

BUSINESS & INVESTMENT GUIDE

AUSTRALIA



Department of
Agriculture and Food



 **Asialink**
Business

About us

Asialink Business

Asialink Business provides high-calibre opportunities for Australian businesses to build the Asia capability of their executives and team members.

Our business-focused cultural competency programs, professional development opportunities and practical research products allow businesses to develop essential knowledge of contemporary Asian markets, business environments, cultures and political landscapes.

Supported by extensive market research and customer intelligence, Asialink Business is uniquely positioned to provide tangible support to Australian businesses wishing to maximise their economic opportunities. To start a conversation about how we can help build Asia capability in your business, please get in touch.

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Department of Agriculture and Food, Western Australia

The Department of Agriculture and Food, Western Australia, drives the economic development of Western Australia's agriculture and food sector, with a focus on export-led growth. We work professionally and with integrity to help deliver meaningful results to industry, government and the community.

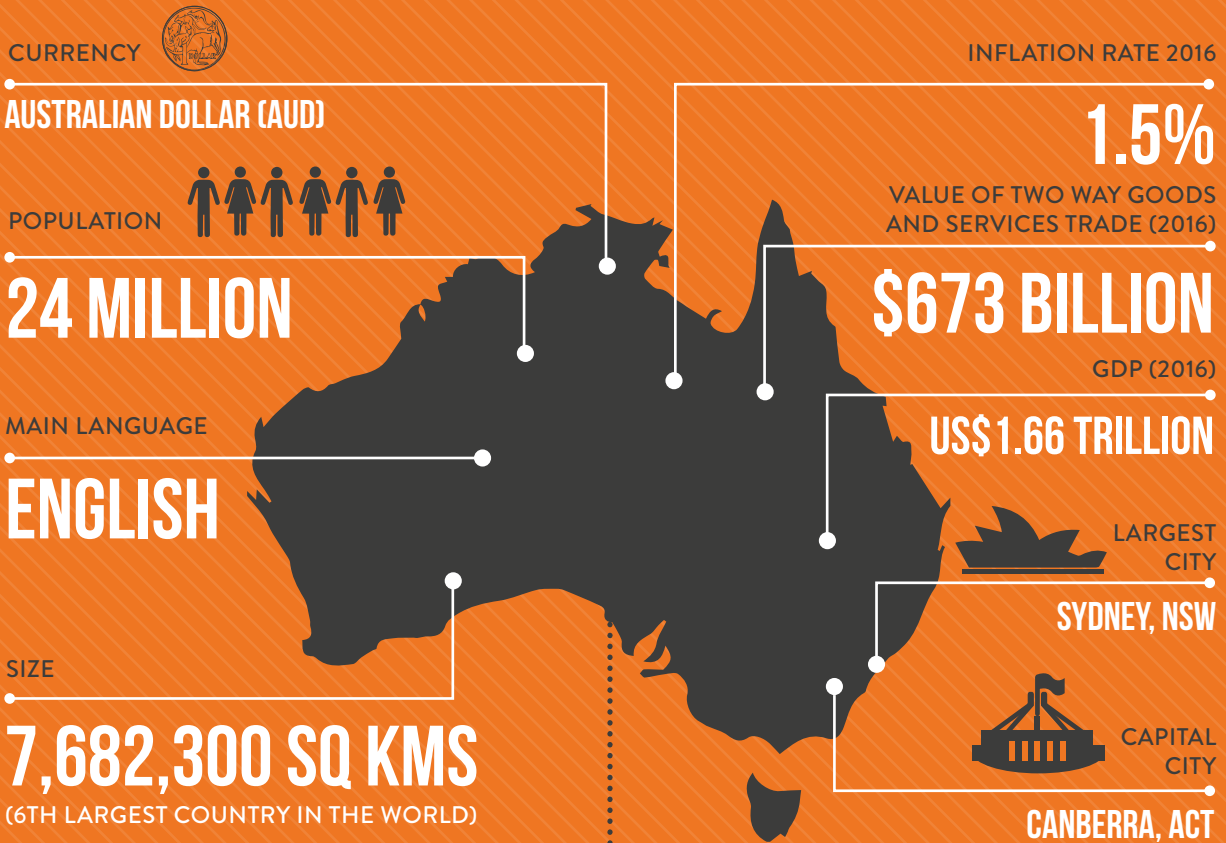
Our department's role is to support the success of the state's agrifood businesses to achieve our vision of 'a progressive, innovative and profitable agriculture and food sector that benefits Western Australia'. We work with industries and businesses throughout the sector, helping them identify and capitalise on opportunities for growth as well as to manage and overcome obstacles.

Our highly skilled staff throughout Western Australia deliver a diverse range of services to agribusinesses right along the supply chain.

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Australia's Economy



GDP GROWTH RATE (2016)

2.5 PER CENT



GNI PER CAPITA (PPP)

\$45,320



WORKFORCE

12 MILLION



STOCK EXCHANGE

AUSTRALIAN STOCK EXCHANGE (ASX)



FINANCIAL YEAR

1 JULY TO 30 JUNE

TOP GOODS AND SERVICES EXPORTS

RESOURCES



IRON ORE



GOLD



COAL



ALUMINIUM



NATURAL GAS



CRUDE PETROLEUM

AGRICULTURAL



BEEF



WHEAT



MEAT (NON-BEEF)



WOOL

SERVICES



PROFESSIONAL



TRANSPORT



FINANCIAL



TECHNICAL & INFORMATION

TRAVEL



PERSONAL



EDUCATION RELATED



BUSINESS TRAVEL



WORLD RANKING OF ECONOMY

13TH LARGEST



26 YEAR AVERAGE GDP GROWTH RATE

3.3 PER CENT



% OF WORKFORCE THAT HOLD TERTIARY QUALIFICATION

40 PER CENT



TIME ZONE

- AUSTRALIAN EASTERN STANDARD TIME (AEST) GMT +10HRS
- AUSTRALIAN CENTRAL STANDARD TIME (ACST) GMT +9.5 HRS
- AUSTRALIAN WESTERN STANDARD TIME (AWST) GMT +8 HRS

From October to April – Australian clocks move forward one hour for 'daylight savings' (excluding Queensland, Northern Territory and Western Australia).

For more information, see: <http://www.australia.gov.au/about-australia/facts-and-figures/time-zones-and-daylight-saving>.





1. Introduction

1.1 AUSTRALIA'S OPPORTUNITIES FOR INVESTMENT AND BUSINESS

Australia is considered one of the world's most attractive locations to do business. With a thriving economy, one of the most educated and multicultural workforces in the world, and an easy-to-navigate business environment, Australia offers many opportunities for overseas investors and companies.

Australia's small population – only 0.3 per cent of the global total – belies its significant economic standing as the world's 13th largest economy, accounting for approximately 1.8 per cent of the world's GDP at an estimated US\$1.3 trillion (2016) – double what it was a decade ago. Australia has enjoyed uninterrupted growth for 25 years and is the only developed economy to do so. In fact, Australia continued to flourish even during the global economic downturn in 2009-10 – an achievement that places it on par with the large growth economies of China and India.

And it is primed for continued success. The Australian economy is on track to achieve one of the highest forecast growth rates of all advanced economies in the next five years, predicted to average 2.9 per cent between 2017-22. Its government debt is one of the world's lowest and its economy has the top international investment rating of AAA for Standard & Poor's, Moody's and Fitch – further evidence of its sound financial situation.

In addition, Australia has been found to have a 20 per cent higher productivity rate than its global competitors in its key growth sectors of gas, education, health and tourism, and an impressive 40 per cent more in agribusiness, oil and mining. This success is underpinned by a wealth of multicultural talent with the world's highest secondary education enrollment rates and more than 40 per cent of the workforce holding a tertiary qualification.

Adding to these strong socio-economic credentials is the fact that Australia's labour force is one of the most skilled, diverse and employable in the world. It's easy to see why Australia is ideal for foreign investment.

Australia is also an easy market for foreign businesses to enter. The World Bank ranks it 8th out of 190 countries for starting a business, and 15th for ease of conducting business. It has a stable and transparent operating environment and one of the most sophisticated financial services industries in the Asia-Pacific region, ranking seventh overall out of 140 countries by the World Economic Forum for financial market development and fourth for trustworthiness/confidence in the financial market.

Australia's recent signing of historic trade agreements with three of its biggest trading partners – China, Japan and Korea – has brought further benefits for investors. This is in addition to the trade agreements and economic partnerships that already exist with Singapore, Thailand, Malaysia and ASEAN (Association of Southeast Asian Nations). It is important to note that Australia's commitment to enhancing trade links extends globally. For example, Australia is currently in talks with Indonesia, India and Hong Kong, already has free trade agreements in place with the USA, New Zealand and Chile, and played an active role in promoting the ratification of the Trans-Pacific Partnership. Such agreements not only assist in the removal of trade barriers such as tariffs and streamline processing systems, but also deliver more relaxed visa regulations and migration rules for foreign nationals going to Australia to conduct business.

Australia supports trade liberalisation and is heavily involved in regional and global trade, with over 45,000 Australian

businesses exporting their goods and services to the world. The country plays an active role in the World Trade Organisation (WTO), G20 and Asia-Pacific Economic Cooperation (APEC).

Australia also offers investors world-class innovation and infrastructure, and a safe, low-risk environment with a strong intellectual property (IP) legal framework to enforce protection. Furthermore, the weakening Australian dollar against the US dollar makes Australian exports attractive to foreign buyers.

Australia's trade and investment connections in the Asian region are enhanced by its geographical position. It is in an ideal strategic location with access to both the Indian and Pacific oceans - not to mention, is a key part of most major international shipping routes. It takes less than 5 hours to fly from Jakarta to Perth, just 9 hours from Hong Kong to Brisbane, and under 10 hours from Tokyo to Sydney. With regular daily flights between key trading destinations, Australia is well positioned for business with regional partners. The fact Australia is in a similar time zone to its Asian neighbour's means conducting business is easier than with other major trade partners such as the US.

Naturally, most people think Australia's strength lies within the resources sector, particularly as mining is central to many of Australia's trading relationships through the export of iron ore and coal. However, other non-traditional export and investment areas are booming as Australia's services-based economy moves away from its traditional reliance on resources.

Australia's farms and food production



Australia is a significant world producer of **food**, with major crops including wheat, oilseeds, legumes, rice, sugar, cotton, grapes, potatoes and bananas.



Major **livestock** production includes beef, dairy, wool products, and sheep, lamb and poultry meats.



The nation has around **135,000 farm businesses** – 99 per cent are family owned.



Every Australian farmer produces enough food to feed **600 people**: 150 Australians and enough food exported to feed 450 foreigners.



The nation is well known for **high-quality seafood**, with an annual production value of around \$2.4 billion. On average, Australia exports \$1.2 billion worth of seafood products annually and in 2016, exported \$295 million worth of fish into international markets.



93 per cent of Australia's **domestic food** supply is produced by Australian farmers.



Australia produces 9.5 billion litres of **milk** annually and has 6,700 dairy farmers.



1.81 million tonnes of **grapes** were crushed in 2016 to produce 1.3 billion litres of wine.

AUSTRALIA'S HIGH RANKING FOR QUALITY FOOD

Attribute	Australia	France	US	Canada	Brazil	Malaysia
Safe	39%	31%	34%	36%	19%	17%
Sustainable	31%	20%	19%	25%	21%	15%
Healthy	30%	22%	21%	26%	18%	13%
High quality	37%	42%	41%	34%	18%	14%
Expensive	21%	41%	39%	24%	18%	10%
Good taste	27%	30%	28%	24%	27%	18%

Source: Reputation Institute, 2013; Austrade.

Note: Which of the following attributes do you associate with food products from each of the following seven countries?

Agriculture

Australia's agricultural sector feeds more than 60 million people around the world and is one of the country's leading areas for growth. The country is well known for having some of the globe's highest-quality and safest food brands. Australian beef industry exports alone were worth more than \$7.4 billion in 2016, an increase of just over 14 per cent over the past five years. As a result of this increase, beef industry exports are now the Australian economy's seventh-biggest export, with beef industry exports recording 10 per cent compound average growth rate over the past five years. Wheat exports were worth more than \$4.9 billion in 2016 and other meat exports (such as lamb and pork) more than \$3.5 billion. A rising demand for organic crops and native bush foods, such as local Australian honey, is creating opportunities for niche industries to develop further.

Rising demand for high-quality food from Asia's growing middle class means more than 60 per cent of Australia's agricultural exports go to Asia. Australia's largest single market is China (22 per cent), followed by Japan (9.4 per cent), Indonesia (7.3 per cent), Korea (5.8 per cent), Malaysia (3 per cent) and Singapore (2.8 per cent). All continue to grow annually, and offer opportunities with strong potential for investors.

There are many advantages to investing in Australian agriculture. The ability to make a counter-seasonal offering to the northern hemisphere from reliable, long-term suppliers is just one. Australia is an excellent test market thanks to its multiculturalism and varied ethnic tastes, while its diverse climate, which ranges from tropical to cool environments, means it can offer a range of production systems. Perhaps Australia's greatest competitive advantage comes from its excellence in research and development (R&D) in food and agricultural technology, and the rigorous regulation framework that ensures it maintains its reputation for safe and healthy foods. The industry welcomes overseas investment by means of international partnerships and transfer of technological knowledge. It offers particular prospects in food and fibre production, as well as processing industries.

