gov.au)

Australia's major export sector was the minerals and fuels sector worth more than A\$100 billion. The manufacturing sector exported for around A\$40 billion and the agricultural sector for approximately A\$30 billion. Other goods were exported for more or less A\$25 billion.

In 2009, North Asia partners had the largest share in exports too, with 53.8%. The remaining percentage was shared almost evenly between ASEAN (10%), EU27 (8.9%), South Asia (8%), Americas (7%), Pacific (5.5%) and other (3.3%).



China was Australia's major export market in 2009, with 21.6% on total exports growing to an amount worth A\$10 billion from 2008. The second largest market was Japan with 19.5% losing the lead of Australia's top ten export countries. Subsequently, the Republic of Korea with 7.9%, decreasing from the previous year, India with 7.4% growing from 2008, the US with 4.9% and the UK with 4.6% both experiencing a decrease.

Over the past 10 years, trade between Australia and other countries has fluctuated enormously. Australia's trade with South Asia, India, and China has represented an exception. It has grown constantly. Even in 2009, while all other import and export markets declined, trade with these three regions kept growing. Amongst these countries exists another kind of trade represented by the flow of international students. The foreign student industry is Australia's most exported service.

### 1.6 Higher Education

Australia is the preferred choice for international students from many countries and is the third most popular English-speaking study destination for these students. The majority of the students come from Asia but enrolments from the Middle East, South America and Africa have grown.

China, India, South Korea and Japan are the top four countries contributing to the largest share of foreign students enrolled in the USA, Australia and Europe. The latter countries host 81% of all foreign students.

Table 6

<b>Top 5 nationalities contributing 57.3% of Australia's enrolments in all sectors</b>				
<b>Nationality</b>	<b>YTD July 2009</b>	<b>YTD July 2010</b>	<b>Growth on YTD July 09</b>	<b>Share of all nationalities</b>
China	133,920	149,049	11.3%	27.3%
India	103,584	88,297	-14.8%	16.2%
Republic of Korea	30,791	29,591	-3.9%	5.4%
Vietnam	19,762	23,038	16.6%	4.2%
Malaysia	22,150	22,421	1.2%	4.1%
Other Nationalities	232,094	233,018	0.4%	42.7%
<b>All Nationalities</b>	<b>542,301</b>	<b>545,414</b>	<b>0.6%</b>	<b>100.0%</b>

USA, UK, Australia, Germany, and Japan are the world's top five destinations for studying abroad. In each of these countries, Chinese students account for the largest percent of foreign enrolments.<sup>20</sup>

This is because Chinese parents and students perceive that a good education will guarantee a better future and a graduate with a foreign degree is considered having better skills and will therefore be more employable. Due to the only-child law and the income growth following China's economic boost, it is no longer difficult for families to send their children abroad.<sup>21</sup>

ASEAN countries have created an association of universities named the AUN (ASEAN University Network). Its objective is to strengthen cooperation between universities by promoting collaborative research programs.

Amongst the range of activities that have been organised, a Student Exchange program is offered by member universities Singapore, Malaysia, Brunei, Thailand and the Philippines.

The most recent cooperation activity that has been developed is the ASEAN-European Engineering Exchange but it is still modest in numbers. Cooperation between European and ASEAN higher education institutions is known as the AUNP. It aims to develop cooperation applied in Research and Human Resource Development.

A more substantive project is the AUN/SEED-Net (Southeast Asia Engineering Education Development Network), an initiative of the Japanese Government. Its main purpose is to promote Japan-ASEAN cooperation in engineering education by the exchange of staff and students.

AUN has also organized joint projects and research scholarships with South Korea, China, and India.

<sup>20</sup>

Atlas of Student Mobility <http://www.atlas.iienetwork.org/>

<sup>21</sup>

What attracts mainland Chinese students to Australian higher education – Sept.2007 Molly Yang

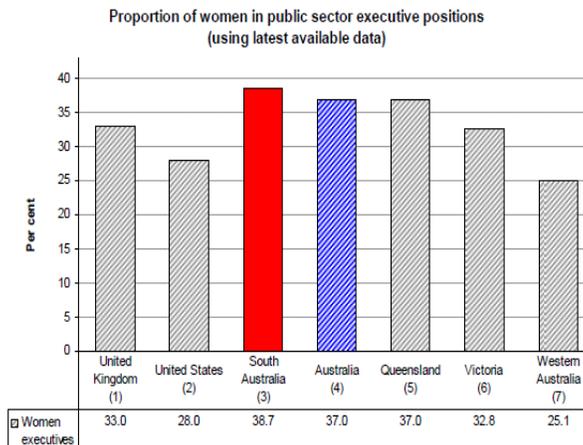
## 2 - South Australia: A new hub in the South Pacific

Graphic 6



South Australia is the fourth largest state in Australia. It has over 1.6 million people and the majority of them reside in the capital city, Adelaide (1.3 million). This state's origins are unique in Australia. It wasn't established as a penal colony but as a free settlement. The plan for the colony was to be the embodiment of the best British values and qualities.<sup>22</sup>

Graphic 7



Sources: (1) Office for National Statistics (2010) Civil Service Statistics 31 March 2009  
 (2) United States Office of Personnel Management, 2007, (3) Office for Ethical Standards and Professional Integrity (ESPI), 2009  
 (4) Australian Public Service Commission (2009), State of the Service Report 2008-09  
 (5) Office of the Public Service Commissioner (2009), Annual Report 2008-09  
 (6) Victorian State Services Authority (2009), The State of the Public Sector in Victoria 2008-09  
 (7) Director of Equal Opportunity in Public Employment (2009), Annual Report 2009

South Australia was one of the first places in the world to give women the vote in 1894 and to enable women to enter Parliament. The proportion of women executives in the South Australian public sector in 2009 is high by national and international standards, as illustrated on the graph below.

<sup>22</sup> Department of Environment and Natural Resources [www.environment.sa.gov.au](http://www.environment.sa.gov.au) July 2010

## 2.1 South Australia's Strategic Plan

In 2002, after the Honorable Mike Rann, MP, was elected Premier of South Australia, he began to develop an innovative idea: a strategic plan for South Australia.

This plan was launched in March 2004, containing not only goals for government but for the entire community. It encloses around a hundred targets to be achieved in ten years time regarding six themes: growing prosperity, improving wellbeing, attaining sustainability, fostering creativity and innovation, building communities and expanding opportunity.<sup>23</sup>

Being a plan for South Australia as a whole, it is supported by numerous businesses, councils, environmental organizations, and regional communities. It serves as an opportunity for these stakeholders to influence government policy as well as a chance to play a part in the implementation of policy.