Mining & Energy

Australia is one of the world's top four exporters of natural resources including iron ore, coal and natural gas. It is also a leading producer of gold, making it one of the world's mining superpowers. The country's resources and energy sector uses sophisticated technology and equipment to harvest its abundant and diverse mineral and energy sources. Much like the agriculture sector, Australia's dominance in resources and energy is expected to continue to grow in line with the increasing demand for energy and fuels by Asia's rising middle class. Australia not only offers access to resources and global supply chains, but also opportunities related to exploration and development, operations and maintenance, and the growing area of energy efficiency and renewable sources.

Australia's energy resources (renewable and non-renewable) are wide-ranging and spread across the country. These include fossil fuel resources of black and brown coal, as well as conventional and unconventional gas and oil. Australia's uranium resources are the world's largest. Its renewable energy sources encompass wind, solar, hydro, bioenergy, geothermal, wave and tidal power, with Tasmania producing 86 per cent of the nation's renewable energy. According to the Australian Bureau of Agricultural and Resource Economics and Sciences, with the exception of oil, Australia's resources are expected to last for many more decades, even with increasing production.

Australia's key energy facts:

\$158 billion worth of earnings from resources and energy exports in 2015-16

Produced **2.7 per cent** of the world's energy in 2014

World's **eighth-largest** energy producer in 2014

In 2015, **37 per cent** of the world's coal exports came from Australia

Third-largest exporter of LNG in the world, totalling \$17 billion in 2015-16, with more than 80 per cent of exports from Western Australia

Australia spent **\$1.4 billion** on energy exploration in 2016.

New discoveries and exploration of existing sources have demonstrated that there are vast deposits still to be found across the country. Recognising this, Australia has multiple development-ready projects including a pipeline of 180 major projects, all publicly announced and feasible. According to Austrade, as of October 2015, these include 53 major projects related to iron ore, coal, LPG and gas at the publicly announced stage of the investment pipeline with a combined value of \$73 billion. There are also 127 projects at the feasibility stage, with a combined value of \$182 billion. This offers international firms a wide range of opportunities for partnerships and new investment.

Tourism

Tourism is another of Australia's major exports. The country has much to offer the visitor, not least 19 World Heritage-listed sites, including the famous Great Barrier Reef. These, combined with a relaxed, safe atmosphere, unique flora and fauna including animals such as koalas and kangaroos, and a diverse range of landscapes comprising pristine beaches, abundant rainforests and red deserts, are a major draw for travellers. An historically high 8.3 million international tourists visited Australia in 2016, a ten per cent increase from 2015. Driven in large by a cheaper Australian dollar, expenditure by international tourists increased 14 per cent in the year to a record \$39.1 billion. Combining this with domestic tourism, Australia's tourism industry was worth \$116.7 billion in 2015-16, had the second highest spend per visitor globally, and was the 12th highest for tourism receipts. The industry employs more than 580,000 people directly and contributed 3 per cent to Australia's GDP in 2015-16.

Looking ahead, the highest growth in visitors is expected to be in those from China, predicted to rise by 9.1 per cent annually over the next five years. The number of visitors from India is anticipated to grow by 7.4 per cent annually over the same period. Overall, Asian visitor numbers are projected to increase by 5.9 per cent in the next five years, with the industry aiming to grow overnight tourism expenditure by 2020 to between \$115 billion and \$140 billion.

It's broadly accepted that if these growth targets are to be met, foreign investment will be fundamental. Indeed, many overseas investors are already actively engaged in the industry. The Australian hotel sector has attracted a high level of foreign investment, with capital flow totalling more than \$2 billion in 2014. Growth in demand for hotel rooms is so strong that it outweighs the current supply and is forecast to continue to grow by 2.7 per cent annually through to 2021. The entire industry is also predicted to continue its growth trends, with an improvement of 4.6 per cent for 2018-19.

International investors have already backed a number of major projects. According to research by international real estate company Colliers, these include Korea's Mirae Asset Global Investments, which bought the Four Seasons Hotel in Sydney for the highest price ever paid for an Australian single hotel asset. Shanghai-based Greenland Group has also entered the market with a boutique hotel development in Sydney. Investors in the Middle East have also seen the potential. The Abu Dhabi Investment Authority recently purchased Australia's largest hotel owner, Tourism Asset Holdings, for a record-breaking \$800 million.

Education

Education is Australia's largest services export - not to mention, its third largest export overall. In 2016 international students studying and living onshore contributed \$22 billion to the Australian economy - a growth of 17.7% from the 2015 calendar year. A total of \$22.4 billion in export income was generated by all international education activity in 2016. Australia is the third-largest international educator, educating more than six per cent of the world's international students. In particular, Australia is known for its leading education system, with 20 universities in the world's top 200, as well as some of the highest levels of quality research publications. The education sector offers a wealth of opportunities for international partnerships and research collaboration in Asia. Australia already has a number of partnerships across the Asian region, with offshore university campuses, vocational and training education providers, Australian school curriculum related providers, and English-related courses. On the whole, Australia's Education sector is looking to expand further.

Australian partnerships in China demonstrate how well international coordination and investment opportunities with Australian education providers can work. Australia now has 115 active Chinese Ministry of Education-approved joint programs at degree level and higher.

More than several Australian institutions have entered international markets. These include Swinburne University, opening a campus in Malaysia, Monash University opening a campus in Suzhou - in addition to campuses in Malaysia and India - and RMIT, opening two campuses in Vietnam.



There are increasing links between Australia and various other countries for the delivery of transnational and online courses. India's growing middle class, combined with the Indian Government's target of 30 per cent growth in enrolment rates by 2020, has resulted in a strong demand for undergraduate education and in particular for Australian courses. Such opportunities are expected to grow further across Asia, as the ASEAN economic community provides opportunities for skill development. Current and future free trade agreements will enable the removal of regulation barriers and provide easier entry for Australian providers in partnerships.

World-class investment destination

In 2016, and for the fourth year in a row, Australia was ranked as a top-10 global destination for foreign direct investment (FDI) by the United Nations Conference on Trade and Development's (UNCTAD) World Investment Report. The combination of Australia's strong economic growth, strategic location, reputation for innovation, and global trade and investment relationships helped the nation secure \$3.2 trillion in total stock of foreign investment by the end of 2016. This represents a significant increase over the past decade, with foreign investment stock in Australia worth \$1.3 trillion in 2006. According to Australia's Department of Foreign Affairs and Trade (DFAT), ASEAN countries had injected over \$120 billion into the Australian economy by the end of 2016. Hong Kong contributed \$100 billion with additional significant foreign investment from Japan (\$214 billion) and mainland China (\$87 billion).

The appeal of investing in Australia is demonstrated by the

large number of foreign companies registered in Australia – more than 18,000. Eighteen of the Top 20 Financial Times Global 500 companies and eight of the Top 10 Fortune 100 have operations in Australia. The 2016 Australian Benchmark Report by the Australian Trade Commission (Austrade) estimates that one in four businesses in Australia with more than 200 employees have at least 50 per cent foreign ownership. Most of these firms have developed strong relationships with local Australian businesses, entering partnerships and engaging in research and development initiatives. This in turn has led to many Australian companies becoming essential to regional and global supply chains.

Australia's investment fund assets pool is one great example of the economy's current and potential investment growth and its significance in the international sphere. According to the Investment Company Institute, Australia has the world's seventh-largest funds under management – worth over US\$1.6 trillion in 2016, the largest asset pool of managed funds in Asia. Combined with the maturity of its funds industry, Australia has great potential to further develop as a regional funds management centre.

Infrastructure development

With a growing population and increasing domestic and international trade, infrastructure investment in Australia has increased significantly in recent decades and has been a key driver of economic growth and improved standards of living. High levels of investment and spending by both federal and state and territory governments on infrastructure were particularly vital to ensuring the nation continued growing during the global economic downturn which began in 2009.

.....
**AUSTRALIA RANKS AS A WORLD LEADER ACROSS
VARIOUS PRESTIGIOUS 2015 GLOBAL INDEXES***
.....

-  **1ST** 'Better Life' in the OECD
-  **5TH** Economic Freedom
-  **6TH** Global Talent
-  **7TH** Travel & Tourism Competitiveness
-  **12TH** Intellectual Property
-  **13TH** Ease of Doing Business
-  **13TH** Corruption
-  **14TH** Global Resilience
-  **15TH** Global Opportunity (for FDI)
-  **16TH** Information Technology
-  **19TH** Innovation

Sources: Global Talent Competitiveness Index, Global Innovation Index, Heidrick Struggles, Milken Institute, OECD, Oxford Metrica, The Heritage Foundation, Transparency International, World Bank, World Economic Forum, and Z/Yen Group.

*For all indexes, ranking of 1 is the best with total economies examined ranging up to 190.



Infrastructure investment in Australia is particularly focused on developing the nation's ports, railways, pipelines and energy-related structures. In its 2016-17 Budget, the Australian Government announced investment of \$50 billion across Australia which will support 100 projects currently under construction and another 80 in planning. Despite this, there are calls for even more investment, due to forecasts which project Australia's population to double over the next 40 years. This has opened up numerous opportunities for Asian firms considering investing in Australian infrastructure.

One significant opportunity for foreign investment is Australia's focus on developing more rural parts of the country, including in northern regions. The Australian Government has announced a \$5 billion 'Northern Australian Infrastructure Facility' to provide concessional loans for state/territory governments and the private sector for the construction of major infrastructure projects such as ports, railways, pipelines and electricity generation in northern areas of Western Australia, Queensland and the Northern Territory. Passed by Parliament on 3 May 2016, the fund is assisting the development of the 'Northern Australia Beef Roads Fund' – an initiative to support the transport of North Queensland beef cattle, one of Australia's major agricultural exports. Infrastructure related to tunnel development and expansion of railway links – both within states and across the country – are other priorities for the Australian Government and attractive prospects for foreign investment. And as Australia has a small number of well-established engineering, procurement and construction (EPC) firms, there are numerous ongoing opportunities for foreign EPC firms to engage in upcoming large national projects.

The IPA Perpetual Australia Infrastructure Investment Report 2016 highlights that investors seeking to invest in Australia's

infrastructure are considering a wide range of options:

- 70 per cent are considering roads
- 65 per cent are considering bridges
- 60 per cent are considering water infrastructure
- 55 per cent are considering energy transmission
- 55 per cent are considering social infrastructure.

World-class innovation

Many of the 18,000 international companies registered in Australia, including firms such as Boeing, IBM and Baosteel, invest in product development. They take advantage of the excellent local innovation infrastructure, including the ICT industry, which is worth more than \$100 billion. Australia's leading creative digital industries have also helped the country become a popular choice for the film industry – companies including Warner Brothers, Fox Studios and Lucasfilm have used Australia's digital resources and skills to make movies such as *Happy Feet*, *The Matrix* trilogy and *Star Wars*. In addition, Australia hosts various biotech companies, global research and development labs, content development firms, and technical assistance centres. This is likely to further increase, as the Australian Government continues to encourage the development of new technology hubs throughout Australia. Australia's focus on maintaining its position as a world leader in innovation and R&D can be seen through initiatives such as the 'Medical Research Future Fund', which the Government announced in 2015. Worth \$20 billion, this fund is the largest of its kind in the world and will significantly strengthen the nation's position as a global leader in medical research.



Mitsubishi Australia

Baden Firth, Leader of Strategy

Japan's Mitsubishi Corporation invests in a wide range of Australian business interests – “from almonds to coking coal and almost everything in between”, according to Mitsubishi Australia's Leader of Strategy, Baden Firth.

Firth says that Australia is “far and away” Mitsubishi Corporation's largest investment destination outside Japan. Operating largely through a series of subsidiaries and partnerships, it does everything from sourcing grain to producing stockfeed for Australian cattle, to exporting LNG and frozen fish around the world.

Its recent successful bid to build Canberra's Capital Metro light rail project, in partnership with Australian infrastructure major, CIMIC, is a double first. The 20-year project is Mitsubishi Corporation's first public-private partnership rail project globally, and its first rail project in Australia, but both the tender process and building the relationship with partners took time.

“For us, choosing the right local partners is central to everything we do. From the time we start exploring collaboration with our partner and evaluating potential projects, through to success can take several years,” says Firth.

“It's very important to sow the seeds early. Whether it's tendering a project or an investment opportunity, you need to be proactive and quick on your feet; having already established relationships before the competitive process begins.”

Firth says Australia is a long-term growth prospect for Mitsubishi Corporation, and its safe, open, free economy makes it an attractive investment destination. “While the regulatory framework is very predictable and stable, at the same time it is extremely robust so there is a need to be well informed. There's no wriggle room, you need to follow the rules and make sure you're complying with all the requirements. The cost of tendering for certain projects can be quite high, but getting sound advice – whether it's legal, financial or industrial relations – is critical.”

Firth believes that Asian businesspeople looking to invest or operate in Australia might be surprised to find a business culture not dissimilar to their own. He lived and worked in Japan for 15 years before returning to Australia in 2007, and says that integrity, fairness and relationship building are fundamental to both countries' business cultures.

“I often advise my Japanese colleagues to approach business relationships in Australia as they would with a Japanese client or partner, typically they find that things go more smoothly with such an approach,” he says.

Where Americans, for example, might talk specifics very early in a business meeting, he says Australians adopt a more Asian approach, taking more time to get to know each other in order to build a sense of understanding.

“I think Australian business people have also become increasingly savvy about Asia in general”, says Firth. “There's a large number of Australian business people who have lived and worked in Asia, or have vast business experience in the region, this has resulted in a sophisticated level of cultural understanding when it comes to dealing with business cultures across Asia.”

Highly skilled workforce

Perhaps one of the greatest advantages to doing business with Australia is the access it offers to one of the most highly skilled workforces in the world. Australia has a workforce of 12 million, with 59 per cent employed in the services sector. Almost 40 per cent of workers have a tertiary education qualification or advanced diploma. In the education and training sector this is as high as 73 per cent, just under 70 per cent for professional, scientific and technical services, and almost 60 per cent for the financial and insurance services, and healthcare and social assistance sectors. Australia has one of the highest labour productivity growth rates in the developed world, averaging a 1.7% per cent increase every year over the past 20 years.

Australia's talent is not only well educated, but also has the multicultural and multilingual attributes vital for conducting business in one of the world's most diverse regions – the Asia-Pacific. One in three Australians was born overseas and approximately 2.1 million speak an Asian language at home, Mandarin being the most common. Additionally, a total of 1.3 million Australians speak a European language other than English at home.

This blend of intelligence and diversity means Australian workers can offer more than just qualifications and knowledge. They are adaptable and ideally placed for working with foreign firms domestically and internationally.

For further information on Australia's extensive capabilities and the wealth of opportunities it offers foreign investors and buyers, please refer to the Austrade website, at: www.austrade.gov.au. Chapter 2 will discuss more industry-specific opportunities within Australia's various states and territories, highlighting key industry and government bodies to contact.

1.2 THE AUSTRALIAN CONTEXT

Geography and population

Situated in the southern hemisphere on the Asia-Pacific rim, Australia is the world's largest island and smallest continent. It encompasses a land mass of 7,682,300 square kilometres, making it the world's sixth-largest country after Russia, Canada, China, the US and Brazil. Lying between the Pacific and Indian oceans, Australia spans approximately 4,000 kilometres from east to west and 3,200 kilometres from north to south, with a coastline of 36,735 kilometres. It also has the third-largest ocean territory in the world, comprising of three oceans and covering around 12 million square kilometres.

Broadly speaking, Australia has two different types of climate. Northern parts of the country are tropical and have a wet season from November to April, and a dry season from May to October. In contrast, southern areas of Australia experience four seasons with a distinct summer from December to February, and winter from June to August. Sub-zero temperatures are rarely reached, although snow falls in the higher mountainous regions.

The country is separated into eight states and territories. The population, which currently stands at around 24 million people, is one of the most urbanised in the world. Eighty per cent are estimated to live within 100 kilometres of the coast, mainly in the east. Australia's population is also one of the world's most multicultural – more than 26 per cent of Australians are born overseas, third only to Luxembourg and Switzerland. According to the Australian Bureau of Statistics (ABS), 32 per cent of the national population resides in New South Wales and 25 per cent live in Victoria.

Australia is regularly recognised as offering one of the world's best lifestyles, thanks to its temperate climate, high education rates, and extensive public healthcare and social welfare system. Life expectancy is one of the globe's highest at an average of 84.2 years for females and 79.7 years for males. In August 2016, The Economist Intelligence Unit ranked Melbourne as the world's "most liveable city" for the sixth year in a row. Other state capital cities also ranked highly: Adelaide sits at 5th, Perth 7th, Sydney 11th and Brisbane 16th. While Australia's workforce has grown 6.6 per cent since 2009, as in many other advanced economies it is an ageing workforce, with 15 per cent of the population aged 65 years or over.

Demographics

NORTHERN TERRITORY

Population: 244,000
Capital population: 142,300
Average gross weekly wage: \$1,639

INDIAN OCEAN



WESTERN AUSTRALIA

Population: 2.6 million
Capital population: 2 million
Average gross weekly wage: \$1,703

PERTH

SOUTH AUSTRALIA

Population: 1.7 million
Capital population: 1.3 million
Average gross weekly wage: \$1,446



Lowest average weekly wage

Highest average weekly wage



Least populous

Most populous

PACIFIC OCEAN

QUEENSLAND

Population: 4.8 million
Capital population: 2.3 million
Average gross weekly wage: \$1,482

CORAL SEA

NEW SOUTH WALES

Population: 7.6 million
Capital population: 4.9 million
Average gross weekly wage: \$1,536

BRISBANE

SYDNEY

ADELAIDE

MELBOURNE

CANBERRA

AUSTRALIAN CAPITAL TERRITORY

Population: 390,700
Capital population: 390,700
Average gross weekly wage: \$1,747

VICTORIA

Population: 6.0 million
Capital population: 4.5 million
Average gross weekly wage: \$1,500

HOBART

TASMANIA

Population: 516,600
Capital population: 221,000
Average gross weekly wage: \$1,345

TASMAN SEA

Source: Australian Bureau of Statistics (as of June 2017)

History

Australia has a long history and is home to one of the world's oldest known living cultures – that of Indigenous Australians (Aborigines) and Torres Strait Islanders, Australia's first inhabitants. Diverse, complex and adaptable, the Indigenous cultures of Australia are traceable for 50,000 years, with some going back as far as 65,000 years. The foundations of this rich cultural heritage are based on the importance of the land, with a strong emphasis on rituals, arts, performances, teaching languages, telling stories, and passing on ancestral knowledge from one generation to the next.

European settlement in Australia led to its colonisation and the formation in 1901 of the Commonwealth we know today. Various European traders made contact with the coastline between 1606 and 1770. At that time, there were thought to be some 600 different Indigenous clans existing across Australia, each with its own sub-cultures and languages. English explorer Captain James Cook claimed the Australian east coast for England on 22 August 1770. Eastern Australia was subsequently named New South Wales (with different territory boundaries to those in modern Australia) with the arrival of the 'First Fleet' in January 1788. This comprised 11 ships and around 1,350 people, most of whom were English convicts, landing in Botany Bay (near Sydney) under the command of Captain Arthur Phillip. The 'Second Fleet' soon followed in 1790, and English colonisation spread across Australia over the next 100 years. By the 1830s the number of free settlers was increasing, with the transportation of convicts from England to Australia abolished in 1852 for the eastern colonies and in 1868 for the western colonies. A turbulent period in Australia's indigenous history followed with numerous unfavourable government policies and initiatives, including the forced removal of aboriginal children from their families and communities.

The first wave of migrants to Australia included free men attracted by the colony's agricultural prospects and the availability of convict labour. Their eagerness for development, combined with the mid-1800s gold rush, resulted in an expansion of the new settlement areas. Six separate Australian colonies, each governed independently, were established by the end of the 1850s:

- New South Wales
- Tasmania (originally settled in 1803, but separated from New South Wales in 1825)
- Western Australia (established in 1829)
- South Australia, including the Northern Territory (established in 1834)
- Victoria (detached from New South Wales in 1851)
- Queensland (detached from New South Wales in 1859).

Australia offered the settlers hope and the prospect of a life in a vast land and society. In the second half of the 19th century, there was a push towards creating an independent nation under a federation that united all six colonies and created one Australian identity.



ANZAC Day

ANZAC Day commemorates the landing of Australian and New Zealand troops on 25 April 1915 in Gallipoli, Turkey, during the First World War. ANZAC stands for Australian and New Zealand Army Corps, and demonstrates Australia's ongoing relationship with its neighbouring country, New Zealand. Originally, the word ANZAC meant someone who fought at Gallipoli, but it later came to mean any Australian or New Zealander who fought or served in the First World War.

Today, ANZAC Day is about reflecting on the meaning of war and honouring those who have lost their lives, as well as those serving in the Australian and New Zealand militaries in current and recent conflicts. Commemorative services are held across the country each year on 25 April at dawn, the time of the original landing. These services are usually held at war memorials, and feature discussion about ANZAC history, and the playing of the poignant bugle call, The Last Post. Major cities will also often host parades.

After the establishment of the Commonwealth of Australia in 1901, Australia was involved in several wars initiated by other nations. These played a critical role in shaping modern Australian society and its present diplomatic role in the region. Many Australian men and women volunteered, were injured, died and taken prisoner in the two World Wars, with further Australians partaking as peace keepers, nurses and ally forces in the subsequent regional conflicts in the Asia-Pacific. Australia's involvement in the region would go on to shape its national identity in a way that encouraged multiculturalism and equal opportunity – not to mention, a shift towards women playing a more active role in the economy.

During this time, immigration policies began to change, resulting in an increase in migration as well as the acceptance of refugees. This led to stronger ties within the Asia-Pacific region – ultimately contributing to Australia becoming a leading global economy, with a reputation for strength in areas such as education, agribusiness, tourism, natural resources-related trade and services, stability and diplomacy.

The shaping of modern Australia – the 20th century

1 January 1901

The Constitution of Australia came into force, making the six colonies collectively states of the Commonwealth of Australia.

1914 - 1918

First World War – almost 15 per cent of Australia's total population fought in WWI supporting the British Empire. Out of the 400,000 men that went – 60,000 died and 156,000 were wounded or taken prisoner with many more Australians volunteering in other critical roles overseas and domestically such as nurses, cooks, skilled farmers and drivers.

1920s

Was a time of substantial American cultural influence with jazz music, cinema and cars. Nevertheless, the support for the British Empire among many Australians was strong.

1929 - 1939

The Great Depression hit in 1929 with lasting effects for 10 years. A majority of Australians faced extreme hardship with many financial institutions collapsing. Unemployment ranged from 21 to 32 per cent resulting in many working-class families becoming homeless and children unable to attend school.

1939 - 1945

Supporting the British and US war efforts significantly, almost one million Australian men and women served in the Second World War across the globe, with more than 74,000 casualties. Australian women who did not volunteer increasingly filled the places in primary and secondary industry left by men. By the end of the war in 1945, the place of women in society had changed dramatically, with the traditional domestic female role beginning to evolve into what it is today. A sense of pride in Australia's capabilities and future for growth grew soon after WWI. This fundamentally altered Australia's relationship with Britain, resulting in a closer relationship with the US for support and security.

1950 - 1979

Australia's culture developed from a quite conservative, traditional English mindset to one that embraced modern music, fashion, and women in the workplace. The nation also experienced the 'Baby Boomer' phenomenon with an extreme increase in birth rate (by three million) following the end of WWII. University fees were abolished, support for human rights grew and anti-discrimination laws were introduced, including those to protect Aboriginals. Australia also renewed diplomatic ties with China after a 24-year hiatus and established regional development programs.

1980 - present

Australia continued to evolve towards a nation that embraces social justice and equality of opportunity. Australia became a leading global economy with deep ties in the Asia-Pacific, trading with the world and developing the strong reputation it has today in trade, diplomacy and stability.

Young Australia

Remaining loyal and part of the British Empire, still being overseen by the British monarchy, many Australian people thought of themselves as British living in a different land. This soon evolved to be more independent of Britain with substantial migration from Ireland and numerous other cultures as a result of the demand for migrant workers on farms, in the pearling industry and during the gold rush era. These included a range of people from China, the Pacific Islands, India, and the Middle East.

Tough times

The large losses and injuries of Australian men from WWI had a devastating effect on Australia with many women assuming the physical and financial burden of taking care of families. The tough times continued into the 1930s with the Great Depression causing further financial distress. Many Australian families became homeless, moving out of the main towns searching for work and living off the land.

Sport – the nation's hero

During the difficult times after WWI into the 1930s, Australia's focus on sport intensified with it becoming the nation's distraction. Sporting heroes such as the most successful Australian racehorse of all time – Phar Lap and cricketer Donald Bradman gained near-mythical status during this period.

Becoming one of the world's most multicultural societies

With subsequent wars in Asia after WWII, the nation transitioned towards greater engagement with regional neighbours. This was closely related to the changing of Australia's immigration policies which, until after WWII predominantly excluded non-white immigrants. The face of Australia has changed remarkably since then and it is now one of the most ethnically diverse societies in the world. Large numbers of residents hail from Italy, Greece, China, Vietnam and Lebanon, to name just a few. Their contribution to Australian society, economy and culture has been fundamental in shaping today's Australia. One in three Australian residents is born outside the country, and many more are first or second generation Australian.



Australian culture

Australia's wide variety of ethnic backgrounds, together with the ancient culture of Indigenous Australians, has created a uniquely Australian identity. It is, however, crucial to understand that there is no 'one' Australian culture that encompasses everything or all of its citizens' beliefs. That said, there are key characteristics that are often referred to when describing the nation's culture and major historical influences. Chapter 4 discusses in more detail Australian culture in regards to business etiquette, language, and how it operates within the workplace.

Indigenous cultures

The core belief of the importance of 'land' spreads through every aspect of Indigenous culture and is fundamental to spirituality and kinship. The land is not just minerals, rocks and soil, but an environmental system that supports and is sustained by the Aboriginal people and their culture. Traditionally, Australia's Aboriginals were semi-nomadic hunters and gatherers, with each clan (or tribe) having its own territory from which they 'made their living'. These 'traditional lands', otherwise known as territories, were defined by geographical boundaries such as mountains and rivers. Indigenous Australian's lived across Australia's various landscapes, including bushland and harsh deserts. Furthermore, they understood and cared for the land - not to mention, were exceptional trackers.