The South Australia's Strategic Plan Audit Committee independently judges South Australia's progress every two years. The Committee writes a Progress report that builds on the previous ones to keep track of the efforts made and goals achieved.

In 2006, there was an update of the plan where South Australians statewide had their say in it. The Update Team proposed that the plan be "regionalized" this meaning that the 12 standard regions in South Australia could develop their own priorities and 'sub-plans'.

South Australia is the first state in Australia, and one of the first countries worldwide to adopt such a 'living document' succeeding in one of the Premier's main aims: "*I want this state to lead not to follow*" he personally mentioned<sup>24</sup>.

## 2.2 Research and Development in South Australia

South Australia considers strategic advanced technology and Research sectors in which improve, to compete with the other highly developed states of Australia.

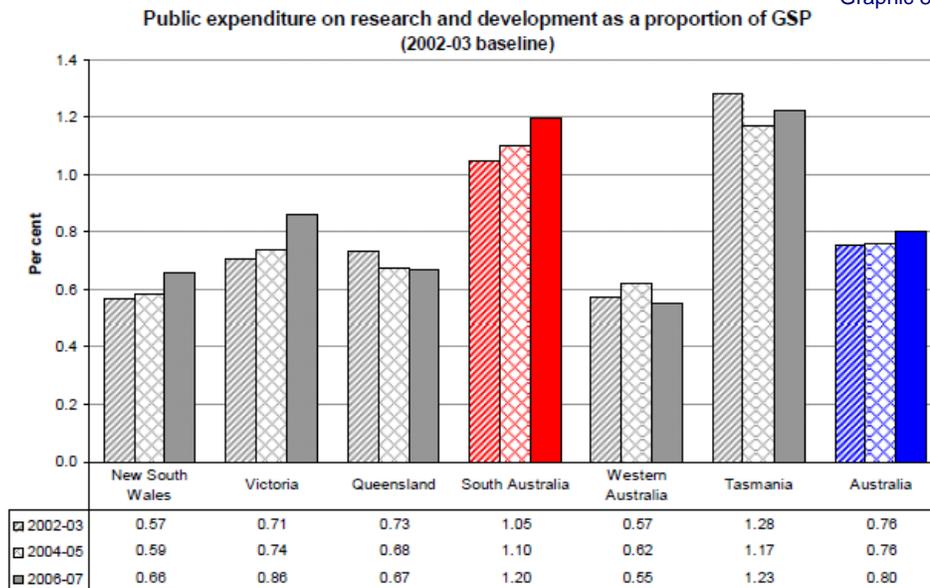
In 2004, the South Australian Government launched a 10-year vision for the support and development of science, technology and innovation. This STI<sup>10</sup> Progress Report outlines and updates the strategies that have evolved from the 2004 vision, and that are now playing an increasingly important role in enabling South Australia to meet the social and economic challenges of the 21<sup>st</sup> century (see table 13).

South Australia's public expenditure on research and development (as a proportion of GSP) rose constantly from 2002 to 2007, and in all three years it was above all states except Tasmania, and significantly higher than the Australian average (see table 12).

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<sup>23</sup> South australia's strategic plan – [www.saplan.org.au](http://www.saplan.org.au)

<sup>24</sup> Video attached to Plan 2010 – [www.saplan.org.au](http://www.saplan.org.au)



Source: ABS Cat No 8109.0, 8111.0, 8112.0 and 5220.0

The South Australian Government assists Research and Development with many initiatives in order to increase the amount of research undertaken:

Table 7

Projects <sup>25</sup>	Partnering in Support of STI <sup>10</sup>			Total (\$m)
	State Government	Federal Government	Other	
National Collaborative Research Infrastructure Strategy (NCRIS)	21.91	25.9	13.8	<b>61.61</b>
Cooperative Research Centres (CRCs)	8.4	240		<b>248.4</b>
SABRENet and related initiatives	4.9	7.7		<b>12.6</b>
Major research centres and precincts	97.22	349.3	104	<b>550.52</b>
Premier's Science and Research Fund	23.89	-	35.12	<b>59.01</b>
Venture Capital	22.05	12.14	123.55	<b>157.74</b>
Bio Innovation SA	28.48	61	196	<b>285.48</b>
<b>Total (\$m)</b>	<b>206.85</b>	<b>1168.51</b>		<b>1375.36</b>

It also established an A\$30 million Innovation Investment Fund (SAIIF) as part of a comprehensive package of investment attraction initiatives. It supports new projects in manufacturing and technology-related areas.<sup>26</sup>

Another initiative is the R&D Tax Concession available to all Australian companies: the government offers a tax deduction up to 125% on all expenses carried out for research activities.

Moreover there are incremental tax concessions for those companies increasing their R&D expenditures or belonging to a multinational enterprise group researching on behalf of a foreign company. This aims to encourage competitiveness and innovation in R&D amongst Australian industries.<sup>27</sup>

<sup>25</sup> Progress Report 2004 – 2009 STI<sup>10</sup> Government of South Australia

<sup>26</sup> SA A Brilliant Blend – showcase publication [www.southaustralia.biz](http://www.southaustralia.biz)

<sup>27</sup> South Australia. A brilliant blend [www.southaustralia.biz](http://www.southaustralia.biz)

The South Australian Government also offers a variety of funding options in the Renewable Energy sector and in Clean Energy Initiatives. In fact South Australia's green credentials are strong and actively carried out introducing innovative climate-change legislation and investments in wind, solar, geothermal and wave power.

### 2.3 South Australia's Economy and Population

South Australia was awarded an AAA rating from the Standard and Poor's international rating agency. The agency pointed out South Australia's low debt levels, its strong balance sheet and its fiscal discipline.

Despite the global financial crisis, most of South Australia's economic indicators continued to strengthen. Employment was 17% higher in November 2009. Business investment was 57.3% higher reaching \$10.6 billion, a record high and population growth is at its highest rate since 1975: 1.2%.

Its Gross State Product is AUD\$ 78.948 m, produced 60.7% by services, 11.8% by manufacturing, 9% by education, scientific & technical services, 5.5% by agriculture, 3.8% by the mining sector and the remaining by other sectors.