A fundamental element in Indigenous cultures that embraces the importance of the land is 'the Dreaming', meaning to 'see and understand the law'. This incorporates the belief that the ancestor spirits came to the earth in human form and created the animals, plants, rocks and mountains as they moved throughout the land. They also created the relationships between groups and individuals to the land, the animals and other people. Once the spirits had created the world, they changed into trees, stars, rocks, watering holes or other objects. These are the sacred places of Aboriginal culture and have special properties. Because the ancestors did not disappear at the end of the Dreaming, but remained in these sacred sites, the Dreaming is never-ending, linking the past and the present, the people and the land. Today, one of the best-known sacred places is Uluru.

Stories linked to the Dreaming are integral to Aboriginal spirituality. As Aboriginal men and woman proceed through life, they progressively acquire knowledge of stories associated with the Dreaming, as well as traditional law. Ceremonies, such as those associated with initiation, provide one such avenue for passing on this knowledge. In fact, traditional knowledge, law, protocols, responsibilities and religion, rely heavily on stories linked to the Dreaming for explanations on land formations, animal behaviour and plant remedies. In many instances, there are separate spheres for both men's and women's stories.

Today, the Indigenous communities of Australia, together with Australia's other groups, focus on preserving these ancient cultures. This is done in various ways - for instance, young people are educated about these ancient cultures in schools, there are a number of festivals and national days celebrating Aboriginal and Torres Strait Islander heritage, and protocols for recognising the traditional owners of the land as well as tribal elders. The Australian, as well as state and territory governments, also actively work with Indigenous communities across the country to address their needs in local sustainable development, education and health.

Multiculturalism

Australia's national culture is often described as diverse, lively, energised, innovative and outward-looking. With Australian society encompassing more than 200 countries of origin, 100 faiths or religions, and more than 300 languages, Australia's multiculturalism and multiracialism is particularly evident in its food, lifestyle and cultural practices. Most major cities have a 'Chinatown' with Chinese shops, grocery stores and restaurants, reflecting Australia's long history of Chinese settlement. There are also many suburbs in cities and towns that reflect the strong heritage and community of a particular culture.

The Australian Government and state and territory governments recognise the importance of multiculturalism. There are regional and local advisory councils, various languages taught in schools and universities, and national migration policies focused on social inclusion, economic prosperity and reuniting families. The biggest migrant group within the Australian population is from the United Kingdom, making up just under four per cent of Australia's population (and 18 per cent of all overseas-born living in Australia). However, the proportion of migrants born in Asia has increased significantly over the decades, now accounting for 40 per cent of Australia's overseas born population. Since 2011 the China born population has increased from six to eight per cent, totalling just under 510,00 people in the 2016 census. Many other migrant groups are increasing in size, including those born in African nations. According to the Australian Bureau of Statistics, Australia's India born population has also substantially grown, increasing from 319,000 in 2011 to 455,389 in 2016.

On Australia Day, 26 January, Australian people celebrate their country's history and multiculturalism, and recognise the efforts of those who contribute to the community. This public holiday is the date of the 'First Landing Day' or 'Foundation Day' - the day Captain Arthur Phillip and the First Fleet arrived at Sydney Cove in 1788. Today, it is a nationwide celebration marked by events ranging from barbecues with

friends, to large citizenship ceremonies, parades, Australian honours events and other community gatherings.

Modern Australian identity

Modern Australia is a nation that embraces freedom of speech and religion, democracy, peacefulness and equality, regardless of one's gender, religion, marital status, sexual preference, disability or ethnic background. Perhaps the most all-encompassing cultural characteristic of Australians is their concept of a 'fair go'. This incorporates the idea that everyone deserves a chance, no matter their background or history. Many Australians give considerable support to the 'underdog' – the person who is most perceived as likely to be unsuccessful or who has experienced hardship in order to become successful. It is therefore no surprise that Australia is predominantly an egalitarian society with little social class or segregation based on education, family background, occupation, gender or religion. Informality and being laid back are very common Australian traits.

Equality between men and women is very strong in Australian society. Women make up nearly half of the workforce and most remain in the workplace and continue to progress their career after marriage and having children. More often than not, both men and women will actively pursue an education of a level relevant to the career they are seeking.

Australians value education highly - in fact, the nation has one of the highest secondary education enrolment rates in the world. Tertiary education is particularly encouraged, with half of Australia's universities in the world's top 400 and six consistently in the world's top 100. Vocational education and trade occupations (such as motor mechanics and carpenters) are also highly regarded, as Australians appreciate that various skills are required to progress the economy and meet community requirements.

The nation is proud of its sporting achievements, having enjoyed great success in international and regional competitions over the years in sports including cricket, swimming, tennis, hockey, sailing, netball and soccer. Australia has hosted various global sporting events, including the Olympic Games (1956 in Melbourne and 2000 in Sydney), Cricket World Cup (1991 and 2015), and Rugby World Cup on several occasions. In 2018 the Gold Coast will host the Commonwealth Games.

Australia has its own version of football, commonly referred to as the AFL (Australian Football League), as well as the rugby and horse racing (this includes the famous Melbourne Cup held in November). It is not uncommon for Australians who have no interest in sport to watch major sporting events, such as the AFL Grand Final or even a major game in which their local state or national team might be playing. More often than not, sporting heroes are revered.

Many Australians enjoy an outdoor lifestyle, with families going camping in holiday periods and children playing sport outside on weekends. Going to the beach is a popular pastime for many, unsurprisingly given the climate and the fact most Australians live near the coast.

'Mateship'

It is very common to hear an Australian call another a 'mate'. However, a 'mate' in Australia can mean more than simply a friend. 'Mateship' is a concept that emerged from early colonial times when the harsh environment meant that men and women closely relied on each other for all sorts of help. It implies a sense of shared experience, mutual respect and unconditional assistance. Although traditionally used between men, it is common to hear Australian women also say 'mate'.

Aussie slang

'Aussie slang' typically encompasses the shortening of words to include 'ie' or 'o' on the end. For example, Brisbane becomes 'Brissie', afternoon becomes 'arvo', breakfast 'brekkie', and sunglasses 'sunnies'.

But it also incorporates words that may seem to have no relation to the proper English term. For example, sausages are known as snags, a swimming costume as togs, and a man as bloke.

Australia has a flourishing arts scene, with numerous festivals dedicated to cultural celebrations, music, food, film and visual arts held across the country throughout the year. Comedy and humour is an important part of Australian life, and Melbourne hosts one of the three major annual international comedy festivals.

While there is no official Australian religion, most Australians identify as Christian (52.1 per cent). This is broken up into the main denominations of Catholic (22.6 per cent), Anglican (13.3 per cent) and Uniting Church (5.7 per cent). Many Australians (religious and non-religious) will attend places of worship for religious holidays (Easter) and special celebrations (weddings). In particular, around eight per cent of the population is affiliated with non-Christian religions including Buddhism (2.4 per cent), Islam (2.6 per cent) and Hinduism (1.9 per cent). According to the most recent census (2016) taken by the Australian Bureau of Statistics, 30 per cent of the Australian population does not identify with any religion.

Australian mannerisms and behaviour

Australians are generally relaxed, welcoming and relatively easy going. They are adaptable and get along easily with most other countries' cultures. This is perhaps due to Australia's multiculturalism, and the strong influences from its relationships with the UK and US, as well as it being physically close to Asia.



IMPORTANCE OF RELATIONSHIPS

As in many other cultures in the region, relationships and trust are very important to Australians. While Australians aren't necessarily untrusting, they do tend to be more guarded with those they do not know well and who do not attempt to build a relationship with them. They can also be wary of those who are very active in wanting to meet regularly and be part of their lives quickly – it is considered a sign that the person is insincere or perhaps wants to use them for something, rather than being genuinely interested in forming a relationship. Entrance into an Australian's 'inner circle' (meaning you are not just an acquaintance, but a friend) takes time and effort through a natural progression of trust. Australians are, however, very welcoming of foreigners and if you are invited to their home for a meal, ensure you accept the honour or ask for a different time if you are unable to attend.



SOCIALISING

Attending sporting events, or going out for meals, drinks or coffee, is seen as vital when attempting to build connections with others.



RESPECT

Respect is shown by looking people directly in the eye, but unlike in other cultures, Australians do not generally stand very close to each other or have much physical contact. Hugs and kisses are normally reserved for people they know very well.



TABOO TOPICS

In general, Australians will not openly discuss certain topics if they do not know you very well. These include their religious beliefs, their support for a political party, income and age. They also may not offer information about their families or loved ones as easily as people in other cultures. More in-depth conversation about such topics is typically reserved for people they feel they can trust and are therefore part of their 'inner circle'. It's relatively common for Australians, particularly in metropolitan areas, to keep their personal and professional lives separate.



HONESTY, OPENESS AND INDIRECT AND RELAXED NATURE

To some cultures, Australians may come across as direct, as they believe it is very important to be honest and straight to the point. Their relaxed nature means they can be seen as slightly indecisive, but often this just means they are open to others' views. Do not underestimate this as they can be very forward in advising an opinion or decision if it is something they feel strongly or are knowledgeable about, or if they have a trusting relationship with you. Their ability to be both direct and indirect should not be taken as a weakness. They perceive a person who cannot honestly express their opinions as cowardly or evasive. If you experience their openness or this manner, avoid taking it as hostile. This is not the intention.



DIRECTNESS

Some Australians will ask you something only once or twice, at most. If you say no to an offer or question, they accept that as your answer or will simply respond with something like "are you sure?" or "if you're sure". That is your last opportunity to say what you really want or mean, as they will not raise it again.



SARCASM

Sarcasm is common in Australian language and Australian 'slang' can be quite confusing for foreigners. However, given the laid-back nature of most Australians, you can always ask if you don't understand something and they will happily explain it.



HUMOUR

While the Australian sense of humour is generally described as being similar to that of the British, it can be hard for non-Australians to understand. Much of the humour is to be found in the non-verbal connotations or hidden context behind what is being said. Non-Australians sometimes consider Australian humour to be crude and derogatory, because it tends to be dry, sarcastic and self-deprecating. Australians have a unique way of intertwining irony, humility and mockery in their humour, which reflects their direct nature and openness. However, the objective is always to make someone laugh, and usually there is no intention to offend.



RIISING TONE

Australians have a tendency to use a rising tone at the end of sentences, which can sound like they are asking a question, when in fact they are simply stating a point. If you come across this, it is fine to ask if they want a response or not. Many foreigners find they get used to this mannerism as they spend more time with Australians.



INFORMALITY AND POLITENESS

Australia is a fairly relaxed society and formality is typically reserved for special occasions, and when dealing with senior officials and acquaintances. However, politeness is valued – it's important to say 'please' and 'thank you' and be friendly to everyone, including strangers.



INFORMALITY OF NAMES & TITLES

When among friends and in the workplace, Australians generally call each other by their first name. If you are unsure of how to address someone it's safest to call them by their surname with the appropriate prefix, for example Mr Smith or Ms Smith. If they would prefer you to call them by their first name, they will soon ask you to, for example by saying "call me John". You should do this straight away. Some foreigners may find it strange to hear people who are very close address each other simply by their surname with no prefix, or by a nickname such as "Smithie" or "John-o". This actually indicates the closeness between them, as giving someone an appropriate nickname is perceived as a compliment in Australian culture.

Government

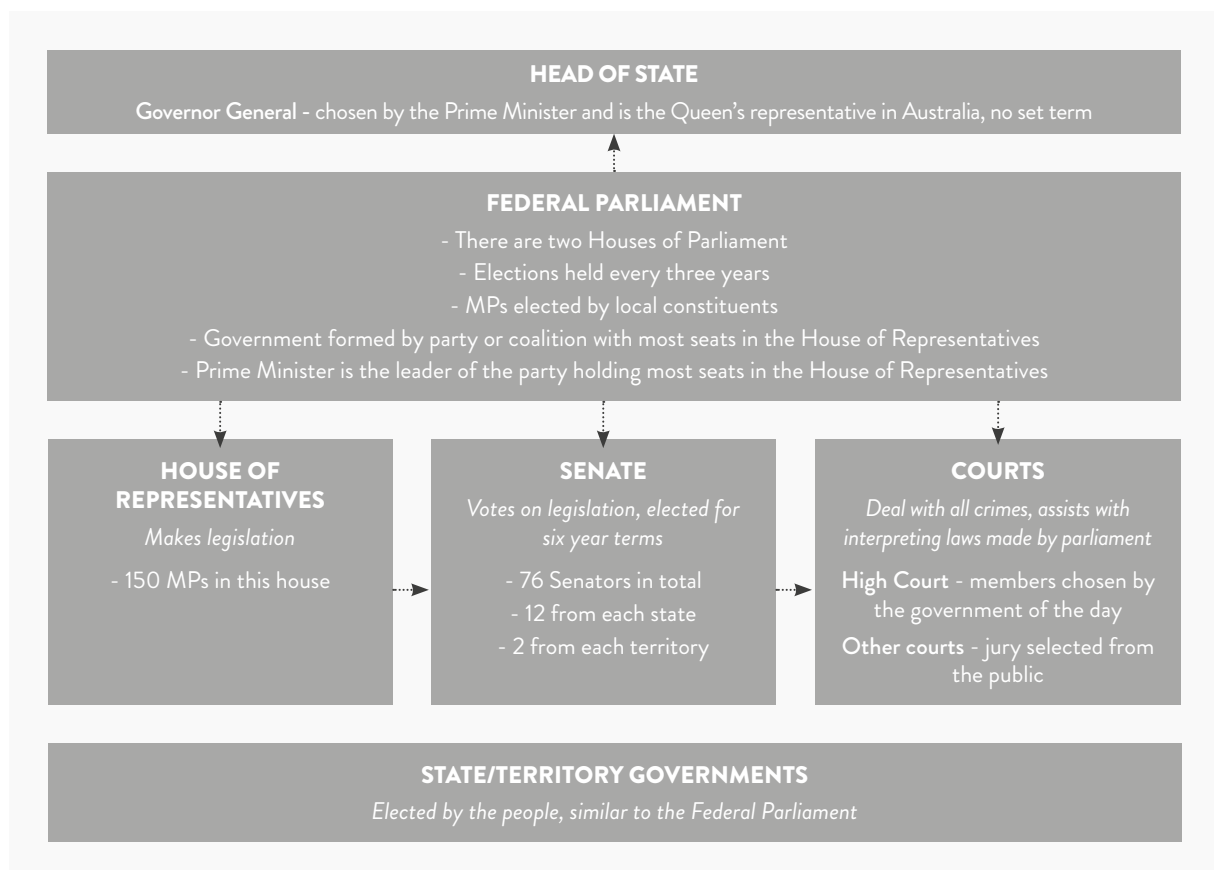
Australia has a constitutional monarchy system of government, which incorporates a cabinet system. The powers and procedures of the Australian Government are defined in a written constitution, and the head of state is the current British monarch, Her Royal Majesty Queen Elizabeth II. There are three levels of government: federal (sometimes referred to as Commonwealth), state and territory, and local. The Queen is represented in the Australian Parliament by the Governor-General, and by governors at the state and territory parliaments. The current Governor-General is His Excellency General the Honourable Sir Peter Cosgrove AK MC. The Governor-General is appointed by the Queen on the recommendation of the Prime Minister. The role of the Governor-General is not only to represent the Queen, but also to protect the Constitution and to facilitate the work of the Commonwealth Parliament and Government.

The Federal Parliament consists of two chambers: the Senate (referred to as the upper house) and the House of Representatives (lower house). Parliament's role is to make national laws and authorise the Government to spend public money through agreeing to proposals for expenditure and taxation. In addition, it scrutinises the Government's administrative actions and serves as a forum for the debate of public policy.

The Senate consists of 76 senators, 12 from each state and 2 each from the territories, and shares the power with the House of Representatives to make national laws. Senators are elected by a preferential voting system known as 'proportional representation' to ensure the constitutional requirement is met that each state is equally represented, regardless of its population.

The House of Representatives consists of 150 members voted for by the Australian people in general elections. These are held nationally every three years, and all Australians aged 18 years and over are legally required to vote. After an election, the political party (or alliance of parties) holding the most seats in the House of Representatives becomes the governing party (the Australian Government) and the leader of that party (voted by the party's members) becomes the Prime Minister. The party (or coalition of parties) which has the most non-government members in the House of Representatives is known as the Opposition.

THE AUSTRALIAN GOVERNMENT SYSTEM



Within the Government there are generally 30 ministers selected by the Prime Minister. Around 19 of those are classified as senior ministers and oversee major Government departments. Other ministers are responsible for particular areas of administration within a major department, or may be in charge of a small department. Ministers are appointed from both Houses of Parliament, although most (about two thirds) are members of the House of Representatives. The group of senior ministers makes up the Cabinet, which is the Government's pre-eminent policy-making body. They decide on major policy and legislative proposals submitted to Parliament. The Commonwealth Government is responsible for managing taxation, defence, immigration, trade and commerce, as well as foreign affairs and investment.

Each of the six states and two territories have their own constitutions, parliaments, governments and laws. They are responsible for providing services to their regions related to education, healthcare, some infrastructure and management of transport networks, and energy-related supplies. Local governments provide planning and development for local communities. The number and responsibilities of local governments vary across the states; further information can be found in Chapter 2.

Politics

Australia has various parties which can be voted into the Government democratically by the Australian public. These parties exist to represent the various interests of society's different groups and individuals. Each has a unique structure, policy focus and culture that reflects its values and history. The two primary political parties in Australia at all levels of government are the Liberal Party of Australia

and the Australian Labor Party (ALP). Both are founded on democracy. The Australian Parliament contains a wide representation of independents and minor parties. Minor parties include the Greens, in addition to various other 'micro parties'.

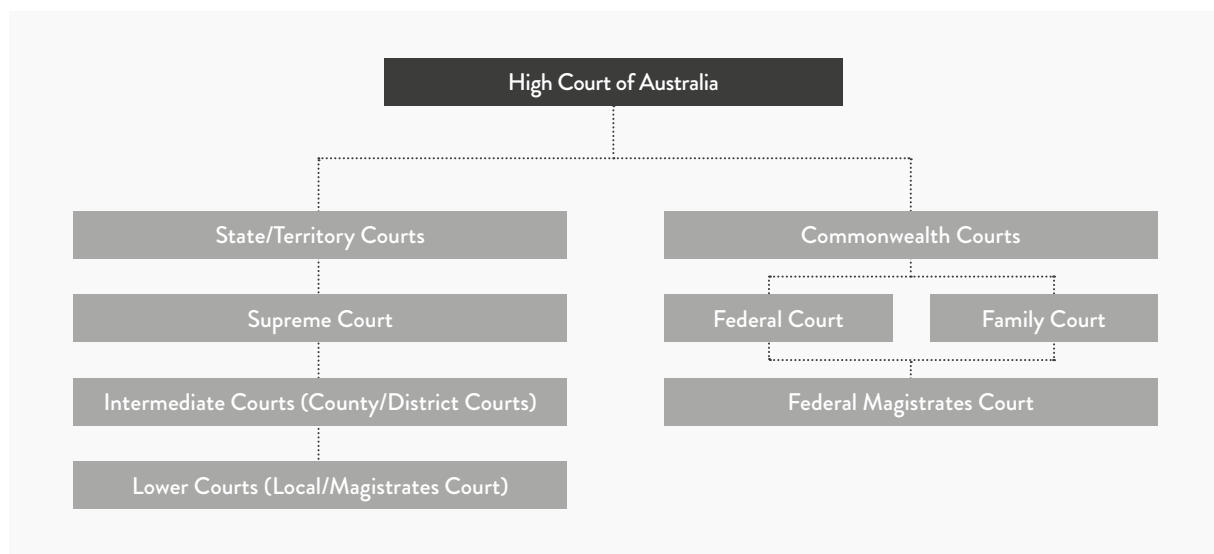
A federal election took place on the 2 June 2016.

Legal system

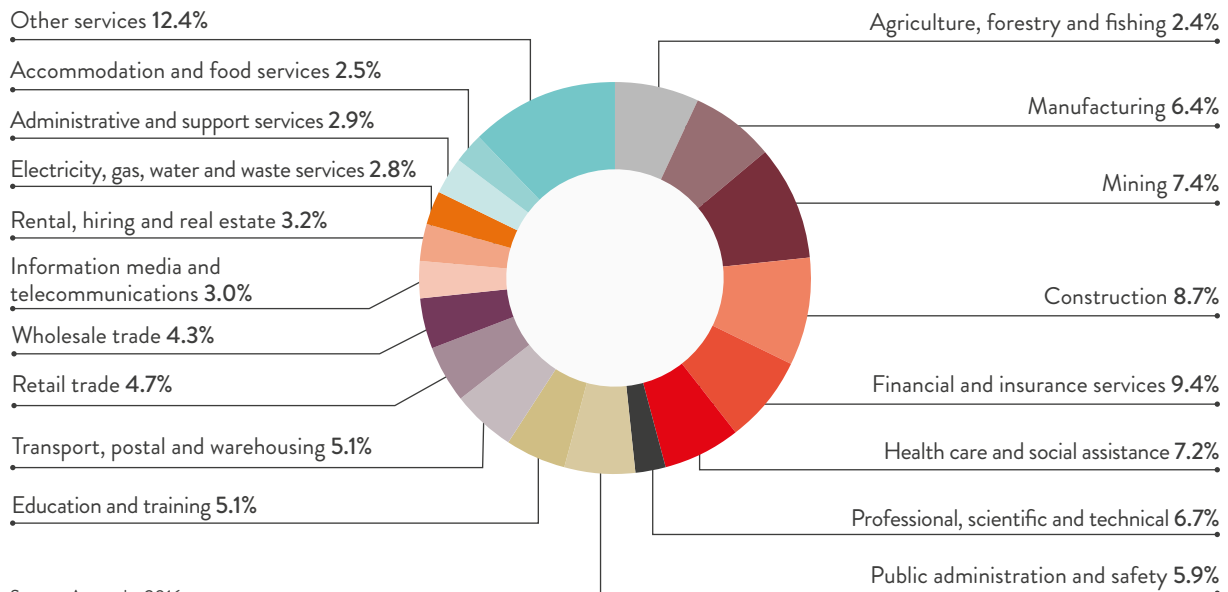
Australia's legal system is similar to that of Britain, in that it is founded on common law, encompassing case law in Australian courts. This is different to some countries in Asia which have a civil law system. Australia's legal system also consists of 'statutes' which are passed by the federal and state parliaments. These encompass a mixture of regulations, ordinances, and other types of legislation passed under the statute's given power. 'Bills' introduced to Parliament to establish a new law or change an existing one must be approved by both the Senate and House of Representatives to become law.

The court system of Australia is built on a hierarchy, with the various courts having different jurisdictions and levels of power. The highest level of power is the High Court of Australia, which is the final court of appeal and addresses constitutional matters. Beneath it are the Commonwealth Courts, which oversee federal law matters, and the State and Territory Courts, which oversee matters related to state-level laws. Each state also has a Supreme Court and its own court system incorporating District or County Courts, and local Magistrates' Courts. One can appeal a decision by taking it to a higher-level court. Law enforcement is shared by the state and federal police forces.

THE AUSTRALIAN COURT SYSTEM



AUSTRALIA'S REAL GROSS VALUE ADDED BY INDUSTRY 2015-16



Source: Austrade, 2016

Economy

Australia's economy is one of the world's most stable. Entering its 26th year of consistent growth, the economy grew by 3.3 per cent in 2016. It is a free market economy that, according to the World Bank, has had an increase in GDP from around US\$415 billion in 2000 to US\$1.34 trillion in 2016. In 2016, Australia continued growing making it the world's 13th-largest economy, behind the Republic of Korea. It is a high-income economy, with a GDP per capita estimated by the World Bank to be US\$51,850 in 2016, and one of the lowest public debts in the OECD. Australia also has experienced a stable and low inflation estimated by the Reserve Bank of Australia at 1.5 per cent for 2016 with an average annual economic growth rate of 3.3 per cent since 1990. With such strong economic conditions, the standard of living in Australia surpassed that of the UK, Germany, France and Italy in 2006. Many other indicators illustrate the enviable lifestyle offered by Australia: pollution levels are lower than the OECD average, and average household income, life expectancy, student scores and employment levels are all higher than the OECD averages.

Supporting economic growth and social prosperity is Australia's services-led economy. The services sector contributes over half of Australia's GDP and employs around 80 per cent of Australia's workforce. The sector is diverse and encompasses both private business and public agencies including major corporations providing services associated with telecommunications, transport, banking, insurance, education, hospitality, accommodation and health. In addition, it includes small business and individuals such as accountants, IT specialists, doctors, hairdressers and other entrepreneurial consultants.

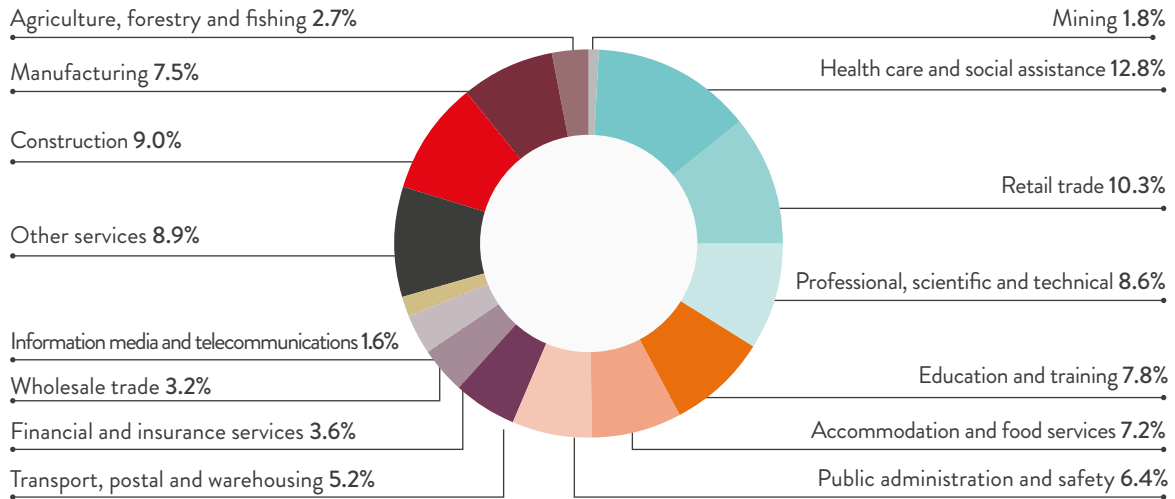
Australia's services sector has grown annually on average by 3.5 per cent – higher than the economy's other industries' average of 3.3 per cent. The highest average annual growth rate has been in the information media and

telecommunications industries, followed by financial and insurance services, then professional, scientific and technical services. Representing over 60 per cent of GDP, the Australian economy produced services worth around \$1 trillion in 2015-16. Australia's services exports have grown annually on average by 3.2 per cent per annum over the last five years. Furthermore, a majority of the Australian Stock Exchange's (ASX) top 20 corporations are services-related.