Table 8

South Australia's principal export destinations, 2009 <sup>28</sup>		
	A\$m	% Share
China	1.184	14.3
United States	1.067	12.9
Japan	706	8.5
United Kingdom	560	6.8
Malaysia	404	4.9

Table 9

South Australia's principal import sources, 2009 <sup>29</sup>		
	A\$m	%Share
China	972	15.5
Singapore	929	14.8
Japan	653	10.4
United States	564	9.0
Thailand	400	6.4

In 2007-2008 South Australia had a total population growth of 1.11%, with its 0.49% due to natural increase and 0.90% due to net overseas migration.

South Australia's population is characterised by a multicultural society; different languages are spoken, there are a variety of beliefs and family types. Approximately one of every five South Australians was born overseas. 50% of these were born in English-speaking countries. The other half, from non-English speaking countries, mostly born in Europe and Vietnam.

Besides having 75% of the population being born in Australia, the other two main countries of origin are 6.4% English and 1.4% Italian (also, some 90,000 South Australians claim Italian heritage). These percentages compared to the Chinese born have only grown slightly in the past years. Italians born overseas that live in South Australia, incremented in number by 94 since 2006. Chinese residing in Australia but born overseas incremented by 4568 in four years.<sup>30</sup>

<sup>28</sup> <sup>31</sup> Sources: DFAT Stars database; based on ABS Catalogue Nos 1350.0, 5220.0 and 5368.0 June 2010

<sup>30</sup> Australian Bureau of Statistics Census data and the Dept. Of Immigration database (March 2010)

## 2.4 Adelaide – Capital City

The Economist ranked Adelaide the 8th most livable city in the world in 2010. The factors evaluated while compiling this list were stability, health care, culture, environment, education and infrastructure.

Adelaide is Australia's fourth most populated city. Colonel William Light planned it in 1836. It is organized to contain its City Business District in one square mile with a green belt all around it that divides it from the suburbs. This makes public transport very cheap inside the Business District, and sometimes free of charge. The disposition of the CBD also allows people to conduct a peaceful lifestyle away from the city's hustle but close enough to benefit from its advantages: work, business opportunities, shops, restaurants, night life etc.

In 2009, Adelaide remained the most affordable city in Australia and one of the most affordable in the Asia Pacific Region. With a multicultural population, the city is safe and relatively pollution-free. It has a concentration of cultural attractions. Multicultural SA is an association responsible for advising the government about all matters relating to ethnic affairs.

Its functions are to promote the benefits of cultural diversity, provide information on multicultural events but it also supports ethnic community festivals and events through the Multicultural Grants Scheme. This Grants Scheme is administered on behalf of the Minister for Multicultural Affairs and the South Australian Multicultural and Ethnic Affairs Commission (SAMEAC). It aims to increase understanding of the different cultures living in South Australia, to value and celebrate this diversity, and to improve tolerance in our society.<sup>31</sup>

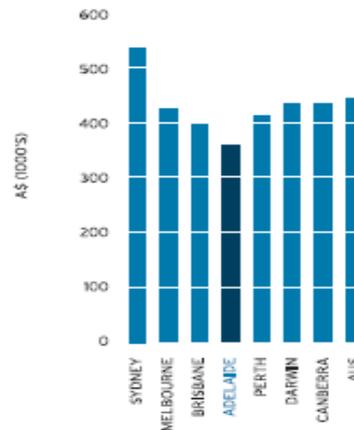
## 2.5 International Students

International student numbers in Adelaide are around 30,000 each year. They are an important part of the community not only for the economic benefits they bring but also for the enduring relationships they create with other students, each of which represents a connection with a foreign country that could eventually be useful for South Australia. These friendships are more often engaged with the Asian neighboring countries.

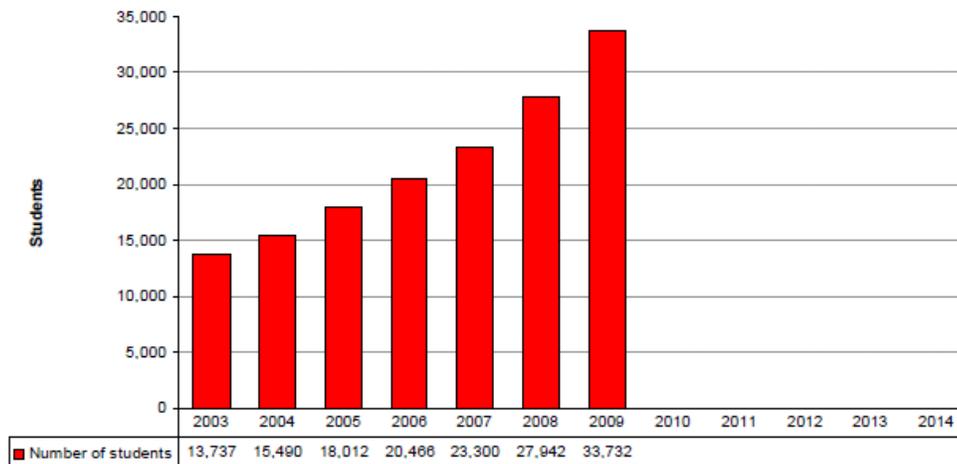
Graphic 9

**Adelaide's median house sales price is the lowest among Australia's mainland capitals.**

*Real Estate Institute of Australia Market Facts, December Quarter 2008*



<sup>31</sup> [www.multicultural.sa.gov.au](http://www.multicultural.sa.gov.au) - Multicultural Grants Scheme Guide



Source: Department of Education, Employment and Workplace Relations (DEEWR)

The University of Adelaide and University of South Australia are amongst the prestigious group of universities that rank the top universities in the Asia-Pacific region. Adelaide University is the oldest of the state's universities and the University of South Australia holds a reputation as a national leader in collaborative research.

The University of Adelaide has a strong tradition of training researchers through its PhD and masters programs. It is one of Australia's Group of 8 (Go8), a coalition of leading Australian universities. In 2008, the University's investment in research activities exceeded a quarter of a billion dollars (AUD\$) ranking it second in Australia in terms of competitive research income.<sup>32</sup>

The University of South Australia embraces internationalisation and seeks to foster international initiatives that promote student mobility, engagement between universities and strategic partnerships. It has six Research Institutes and is a fundamental partner in eight Cooperative Research Centres.

Adelaide's third university, Flinders University, won the first national competition to host the Fulbright Distinguished Chair in American Political Science from 2011. It was ranked second among the Australian Universities according to the International Student Barometer for overall student satisfaction. In 2009 it set up collaborations with the College of Malaysia in Psychological Science and University of Health Sciences in Saudi Arabia. It hosted the 8<sup>th</sup> International Conference on Greek Research and the Deputy Vice-Chancellor (International) visited universities and education officials in Chile.<sup>33</sup>

In 2006, two high-status international universities opened branches in Adelaide. One was Heinz College Australia of the Carnegie Mellon University, which opened a School of Public Policy and Management and a School of Information Systems and Management. The other university was University College London that delivers a Masters in Energy and Resources. These are the first foreign universities that settled in Australia and the first to use Australia as a hub to attract students from the South Pacific.

<sup>32</sup> The University of Adelaide website – [www.adelaide.edu.au](http://www.adelaide.edu.au)

<sup>33</sup> Flinders University – Annual Report 2009

### 3 - International Cooperation in South Australia

An important objective contained in South Australia's Strategic Plan (SASP) is to seek high economic growth because it leads to new job creation and higher living standards. Since Adelaide boasts to be rated as one of the best places in the world to do business, the State wants to maintain and improve this position.

A key importance for South Australia is to diversify its export base and increment export growth by producing value-added goods and services that involve high-level skills and knowledge for which international demand is strong.

An aim towards internationalisation will bring to future prosperity providing the state with higher income levels and a strong growing economy.

There are more organisations devoted to international cooperation nestled in South Australia's relatively small territory than one could imagine: state governmental department, federal organisations, state organisations and private international organisations (Bilateral Chambers of Commerce, Business Councils, Alliance Francaise...)

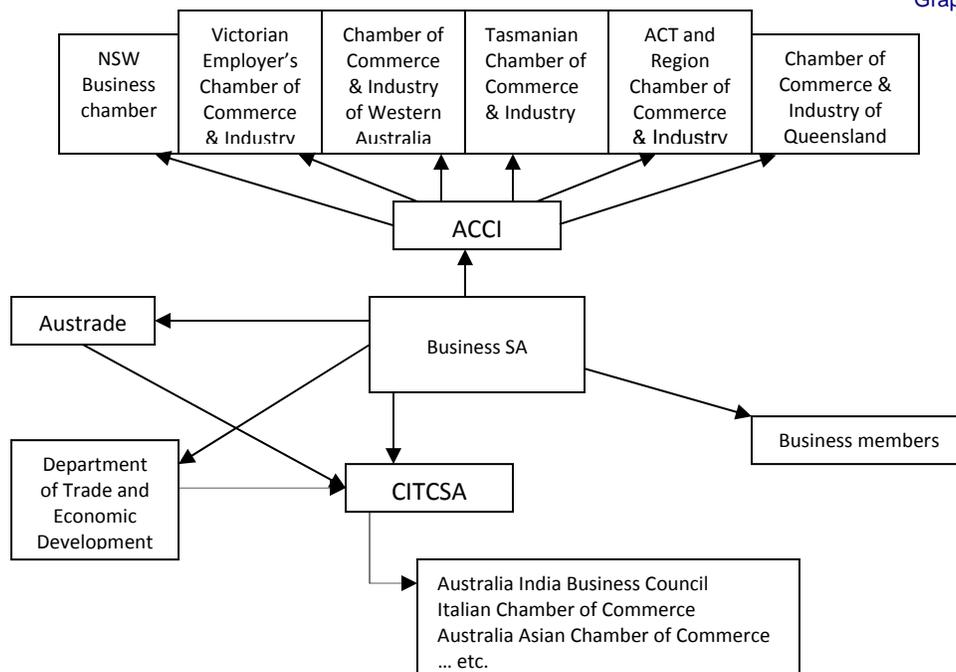
Part of developing this report included interviewing a few representatives of the above-mentioned organizations.

With the information gathered from the interviews, a general overview of how all these organisations collaborate in a contemporary context was defined.

The most represented figure in South Australia regarding international cooperation is Business SA who has contacts with:

- the Australian Chamber of Commerce and Industry
- other State Chambers
- its members: entrepreneurs in South Australia
- the bilateral chambers of commerce through its Council for International Trade and Commerce SA (CITCSA).

Graphic 11



Other organisations such as Austrade and the Department for Trade and Economic Development (DTED) support Business SA in its activities and Business SA supports the smaller organisations, primarily its members and subsequently any international organisation in South Australia.

A majority of organisations shared the opinion that Business SA, Austrade and CITCSA are very focused on trade and that they could probably expand their area of activity towards new interests such as promotion of cultural activities not only in terms of language and tradition but also in terms of innovation in other sectors eg. education systems, common research areas, technology, new business policies etc.

The key points discussed in the interviews are found in the final attachments.

### 3.1 Department of Trade and Economic Development (DTED)

The South Australian Government has a Department of Trade and Economic Development (DTED), which is the key agency that supports South Australia's growth and businesses.

Even though their focus is to mainly promote South Australia's Industry, they have a very international-oriented view while developing the states' economy in a competitive business environment.

Their projects aim to increase international trade not only providing assistance to major businesses but also sustaining small business initiatives.

DTED is subdivided in nine business units; one of these is the International Market Development unit. Through its cross-functional teams responsible for investment, trade and migration it identifies investments to attract into South Australia's private sector from local organisations, government stakeholders and foreign businesses. The trade team is particularly involved in partnerships with businesses and government agencies including Austrade.

### 3.2 Austrade

Austrade is the Federal Government's Trade and Investment Development Agency. It helps businesses of all sizes to succeed in international trade and investment.

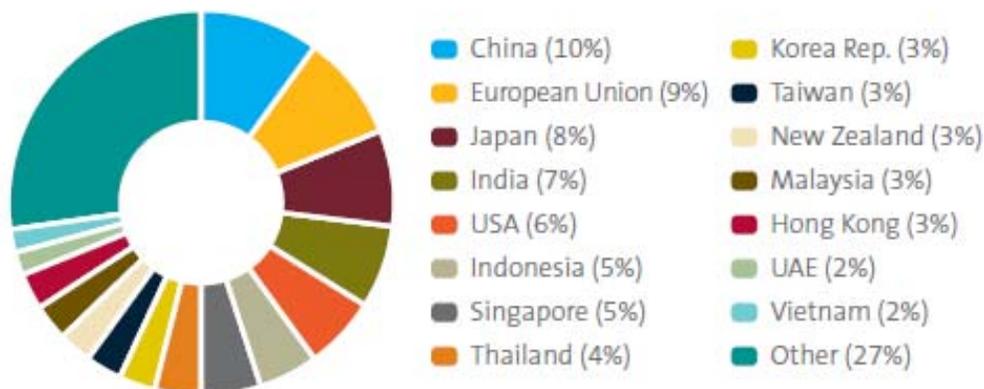
A recent report by the Centre for International Economics has confirmed the importance of trade liberalisation to the countries' GDPs, to their household income and employment. Australia forecasted this importance and established Austrade by the *Australian Trade Commission Act* in 1985.