In addition to services, Australia's agriculture and mining sectors are significant earners, with trade a key component of the economy's success. Mining contributes around 6.9 per cent of Australia's GDP in terms of total output and employs 1.9 per cent of the workforce. Although this may seem low, it is important to recognise the value of Australia's mining industry: minerals and energy exports earned \$140 billion in 2016. Despite Australia having more than 1,300 mining companies, the sector is dominated by only a few big corporations (such as Rio Tinto, BHP Billiton, Xstrata and Woodside Energy), with foreign investment the key contributor to expansion of the industry. Currently, Australia has several long-term deals (spanning more than 20 years) to supply nations such as Korea, India, Japan and China. Minerals and energy export earnings are forecast to grow six per cent annually through to 2020.

The agricultural sector, historically a key part of Australia's economy and way of life, is also predicted to grow in the coming decade. Today, two-thirds of Australia's land is used for farm production, with 90 per cent of this allocated to animal grazing on native pastures. It is estimated that the highest value of production for the use of grazing is cattle, wheat, dairy, vegetables, fruit and nuts, and then lamb meat and wool. Often referred to as the agribusiness and food sector in Australia, turnover was worth \$173.4 billion in 2014, registering a 6.1 per cent annual growth rate, and employing over 512,000 Australians. This is with an eight per cent growth rate in exports, valued at \$41.7 billion.

AUSTRALIA'S EMPLOYED PERSONS BY INDUSTRY - 2016



Source: Austrade, 2017

INTERNATIONAL TRADE (CURRENT PRICES)



Source: Department of Foreign Affairs and Trade, 2017

AUSTRALIA'S TRADE IN GOODS AND SERVICES (BY TOP 15 PARTNERS A\$ MILLION) 2015-16

Rank	Country	2013-14	2014-15	2015-16	% share of total	5 yr growth trend %
1	China	151,825	143,570	150,089	22.7	5.5
2	United States	58,465	64,790	69,281	10.5	5.8
3	Japan	72,103	67,588	60,345	9.1	-2.6
4	Republic of Korea	35,146	35,475	33,914	5.1	1.9
5	United Kingdom	20,687	21,749	26,971	4.1	1.7
6	New Zealand	22,646	23,649	24,460	3.7	3.2
7	Singapore	29,063	28,007	22,892	3.5	-0.3
8	Thailand	18,779	20,009	21,081	3.2	2.5
9	Germany	17,755	17,559	19,723	3.0	4.3
10	India	14,716	17,910	19,377	2.9	-2.3
11	Malaysia	19,935	19,791	18,206	2.8	3.9
12	Hong Kong (SAR of China)	16,463	15,276	15,300	2.3	18.9
13	Indonesia	15,993	15,278	15,278	2.3	1.8
14	Taiwan	12,483	12,827	12,289	1.9	-1.6
15	Vietnam	9,213	10,239	10,151	1.5	12.6
Total all countries		666,223	659,981	661,370	100.0	2.4
of which:						
	- APEC	486,823	479,961	476,262	72.0	3.2
	- ASEAN	98,486	98,614	92,917	14.0	2.8

Source: Department of Foreign Affairs and Trade, 2017

AUSTRALIA'S TOP FIVE GOODS AND SERVICES EXPORTS AND IMPORTS (A\$ MILLION)

Rank	Commodity	2013-14	2014-15	2015-16	5 yr growth trend %
Exports					
1	Iron ores & concentrates	74,671	54,519	47,799	-3.2
2	Coal	39,960	37,882	34,541	-5.2
3	Educated-related travel services	15,870	18,180	19,881	5.7
4	Gold	13,261	13,506	16,585	1.1
5	Natural gas	16,305	16,895	16,576	10.7
	Total	330,976	318,298	312,302	1.0
Imports					
1	Personal travel (excl education) services	25,528	25,805	28,207	5.3
2	Passenger motor vehicles	17,834	18,708	21,542	7.4
3	Refined petroleum	19,203	18,078	16,228	7.1
4	Telecom equipment & parts	9,069	11,041	11,781	8.0
5	Freight Services	9,734	9,906	9,866	3.7
	Total	335,247	341,683	349,068	3.8

Source: Department of Foreign Affairs and Trade, 2017

Infrastructure

Australia is seen as a global leader in infrastructure. It has a strong history of successful infrastructure deals and a workforce highly skilled in infrastructure development, underpinned by a stable economy and an easy environment in which to do business. It's no surprise, then, that the nation's overall infrastructure is ranked by the World Economic Forum as the 17th-most developed system out of 138 countries. Within this, its transport infrastructure is ranked 19th, and electronic and telephony infrastructure 14th.

Given Australia's size, transport is vital for not only moving freight and commodities around the country, but also people. Australia's infrastructure industries accounted for 10.2 per cent of the nation's GDP in 2015-16; almost 50 per cent of this was construction in the transport sector, with \$25.2 billion being spent on roads alone. Another 10 per cent each was spent on the construction of infrastructure for telecommunications and water, with 30 per cent spent on the energy sector.

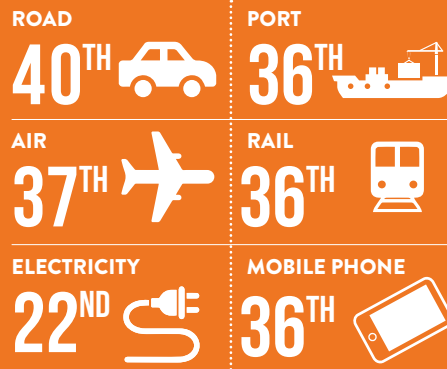
Australia's national road network is around 873,500 kilometres, helping to move 210.6 billion tonne-kilometres of freight by road in 2014-15. An additional 290.6 billion tonne-kilometres was moved by rail over 33,355 route kilometres of open railway and 1,672 route kilometres of urban railway. Both Australia's rail and road networks are segmented into those cared for as 'national' networks by the Australian Government, and those maintained by the relevant state or territory governments.

Australia's ports also play a key role in the economy, with shipping accounting for 99 per cent of Australia's total trade by weight. Australia has various sea ports specialising in commodities such as wheat, coal or gas. Container throughput has more than doubled from 2.9 million twenty-foot equivalent unit (TEUs) in 1998-99 to 6.9 million TEUs in 2015-16. A major element of Australia's shipping industry is 'coastal shipping'. This incorporates the movement of cargoes around Australia (not internationally), such as coal, fertiliser, petroleum products, liquid petroleum gas (LPG), metallic ores and mineral sands, cement and steel. Coastal shipping also covers the movement of passengers on domestic cruises and ferry services. The Business Council of Australia estimates that around 90,000 Australians are employed in manufacturing sectors using coastal shipping, including oil refining, cement, steel and aluminium production.

Airports are another critical part of Australia's infrastructure, with many of the major ones undergoing or having plans for expansion or redevelopment. In 2015-16, Australia hosted 36.2 million passengers on international flights and more than 60.9 million on domestic flights. Sydney airport was the busiest with 41 million passengers. Melbourne had close to 34 million, Brisbane just over 22 million and Perth 12.5 million. Australia's airports also consistently rank among the best in the world on the Skytrax rating system. In 2016, Brisbane was ranked 17 (up from 20), Sydney 23, Melbourne 25, Adelaide 69 and Perth 73.

Infrastructure ratings

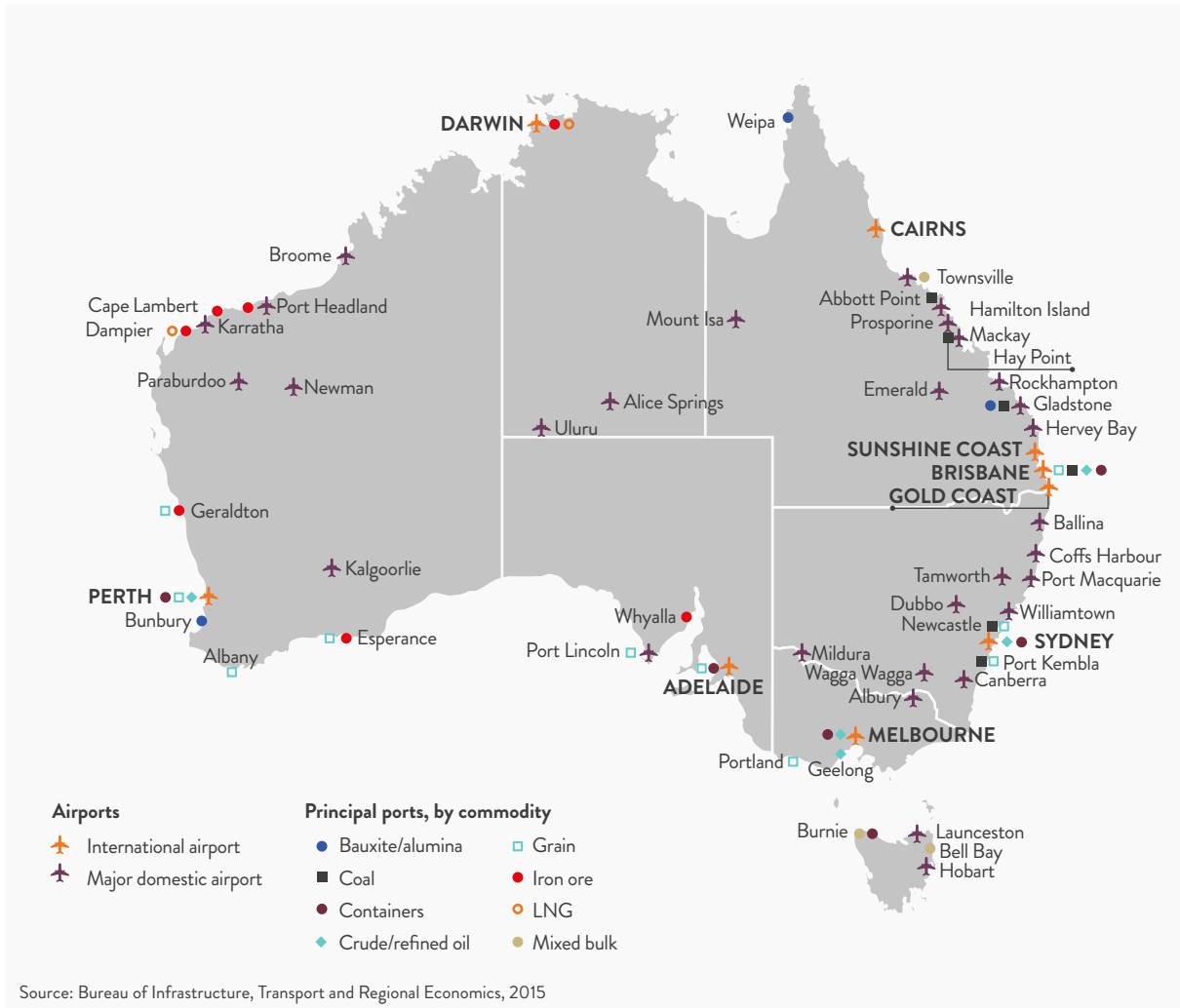
2016-17 World Economic Forum figures rank Australia's individual infrastructure out of 138 (1 being the most developed system):



Australia's modern telecommunication facilities are also leading in the region. In recent years, over \$40 billion has been invested in Australia's information technology sector on an annual basis. This is a significant increase, with it rising from \$35 billion in 2012. The World Bank estimates there are 135 mobile phone subscriptions per 100 people in Australia. Ninety-nine per cent of Australian internet subscriptions are broadband, with 13.2 million subscribers in 2016, up by 2.7 per cent on the previous year. Almost half of these used mobile broadband connections, with 5 million using DSL. Currently, more than 87 per cent of Australians access the internet daily. To increase this figure, and provide faster speeds while advancing digital technology, as well as broader phone access to Australians, a national broadband network (NBN) system is currently being built across the nation. The Australian Government expects the NBN to be finished in 2019, at a total cost of \$29.5 billion in public investment.

As one of the world's driest nations, water infrastructure is critical to Australia's prosperity, particularly with the growth of agribusiness. In 2015-16, over 9 million megalitres of water was used for agriculture and 3.7 million megalitres was supplied to Australian cities. The nation has dam storage facilities to house almost 81,000 gigalitres, although currently only 53 per cent of national capacity is used, with the figure fluctuating depending on weather trends. Recognising the delicate nature of water supply, several state and territory governments have built desalination plants to supply water to major areas if needed in times of drought. New water infrastructure is therefore a growing area, with 10 per cent of infrastructure construction being spent on water related projects in 2015-16.

MAJOR AUSTRALIAN PORTS AND AIRPORTS



Innovation

Australia prides itself on being one of the leading nations in research and development (R&D), with a strong emphasis on innovation. The country's inventions have improved the lives of billions around the globe, and include the black box flight recorder used on planes, wi-fi technology, Google Maps and the vaccine for cervical cancer. The country's research institutions have a strong reputation for quality, and rank among the best in the world. Australia's Commonwealth Scientific and Industrial Research Organisation (CSIRO) is in the world's top one per cent of scientific institutions in 15 out of 22 research fields, and Australian universities lead in the number of publications in highly influential international journals. The World Bank rates Australia's scientific institutions as 12th out of 138 countries, with overall innovation ranked 26th.