Austrade is responsible to the Minister for Trade; it has a mixed workforce operating in 59 countries globally and in 18 offices in Australia.



According to Austrade's Annual Report 2008-2009, the leading markets by value of trade and outward investment were as follows:

Graphic 13



Austrade considers Europe as a centre of emerging global industry in environmental technologies. In fact Austrade coordinated Australia's participation at the Carbon Expo 2009 in Barcelona. Mr Crean also met with a group of bio-energy companies in Gent, Belgium and in November 2008 Australia participated for the first time at the Danish Energy Camp, it was the only foreign nation present. These are only a few of the variety of projects that Austrade was involved in with Europe.

Austrade's Business Club Australia Beijing 2008 program was the Australian Government's most complex program in China bringing together government, corporate sector and industry. Australia's presence in the Chinese market is related to clean technology, green building and sustainable development. Austrade organized exhibitions of emerging Australian architects and roundtables on agribusiness and resources investment.<sup>34</sup>

<sup>34</sup> Austrade Annual Report 2008-2009 [www.austrade.gov.au](http://www.austrade.gov.au)

A key priority for Austrade is to take advantage of Australia's strong commercial links and geographic proximity to rapidly growing countries and build on them. Commentators predict that emerging markets will recover more quickly from the financial crisis and could represent a high percentage of the world's future growth. Based on this, country members of ASEAN and L6 (Brazil, Colombia, Chile, Peru, Mexico, Argentina) are of growing importance to Australia.

### 3.3 Department of the Premier and Cabinet (DPC)

Another Department of the South Australian Government that has an important role in the state's internationalisation, especially in Higher Education and Research, is the Department of the Premier and Cabinet (DPC).

In 2006 it established the University City Project (UCP). A project led by a Director and supported by a small team within the Strategic Initiatives Group and reports to the Deputy Chief Executive, Sustainability, Aboriginal Affairs and Reconciliation. The objective of this project was to enhance Adelaide's profile and recognition, transforming the city in a preferred destination for international higher education. At the base of this initiative is a strategy of territorial marketing. A tool used to manage a territory and develop its own value through the promotions of goods, services, works and activities of people and organisations operating in it. The actions undertaken by the UCP were aimed at promoting universities, public and private research centres, and scientific and technological parks.

In four years, the UCP team attracted three of the most prestigious universities in the world to Adelaide: Carnegie Mellon University, University College of London and Cranfield University. These universities were accommodated in the government-owned historic Torrens Building creating a unique International University Precinct never seen before in Australia.

Furthermore, the UCP worked on building a world-class research capability in the State creating two-way exchange collaborations with countries and regions of the European Assisted Area. Among the many projects, the University City Project will be establishing a Hellenic Language and Cultural Centre that will promote and preserve Greek language and culture in Australia.

The Synopsis of activities on the following page shows some of the most relevant international liaisons that the UCP has generated in the past few years and that are becoming an emerging source of wealth for the science and technological community in Adelaide and South Australia in general.

As shown in the Synopsis, Bilateral Cooperation offers great opportunities for South Australian companies, universities, research centres and general organisations. Due to a numerous presence of Italians in South Australia, Italy is the main country with which SA has signed Memorandum of Understanding (MoU). Italy also represents a gateway to the European Union, the Mediterranean countries and Eastern Europe and the bilateral agreements with the Italian Regions act as vehicles of cooperation through which it is possible to promote areas of shared interest between the parties.

Country	Region	Area of interest
Italy	<p data-bbox="396 113 542 142">Campania</p> <p data-bbox="396 331 483 361">Puglia</p> <p data-bbox="396 697 516 726">Calabria</p> <p data-bbox="396 953 532 982">Basilicata</p> <p data-bbox="396 1100 574 1205">Provincia Autonoma di Trento</p> <p data-bbox="396 1285 532 1348">Emilia-Romagna</p>	<ul style="list-style-type: none"> <li data-bbox="678 113 1305 289">• 1990 signed MoU with South Australian Government 2009 Campania delegation visits SA 2010 workshop attended by researchers, Italian and SA Ministers.</li> <li data-bbox="678 340 1377 655">• 2007 signed MoU with South Australian Government 2007 opened Centre for Australian Studies at the University of Salento 2009 9 joint research projects 2010 social inclusion workshop between Ministers from both sides 2010 Brilliant Blend Forum with SA and Italian Ministers and local Italian businesses</li> <li data-bbox="678 705 1377 844">• 2009 signed MoU with South Australian Government 2010 setting up office for Calabria in Adelaide 2010 TAFE training for young Calabrians</li> <li data-bbox="678 894 1328 1033">• 2009 signed MoU with South Australian Government 2010 pilot project launched on landcare and resource management models</li> <li data-bbox="678 1083 1383 1222">• 2010 signed MoU with South Australian Government 2010 possible exhibition of aboriginal art at the MART in Trentino</li> <li data-bbox="678 1272 1269 1369">• 2010 SA delegation met with main stakeholders concerned with childcare education</li> </ul>
France	<p data-bbox="396 1507 516 1537">Reunion</p> <p data-bbox="396 1621 542 1726">Regional Council of Aquitaine</p>	<ul style="list-style-type: none"> <li data-bbox="678 1507 1305 1579">• 2010 pending cooperation activity with the South Australian Government</li> <li data-bbox="678 1621 1370 1759">• 2010 pending trilateral agreement with Land of Hesse and South Australian Government on strengthening scientific cooperation through mobility of students and researchers</li> </ul>
Germany	<p data-bbox="396 1843 604 1873">Land of Hesse</p>	<ul style="list-style-type: none"> <li data-bbox="678 1843 1305 2020">• 2010 pending trilateral agreement with Regional Council of Aquitaine with South Australian Government on strengthening scientific cooperation through mobility of students and researchers</li> </ul>

### 3.4 Australian Chamber of Commerce and Industry



Another national presence important for Australia's economy is the Australian Chamber of Commerce and Industry (ACCI). It was established more than a century ago and over the years it has played an important role for the nation in economic, social and cultural terms.

ACCI manages trade policy at a national and international level, making sure that government considers major business concerns. In this way, ACCI follows the development of business policies and strategies while representing the voice of business throughout Australia. Its main activities are therefore to advocate to government, research and policy development, and business representation on committees, commissions and boards.

Its members are the Chambers of Commerce in each state: NSW Business chamber, Victorian Employers' Chamber of Commerce & Industry, Tasmanian Chamber of Commerce & Industry, Chamber of Commerce & Industry Queensland, Business SA, ACT and Region Chamber of Commerce & Industry, and Chamber of Commerce & Industry of Western Australia.

ACCI is also a member of the International Chamber of Commerce (ICC). This is the world's largest rule-making non-governmental organisation and is a key reference for business.

Through its hundreds of thousands of member companies and associations in over 130 countries it has created a world network of National Committees. Each committee represents ICC in its respective country making sure that governments are aware of international business matters.

The Australian National Committee, which is now managed by ACCI, is one of the oldest committees. Its objectives are global prosperity and elimination of obstacles to international commerce, mainly focusing on the participation of Australian enterprises in world economy.

A specialised division of the ICC is the World Chambers Federation (WCF), a unique organisation composed of chambers of commerce from worldwide. Chambers that are members of the ICC become automatic members of the WCF through their National Committee. The WCF works to strengthen cooperation between the global Chambers and manages the Carnet system for temporary duty free imports.

### 3.5 Business SA and the Council for International Trade and Commerce SA (CITCSA)

Business SA is South Australia's Chamber of Commerce therefore its direct members are the state's businesses and industries.

It supports its members through a variety of operations. It helps them tackle everyday and greater challenges faced by the business community in almost any area: workplace relations, injury management, human resources, occupational health and safety, environment and sustainability etc.

The services offered by Business SA range from training, consulting, advice, publications to playing an influent role in national issues that impact on South Australia. Representing the voice of business in South Australia implies an active participation of Business SA in the government's policy making. It has lobbied persistently to improve representation of business within decisions regarding state and national issues that would have an impact on the state's business community.

Business SA's activities also extend to relevant international issues. In addition to simply providing export documentation, Business SA developed two important programs: Migration for business growth and Council for International Trade and Commerce SA (CITCSA).



Migration for business growth is a joint initiative between Business SA and the Department of Trade and Economic Development. It helps businesses migrate to South Australia providing them the tools necessary to develop a successful activity such as informing them on new opportunities, finding partners or investors, or accessing overseas market intelligence. Through this program, business migrants are able to connect with the local companies and both parties will be able to benefit from expansion of their export markets.



CITCSA on the other hand isn't quite a program but a project that finalised in the creation of an independent body supported by the Department of Trade and Economic Development and the State Minister for Industry and Trade.

The importance of undertaking business on an international basis and the risk correlated to it is one of the reasons why CITCSA was established.

This organisation is Business SA's connection with the 40 international chambers located in South Australia. The Minister for Industry and Trade of the South Australian government appoints CITCSA's Chairman. CITCSA has a partnership with Business SA and the Department of Trade and Economic Development. But since Business SA employs CITCSA it receives funding from the government through the South Australian Chamber of Commerce.

Table 11

CITCSA members
African Chamber of Commerce
American Chamber of Commerce in Australia
Japan Australia Business Council of SA
Korean Chamber of Commerce of SA
Australia Arab Chamber of Commerce & Industry
Latvian Chamber of Commerce & Industry
Australian Asian Chamber of Commerce & Industry
Australia Malaysia Business Council
Asia Pacific Business Council for women
Australian-Moroccan Business Council
Australia China Business Council
Chinese Chamber of Commerce of SA
Australia-Brunei Darussalam Business Council
Australian Croatian Chamber of Commerce & Industry
Australian Philippine Business Council
Czech Chamber of Commerce Australia
Polish Chamber of Commerce
French-Australian Chamber of Commerce and Industry, SA Chapter
Romanian Chamber of Commerce SA
German-Austrian Business Council SA
Russian Australian Chamber of Commerce & Industry
Hellenic Chamber of Commerce & Industry
Australia Singapore Business Council (SA)
Hong Kong Australia Business Association
Canadian Australian Chamber of Commerce South-Australian Chapter
Australia India Business Council (SA)
Spanish Chamber of Commerce in Australia
Australia Israel Chamber of Commerce (SA)
Thailand South Australia Business Council
Italian Chamber of Commerce & Industry of Australia - Adelaide
Ukrainian Australian Chamber of Commerce & Industry
Australian and Iran Chamber of Commerce & Industries
Australian Vietnamese Chamber of Commerce SA
Australia New Zealand Business Council SA
Australia Chile Chamber of Commerce SA

CITCSA's board is composed of an independent chairman, currently Nicholas Begakis, five elected presidents from the member chambers, currently Teo Spiniello (Italian Chamber), Steve Marafiote (Arab Chamber), Kerry Lewis (Korean Chamber), John McLachlan (Hong Kong Council) and Leon Coppins (African Chamber).

Finally there are three people appointed respectively from DTED, from Business SA, and from Austrade.

The International Chambers of Commerce physically present in South Australia are CITCSA's members. They are listed on the following page.

CITCSA provides the chambers with weekly newsletters providing information on events, trade workshops, and inbound and outbound trade missions.

CITCSA is involved in most of the links between South Australia and the rest of the world. From arranging network sessions to organising inbound and

outbound missions, the Council's aim is to match businesses and help their members and the members of Business SA to access new international markets.

Recently the State Government declared that funds allocated to CITCSA will phase out over the next four years (State Budget 2010/2011).

### 3.6 Private International Organisations

Two basic models prevail on the Chamber models that have been founded: the 'public law' model and 'private law' model.

Chambers founded by the first model are established and regulated by national legislation and membership is mandatory for all enterprises. These chambers are mostly common in European countries.

The private law chambers on the other hand are established by the needs of local business communities and more often found in Great Britain, North America, and the British Commonwealth countries. Additional models of chambers are the Bilateral Chambers of Commerce. Bilateral chambers are established by an agreement between the homeland and the country hosting it.

Many of these Bilateral Chambers were established years ago. The French-Australian Chamber is one of the longest-standing chambers being established in 1899. The Polish Chamber was established during the communist period (1945–1980s). Australia was one of Poland's main importers.