Industry investment and the Government's strong backing for R&D are key contributors to Australia's strength in global innovation. The Government invested around \$10.1 billion in 2016-17 into research and development. Business spending

on R&D in Australia has also tripled over the past decade to more than \$18.3 billion. This high level of investment has paid off – Australia is recognised by the OECD as having some of the best R&D skills among OECD countries.

It's this concentration of talent, along with the stable geopolitical environment, and a strong intellectual property (IP) framework supporting international patents and copyright enforcement, that attracts investors. The Australian Government also encourages investment in R&D by offering various incentives. These include the R&D Tax Incentive Program, which helps businesses to reduce costs and risks through providing the benefits of tax offsets for eligible work creating new or improved products, processes or services. It applies across all sectors and is available to firms of all sizes. In December 2015, the Australian Government released 'The National Innovation and Science Agenda' providing a framework for Australia's innovation policy. The initiatives are worth \$1.1 billion over four years.

Australian inventions



Black box flight recorder



Spray-on skin for burns victims



High speed Wi-Fi



Google Maps



Gardasil cervical cancer vaccine



Ultrasound



Aspro



Pacemaker



Plastic disposable syringe



Bionic ear



Dual-flush toilet



Anti-counterfeiting technology for banknotes



Influenza treatment drug, Relenza



Baby safety capsule



Refrigerator and ice making machine



Solar hot water system



Electric drill

Source: Australian Government

1.3 BEYOND TRADE: AUSTRALIA'S RELATIONSHIP WITH THE REGION

Australia's relationship with Asia is founded on strong trade, as well as political and people-to-people ties – not to mention, a shared commitment to enhancing regional security and prosperity. Australia's connection to Asia has existed for centuries, predating British colonisation. In fact, evidence suggests that traders from Indonesian islands and pearl divers from Japan visited Australia's north-west coastline in early times trading with Aboriginal people situated on the Northern Australian coast.

In modern times, the relationship between Australia and the countries of Asia has deepened and diversified. Australia is actively involved in the region – not to mention, four of its five biggest trading partners are located in Asia. But the relationship goes deeper than simply trade and economic figures. Australia has close, long-standing bilateral ties with Indonesia, as well as strong links with the other member nations of ASEAN. Australia also has significant connections with India and with Northeast Asia – China, Japan and the Republic of Korea.

Defence and security is a key element of Australia's role and relationship with the Asia-Pacific region. Australia's approach is multidimensional and founded on strong bilateral links with several nations. It has particularly long-standing ties with Malaysia, Singapore, Thailand and the Philippines. Australia's defence force also actively collaborates in training, border protection and peacekeeping exercises with Japan, Korea, China, Indonesia, Vietnam, India and Singapore, among many others. Defence diplomacy is seen as key to preserving regional and maritime security and Australia works with countries in Southeast Asia and South Asia on law enforcement and counter-terrorism to help build capacity in these areas. Growing ties with Indonesia, Japan and Korea are viewed as particularly critical, and Australia coordinates with these nations to pursue common strategic interests.

Humanitarian missions and Australia's contribution to foreign aid play an important role in Australia's engagement with Asia and its support for regional development. In 2017-18, Australia will provide \$3.9 billion in official development assistance globally with more than 90 per cent allocated to development in the Indo-Pacific region. Australia has a particular focus on Southeast Asia, with 15 per cent of Australia's two-way trade conducted with ASEAN countries. It recognises that the region is developing, poverty is diminishing and many countries are experiencing great economic growth.

Australia also provides valuable expertise to assist with regional disaster preparedness and response. The Australian approach is to help partner governments manage crisis responses themselves by giving them the resources and training to do so. This includes a proactive Humanitarian Partnership Agreement to support six Australian NGOs and their operations in the region: Care, Caritas, Oxfam, Plan International, Save the Children and World Vision. This is on top of Australia's partnership with the International Red

Cross, one of the nation's most trusted and effective partners in disaster response. Such support not only assists with disasters as they happen but also helps countries to prepare and develop for a more effective recovery. Australia also maintains and offers a variety of technical teams – including medical, engineering, and search and rescue – that have the capability to attend simultaneous crises. Between July 2015 and April 2016, Australia responded to 20 crises, providing \$167 million in life-saving assistance. It was the first nation to help Indonesia after the 2004 tsunami, providing disaster response teams including the Australian Medical Assistance Team, as well as over \$1 billion in aid. More recently, Australia provided \$31.4 million in aid for 2015-16 to assist Nepal with its long-term recovery from the 2015 earthquake. This support includes humanitarian response packages and an ongoing objective to improve access to education for children.

Australia has a variety of initiatives in place to develop **people-to-people** links with its neighbours, with the aim of promoting mutual understanding and building relationships. Over the past 40 years, several councils have been established by the Australian Government, mainly focused on nations with which Australia has significant bilateral relationships and regional partnerships. These organisations include the Australia-ASEAN Council, Australia-China Council, Australia-India Council, Australia-Japan Foundation, and the Australia-Korea Foundation. Significant Australian institutions, including leading universities and businesses, have established their own associations to develop connections with the region.

Australia actively engages in **public diplomacy** to develop and encourage awareness of Australia overseas, and demonstrate its position as a trusted citizen of the Indo-Pacific region. Programs and initiatives have included those with an emphasis on cultural and arts engagement such as the Australian Ballet Tour of China in 2015, and the Australian World Orchestra 2015 Tour of India. There have also been various multicultural art exhibitions including one at Korea's Museum of Contemporary Art, hosting art from Australia. Various grants for cultural exchanges exist. For example, Asialink Arts offers support for residency programs involving Asian artists coming to Australia on exchange and vice versa.

Perhaps one of the most significant initiatives the Australian Government has established in recent years for developing people-to-people links in Asia is the **New Colombo Plan**. A scholarship program to support Australian students studying and undertaking internships in the Indo-Pacific region for periods of up to one year, the New Colombo Plan aims to increase Australian student knowledge and connections with the region. It also will deepen Australia's regional relationships through interactions with universities, businesses and other stakeholders, and encourage a two-way student flow. The Australian Government has committed \$100 million to the scheme over five years. In the first three years, 10,000 Australian students have studied and worked in Asia, in major economies including India, Japan and China, as well as developing countries such as Mongolia and Cambodia. In the remaining two years the program will expand to include more countries and offer more Australian students opportunities to engage with the region.

Australia's regional diplomacy

Australia is committed to building a rules-based international order that promotes peace, security and opportunity for all. The nation is proactively engaged with a variety of global and regional groups and forums with a focus on strategic dialogue, security and cooperation. Examples of such groups include:



United Nations (UN) – Australia was a founding member of the UN and is actively involved in development and aid programs, peacekeeping missions, and recently had a place on the UN Security Council in 2013 and 2014.



Group of 20 major economies (G20) – Australia plays an active role in the G20, hosting the Summit in 2014 in Brisbane where it established the G20 taskforce.



Association of Southeast Asian Nations (ASEAN) – In 2014 Australia celebrated 40 years of partnership with ASEAN. This strong relationship is founded on education, development, culture and security.



Asia-Pacific Economic Cooperation (APEC) – As a founding member, Australia has assisted APEC to work towards its goals of regional economic integration, structural reform and targeted capacity building.



Organisation for Economic Co-operation and Development (OECD) – Australia has been an active member since 1971 and is closely involved in the OECD's work to promote structural reform as support for long term growth and wealth creation.

Australia recognises the importance of developing and maintaining strong ties with Asia that stretch beyond trade and economic interests. These relationships are imperative to its own prosperous future, and that of the wider region. With Asia's middle classes set to grow from around 500 million today to 3.2 billion in 2030, Australia can play a significant role in assisting the region with its growth and development in the future, as well as working towards common regional interests. The involvement of Asian investors in this mission will be crucial, and will benefit all.





2. Understanding Australia

Australia offers a wealth of opportunities for the overseas buyer or investor. But where in Australia should you go, and who can you approach for assistance? This chapter will help you answer these questions.

Any decisions you make must be founded on research – and lots of it. Market knowledge is one of the keys to success in business overseas and cannot be underestimated, even in advanced, stable economies like Australia. There is a lot to learn about doing business in Australia. Despite quite transparent regulations, foreigners may sometimes find the extensive bureaucratic processes and cultural nuances confusing. It is particularly important to understand the specific market or industry you're considering connecting with, as although Australia has a small population, it is a large and diverse country.

This chapter provides detailed information on the things you should consider before moving into Australia. It will help you understand Australia's diversity and state-specific opportunities and capabilities. What is more, it will also discuss the major economic contributing areas and infrastructure in each of the states, as well as governments and the key associations and government bodies that can help you navigate the market.

A guide such as this cannot possibly list all the opportunities or capabilities available in a country like Australia. For this reason, this guide should not be your only source of information, rather a starting point. It is important that you conduct your own in-depth research before making decisions about your future in the Australian market.

As highlighted earlier, Australia is a federation of six states and two territories. Sydney and Melbourne are the two largest cities, where you will find many head offices for major businesses, both domestic and multinational. However, that being said, much of Australia's economic growth and opportunities come from outside these two cities and instead from regional parts of Australia.



The Australian Government identifies the key opportunities for investment and the export of Australian goods as:

- Agribusiness and food
- Infrastructure development, particularly of tourism-related and major infrastructure
- Resources and energy, including mining and renewable energy technology and development of infrastructure
- Advanced manufacturing, services and technology.

There is also a strong focus on developing Northern Australia, which encompasses the areas above the Tropic of Capricorn in Queensland, the Northern Territory, and Western Australia, and often referred to as the 'Northern gateways to Asia'. The Northern Territory's capital, Darwin, is the same distance from Manila, in the Philippines, as it is from Melbourne in the southern state of Victoria. Northern Australia offers extensive potential for investment to grow infrastructure and embrace opportunities in mining and energy. There are also great opportunities for trade, with the massive food production output from these areas and their proximity to Asia, combined with excellent port and air transport. Various opportunities will be discussed later in this chapter.

When investing in a particular state or territory, Australian Government approval is generally not required unless an investment proposal is large, significant, or involves aspects that fall under Australian law and oversight such as environmental or regulatory approvals. In these cases, the Australian Government may be a critical determinant of how and when a proposed investment may proceed. Whether or not Australian Government approval is required, once any investment or business is in place it is expected to comply with all Australian Government requirements, including those relating to taxation and laws. This is in addition to complying with international obligations such as free trade agreements. Further information on the Australian Government's role in investments can be found at: www.australia.gov.au.

Government structures

Government structures vary across Australia, so when choosing a location, investors should consider the structure in place in the particular state or territory, and which local and state government departments could assist them.

State governments, like the Australian Government, are based on the Westminster system of government, with elections held every three or four years. State government ministers are elected Members of Parliament (MPs) chosen by the Premier – the leader of the ruling party which forms Government. Ministers form the cabinet, with each being the head of one or more 'portfolios' or areas of responsibility. Portfolio areas include health, education, transport and the arts, among others, and incorporate government departments and agencies whose job it is to implement policies and deliver services to their state's residents.

The government systems of the Northern Territory and the Australian Capital Territory differ to those of the states in that they are less independent. The Australian Government still oversees several key elements of how the territories are governed. The territories each have a Legislative Assembly and a Chief Minister who is the leader of the Assembly (rather than a Premier). Each state and territory also has local governments which oversee public matters like rates and local road maintenance. However, the structures of these vary from region to region, with some local governments in some states referred to as councils, and others called shires.

Sister states and cities

Each Australian state and territory has various diplomatic and trade links with states, provinces, cities and towns in Asian countries in the form of 'sister state' and 'sister city' relationships. If you're planning to conduct trade with a particular Australian city or town, ask the local government about these relationships. They can be very useful for getting official support and building networks.

2.1 KEY FACTS: STATES AND TERRITORIES

Australia has no shortage of opportunities for those looking to invest or conduct business there. However, due to factors such as location, population size, infrastructure development levels, agricultural land, weather and natural resources, each Australian state offers different prospects and comes with its own challenges. This section will give an overview of each of the states and territories, which may help you narrow your search for the ideal business location. The states have been profiled in order of their Gross State Product (GSP) per capita in 2015-16 (\$ value). The Northern Territory has the highest GSP per capita at \$96,906, followed closely by Western Australia (\$92,056) and Australian Capital Territory (\$89,975), all of which exceed the national GSP per capita of \$69,134.

Western Australia (WA)



Snapshot



CAPITAL CITY
Perth



TIME ZONE
GMT +8:00



CLIMATE
Tropical in the far north, desert in the east, 4 seasons in the south



MAINLAND COASTLINE
12,889 kilometres



TOTAL AREA
2.53 million square kilometre



POPULATION
WA: 2.6 million. Perth: 2 million



INTERNATIONAL AIRPORT
Perth Airport



FORECAST ECONOMIC GROWTH 2016-17
1.75%

Western Australia is Australia's largest state, equivalent in size to half of Europe – yet has a population of only 2.6 million. It is best known for its mining and resources industry, but increasingly opportunities are being created in other fields.

There are 138 local governments in Western Australia, supported by nine Regional Development Commissions. For more information, go to: www.dlhc.wa.gov.au.