The Italian Chamber of Commerce and the American Chamber of Commerce were established in the 1970's and are among the most active chambers.

Some of the newest Chambers established in the past five years are the Australia New Zealand Business Council, the Australia Chile Chamber of Commerce, and the Canadian Australian Chamber of Commerce.

CITCSA was involved in the creation of the above-mentioned chambers. In order to form a Chamber, 25 to 30 people are necessary and CITCSA organizes meetings to permit them to write a constitution and eventually agree on it.

Bilateral Chambers of Commerce are not the only foreign organisations in South Australia. A variety of organizations are dedicated to the promotion of social and cultural activities.

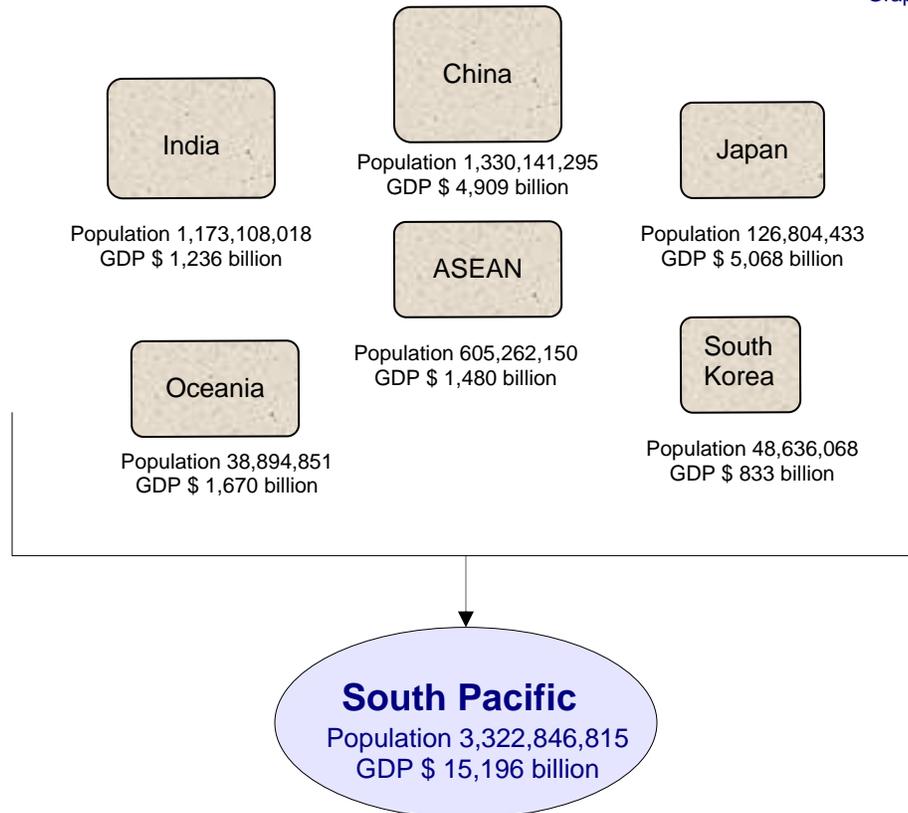
A widely renowned one is Alliance Française. The Alliance Française network consists of 1,040 establishments in 136 different countries, from Argentina to Canada, from the furthest tip of Africa to northernmost Scandinavia, and across Russia, Asia and Oceania.

The Alliance Française truly spans the globe and approximately 460,000 students take classes at Alliances throughout the world. All Alliance Françaises are apolitical and nondenominational. Their strength and success is in part due to their integration into the local cultural life of the host country and their close collaboration with individuals and institutions in the cultural and educational community. For over a century they have been committed to an ambitious project: extending French language and culture well beyond the borders of France

## Conclusion

Investing in Australia doesn't only mean investing in a country with a population of 22 million and a \$997m GDP. It means investing in a new geopolitical area formed by the ASEAN countries as well as with the countries connected to them such as India, China, Japan, Korea and Oceania (which Australia is part of).

Graphic 14



The predictions say that this will become the largest market exchanging goods and services. Not only, will it trade ideas, know-how's, and education services within its countries but also towards the world. It will grow to be what the Atlantic Market represented last century, what the Mediterranean represented during the Roman Empire.

Table 6 highlights that Australia is the country with the highest net migration among the nations of the new geopolitical area and the only country with Anglo-Saxon origins, in terms of language and culture.

The flow of international students in Australia is evidence that it is home to the most esteemed universities in this area of the world; around 600,000 foreign students choose it as their favored destination every year. In 2009 approximately 154,000 students came from China, 121,000 from India, 80,000 from the ASEAN countries, 36,000 from South Korea, and 13,000 from Japan.

The students that complete their studies in Australia return home to become leaders in their nations bringing with them a network of people that will always keep them related with Australia.

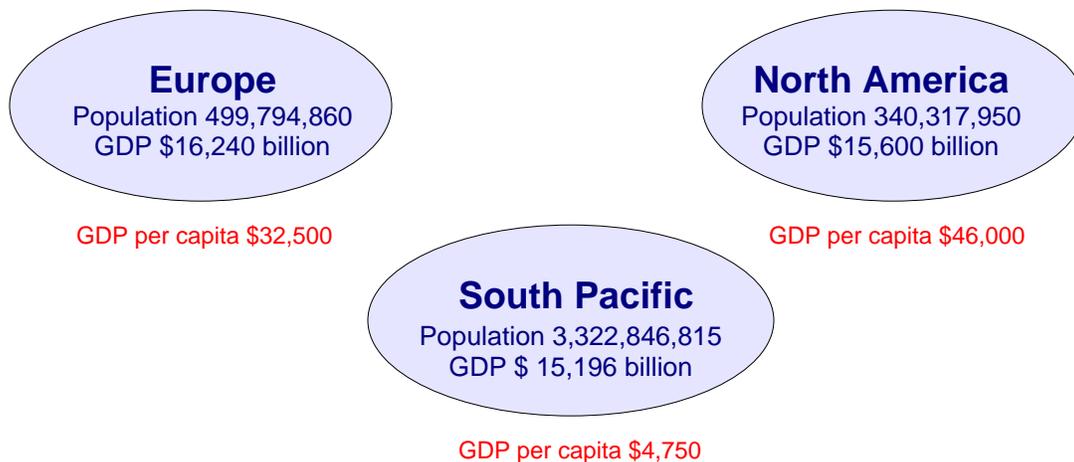
Australia is a true believer of sustainable growth and is implementing a range of initiatives in order to pursue this goal. The Property Council of Australia and the Residential Development Council announced a funding package to improve housing and infrastructure in Australia. Their main concern is to find a long-term strategic plan that secures a strong economic growth and that will fund sustainable green and livable communities.<sup>35</sup>

The Deputy Prime Minister and Treasurer declared that the Federal Government would invest \$660 million to deliver the *Skills for Sustainable Growth* package. Their aim is to respond quickly to skill hot spots emerging through the growing economy in order to boost the capability of the workforce in the short and long term.<sup>36</sup>

A number of environmental organizations are also devoted to supporting sustainable growth for Australia. For example, Sustainable Population Australia has been contributing to public awareness of the limits of Australian population growth from ecological, social and economic viewpoints since 1988.

In the near future, Australia will play an important role in one of the three world powers that will rise and become the major counterparts of global trade:

Graphic 15



These groups of nations have almost an equivalent gross domestic product but they vary enormously in population. This means that Europe and North America have an impressively higher GDP per capita, respectively \$32,500 and \$46,000, compared to the South Pacific's GDP per capita \$4,570. If we forecast a sustainable growth for the South Pacific nations, meaning that poorer and richer countries will grow at a same rate, then we can predict that the South Pacific's GDP per capita will have a greater increase compared to the European and North American countries.

<sup>35</sup> Property Council of Australia – 18 Jul 2010 by Property Council RDC division

<sup>36</sup> Joint media release n.039 investing in skills for sustainable growth – [www.treasurer.gov.au](http://www.treasurer.gov.au) - May 2010

At the beginning of this document, table 1 shows the relative index of GDP growth in the past nine years. Countries closely involved in trade with the South Pacific have grown much faster than the rest of the world and only slightly suffered from the global crisis. This demonstrates the consistency of the South Pacific's economy and its capability to influence the Global scenario.

The Chinese boom would not have been as immense as it has been if Australia had not been behind it. In fact, China's intensive production generated an equally intense demand for raw material and Australia fulfilled China's demand with its numerous coal deposits and its massive stock of uranium and gas.

This is an ultimate demonstration of how economies of this area are complementary. These countries synergistically working together add value to each other's economies, therefore increasing the total value of the South Pacific. They have originated an auto-sustainable system, where every nation is a link of a production line, a sustainable production line.

As mentioned earlier in this report, South Australia was awarded an AAA rating from Standard's and Poor for its low debt levels and its strong balance sheet. This year South Australia delivered a very strict budget to demonstrate its willingness in maintaining a high rating. It has committed to a AUD\$2 billion cut only during year 2011-12. Adelaide's stable economy has strong potential to support sustainable growth.

Investing in South Australia could be an investment on the cutting edge. This is a state that is undertaking enormous change recently. South Australia is starting to realize its true potentials in this new global panorama, and it is very intelligently planning how to use them in order to enforce and grow. It is a developing state of Australia.

In the next decades, leaders coming from developing countries will begin to play a part in leading the world's future, so it will no longer be just in the hands of already developed countries. Australia has the potential to lead the way in the developing world.

# **ATTACHMENTS**

*Interviews with Chambers of Commerce and other international organisations.*

<b>Interviewee</b>	<b>Key points of the interview</b>
<p style="text-align: center;"><b>Nathan Backhouse</b> Chief Executive Officer of Australian Chamber of Commerce and Industry</p>	<ul style="list-style-type: none"> <li>• Promotion of Australia in the South Pacific through trade policy and improvements that ACCI is trying to implement</li> <li>• ACCI's national and international network involving Austrade and the International Chamber of Commerce</li> <li>• Main business organisations in South Australia and how they operate with ACCI</li> </ul>
<p style="text-align: center;"><b>Barry Salter</b> Executive Manager for Council for International Trade and Commerce South Australia</p>	<ul style="list-style-type: none"> <li>• CITCSA's organisation and structure</li> <li>• Activities in which CITCSA is involved in: inbound and outbound missions, assistance to chambers etc.</li> <li>• Connections between CITCSA and Business SA, ACCI, and worldwide national Chambers</li> </ul>
<p style="text-align: center;"><b>Philippe Marse</b> Director of Alliance Francaise in South Australia</p>	<ul style="list-style-type: none"> <li>• Alliance Francaise's history and extension in the world</li> <li>• Goal to promote France in South Australia but also South Australia in France through organisation of festivals in Adelaide and trips to France.</li> <li>• Relationship between Alliance Francaise worldwide</li> </ul>
<p style="text-align: center;"><b>Erik van Zanten</b> President of Dutch SA</p>	<ul style="list-style-type: none"> <li>• Dutch community in South Australia and re-launch of the former Australia-Netherlands Chamber of Commerce South Australia</li> <li>• A recently organised event: business function related to renewable energy</li> <li>• Contacts with Dutch universities, with CITCSA, with the Dutch Embassy and plans for future growth</li> </ul>
<p style="text-align: center;"><b>Kevin Witowski</b> President of the Polish Chamber of Commerce</p>	<ul style="list-style-type: none"> <li>• The Chamber is involved in STEM (science, technology, engineering, mathematics) promoting program</li> <li>• Transformation of business between Poland and Australia from II World War to current years</li> <li>• Latest activities e.g. a delegation of winemakers to Poland, and future plans e.g. meeting with commercial counselors of the EU member states</li> </ul>

<p><b>Teo Spiniello</b> Secretary General of the Italian Chamber of Commerce</p>	<ul style="list-style-type: none"> <li>• The Chamber's presence in South Australia since the 70's and the main connections with local organisations due to the numerous Italian immigrant population</li> <li>• The Chamber's strong connections with Italy and its involvement in trade and other sectors</li> <li>• Events held periodically in Adelaide and future inclinations for the Chamber's activities</li> </ul>
<p><b>Hossein Kazemi</b> President of the Australia and Iran Chamber of Commerce &amp; Industries incorporated</p>	<ul style="list-style-type: none"> <li>• Newly established Chamber created with CITCSA's help</li> <li>• Mainly involved in promotion of trade between two countries, especially in the mining sector</li> <li>• Contact with the Embassy and homeland and Iranian community in South Australia (around 4000)</li> </ul>



*Don't worry about the world coming to an end today.  
It's already tomorrow in Australia.*

Charles M. Schulz (American cartoonist 1922 – 2000)