History

The state is believed to have been visited by Portuguese sailors and Japanese pearl divers centuries before Australia was founded, with the first documented European landing in 1616 by a captain of the Dutch East India Company at what is now known as Dirk Hartog Island. The first official British settlement was the harbour town of Albany in 1826. The Swan River colony – now the city of Perth – was established three years later. WA was colonised as a free settlement, however convicts were brought from other parts of Australia as labourers until 1868. The 1800s saw many agricultural towns established around the Swan River colony and in 1898 Australia's biggest gold rush started near the town of Kalgoorlie. Today, Kalgoorlie still produces a significant amount of Australia's gold – its 'Super Pit' is the country's biggest open-cut gold mine. WA joined the Commonwealth on its establishment in 1901. The dream of gold and the introduction of the Trans-Australian Railway in 1917 helped boost the state's population to more than 270,000 by 1947. Subsequent British immigration increased the population significantly.

It is estimated that Aboriginals arrived in the state between 40,000 and 60,000 years ago. Today, more than 13 per cent of WA's population – almost 94,000 people – is Aboriginal. The Department of Aboriginal Affairs helps Aboriginal communities and businesses navigate opportunities and promote economic participation in the state's future growth. For more information, including details of land permits and management, go to: www.daa.wa.gov.au.

Geography and climate

Western Australia covers almost a third of Australia's land mass and its landscapes and climates are diverse. In southern areas there are four modest seasons, with summer and spring temperatures ranging from 25 to 35 degrees, September to March, and winter (June to August) bringing cooler weather ranging from 8 to 16 degrees. Eastern parts of the state are desert and the north is tropical. The north-west (from Broome and above) generally experiences a dry season from April to September with average daily temperatures of 29 degrees. The wet season usually arrives in October and lasts until March, bringing with it high humidity and temperatures in the high 30s.

Outside of Perth, southern WA's other major urban areas include the once-busy port of Rockingham, the popular tourist destination Mandurah, the former military post Bunbury, and Albany, 400 kilometres south of Perth and the oldest settlement in the state. The mining town Kalgoorlie sits in desert 600 kilometres east of Perth, while Geraldton is more than 400 kilometres north of Perth. Broome, in the



north-west of the state, 1680 kilometres from Perth, has around 16,000 permanent residents - this number can grow to more than 45,000 during peak tourist seasons. The coastal town of Port Hedland, 1320 kilometres north of Perth, is the next biggest in the region with a population of around 13,000.

Economy

The state's large land mass contains significant natural resources such as LNG, iron ore and various other minerals. As a result, Australia's major resources projects and related explorations are in WA – particularly in north-west areas.

Many international mining and energy companies have regional headquarters in Perth. Currently, more than 300 international companies have offices there including BHP Billiton, Rio Tinto and Woodside Energy. The city is also home to 700 ASX-listed companies, more than Sydney and Melbourne. These companies are not just related to the mining and energy industries, but also include insurance, professional, and scientific and technology-based firms. Many of these companies take advantage of Perth's geographical position, which places it in the same time zone as 60 per cent of the world's population. It takes as long to fly from Perth to Singapore as it does to Sydney.

As in the Northern Territory and parts of Queensland, some parts of WA may experience flooding and road cut-offs during the wet season, with storms and cyclones also impacting the movement of goods and resources via air, sea and ground. Transport, accommodation and higher wages are also needed to attract workers to remote areas. Bringing in labour from other parts of Australia to fill skill shortages is common in WA but can be costly.

WA'S TOP 5 EXPORTS & IMPORTS 2016

Top 5 goods exports:	A\$m
Iron ores & concentrates	53,024
Gold	17,750
Confidential items of trade	15,791
Crude petroleum	4,309
Wheat	2,487

Top 5 goods imports:	A\$m
Gold	7,009
Crude petroleum	2,942
Refined petroleum	1,972
Passenger motor vehicles	1,727
Heating & cooling equipment & parts	1,453

Source: Department of Foreign Affairs and Trade, 2017



Due to the state's emphasis on mining and resources, WA contributed just under 15 per cent to Australia's 2015-16 GDP with a GSP of \$240 billion in 2015-16. The resources industry is predicted to continue growing, with resources projects valued at \$107 billion under construction or committed in March 2017, and another \$51.7 billion worth under consideration. Such economic stimulation has contributed to WA having a GSP above the national average for the past decade. While growth is forecast to slow in 2016-17, the outlook remains positive with growth expected to increase to 3 per cent by 2018-19. Business investment in 2015-16 contributed to 22 per cent of WA's GSP, with services the predominant industry for employment (72 per cent).

While mining continues to be an important industry for the state and Australia as a whole, the WA Government is actively encouraging investment into other industries to help diversify the economy.

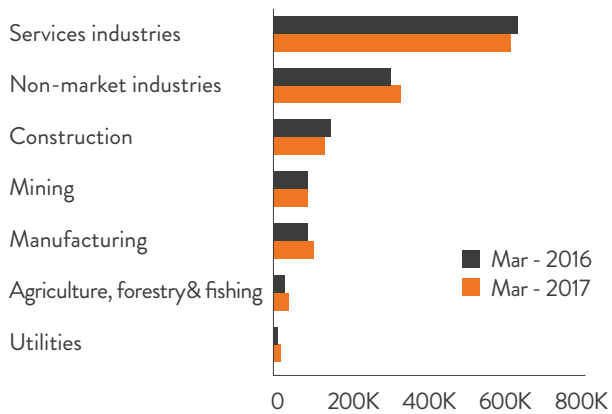
WESTERN AUSTRALIA'S MERCHANDISE TRADE: 2015-16

Exports				Imports			
Rank	Country	\$ billion	% share	Rank	Country	\$ billion	% share
1	China	48.2	48.4	1	China	4.8	13.9
2	Japan	14.2	14.3	2	Papua New Guinea	3.2	9.3
3	Republic of Korea	6.3	6.4	3	United States	3.0	8.8
4	Hong Kong	5.6	5.7	4	Japan	2.7	7.9
5	United Kingdom	4.5	4.5	5	Malaysia	2.3	6.9
	Other	20.6	20.7		Other	18.4	53.2
	Total	99.6	100		Total	34,651	100

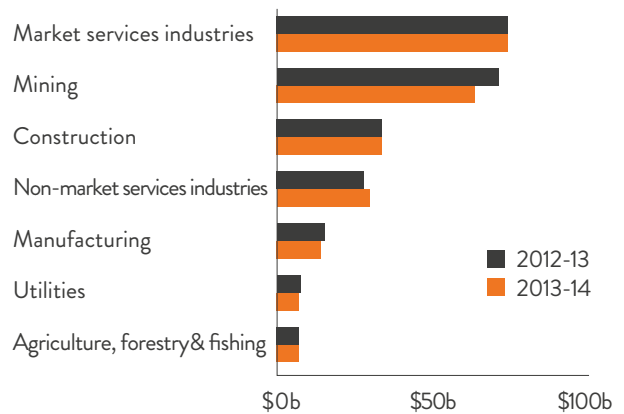
Source: Department of Foreign Affairs and Trade, 2017



INDUSTRY SECTOR EMPLOYMENT



INDUSTRY SECTOR NOMINAL VALUE ADDED



Source: Western Australian Department of State Development, 2017

Northern Territory (NT)



Snapshot



CAPITAL CITY
Darwin



TIME ZONE
GMT +9:30



CLIMATE
Tropical in the far north, desert and 4 seasons in the south



MAINLAND COASTLINE
5,437 kilometres



TOTAL AREA
1.35 million square kilometres



POPULATION
NT: 245,200. Darwin: 143,630



INTERNATIONAL AIRPORT
Darwin Airport



FORECAST ECONOMIC GROWTH 2017-18
1.0%

The Northern Territory (NT) presents significant growth potential when compared with other regions in Australia. This vast, sparsely populated area is expected to grow by around 20 per cent over the next five years. A major contributor to this growth is the construction and first years of operation of the Ichthys liquefied natural gas (LNG) project – a 40-year, \$34 billion project to access more than 12 trillion cubic feet of gas in the Ichthys field.

Live cattle export trade and the sale of cattle in the interstate markets (mostly Queensland and South Australia) dominates agricultural and fisheries production in the NT. Live cattle exports are forecast to continue rising. Also likely to contribute to the NT's growth, is Project Sea Dragon, a large-scale, integrated, land-based prawn aquaculture project that is expected to produce \$1.7 billion in export revenues for Australia. Moreover, the lease of Darwin Port to the Landbridge Group is expected to generate proceeds of \$431 million. These proceeds will be utilised on a range of projects to stimulate investment, as well as diversify the NT economy.

The local government structure consists of 16 shires or municipalities, almost half of which are responsible for managing infrastructure and services over a large area. Most of the local government revenue is supplied by the NT Government, with the local governments overseeing functions such as waste management and road infrastructure. When required, the two tiers of government collaborate. For more information, contact the NT Department of Local Government and Community Services, at: <https://dlgcs.nt.gov.au/>.

History

The first recorded European sighting of the Territory was by the Dutch in 1623, but there is evidence that Aboriginals have lived on the land for around 60,000 years. Port Darwin was named by the captain of the HMS Beagle in September 1839 in honour of Charles Darwin, who sailed on the ship's previous voyage. This was the first successful European settlement in the region. It became the town of Palmerston in 1869, and was renamed Darwin in 1911 when the Territory was separated from South Australia and brought under Commonwealth control. Before that, control had changed hands between New South Wales, Western Australia and South Australia.



Geography and climate

The NT is a land rich in geographic features. Over 20 national parks are located in the state and each park has its own unique set of characteristics. Most of the cities and towns of the NT lie on a north/south course along one of the only paved highways leading out from Darwin. The northern part of the state is known as the 'Top End'. It includes Darwin and the land comprising the northern quarter of the state. Arnhem Land is a smaller region comprising the area just to the east of Darwin. The Katherine Region lies to the south of 'Top End' and spans the width of the Northern Territory. South of Katherine is the Barkly Tableland, and the southernmost region is known as Central Australia, the Simpson Desert or Alice Springs.

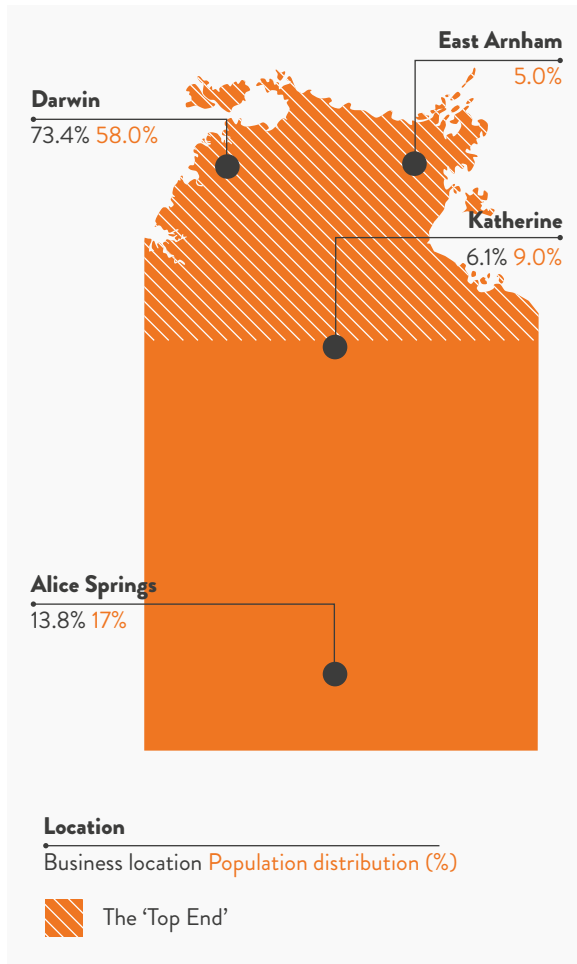
The Northern Territory has two separate climate zones: the tropical north, and dry, Central Australia. The Top End, which includes Darwin, Katherine and Arnhem Land, has a tropical climate, and has two distinct seasons, the 'wet' and the 'dry'. The wet season is from November until April and is characterised by increased humidity followed by monsoonal rains and storms. Temperatures typically range from a minimum of 25 degrees to a maximum of 33 degrees, and humidity levels can reach in excess of 80 per cent. The dry season lasts from May to October. During this time, the days are warm and sunny, while nights are cool. Typically, temperatures range from 21 to 32 degrees, and the humidity levels are around 60–65 per cent. Central Australia is semi-arid. What is more, instead of two seasonal changes, Central Australia experiences all four. From December to February (summer), average temperatures range from 20 to 35 degrees. From June to August (winter), the average

Key sectors for investment in the Northern Territory:

- Agriculture
- Energy
- Infrastructure
- Manufacturing
- Mining
- Property development
- Services industry
- Tourism.

temperature range is 3 to 20 degrees. Spring and autumn have warm days and cool evenings. It is important to note that temperatures in Central Australia can be extreme, dropping below 0 degrees overnight in winter, and rising above 40 degrees in summer.

BUSINESS LOCATIONS & POPULATION DISTRIBUTION



Source: Northern Territory Department of Business, 2016

Economy

The NT economy is relatively small, with 75 per cent of the Territory's government funding coming from the Australian Government due to the limited tax revenue from its small population. The economy is dominated by construction, government and community services, and mining industries.

The NT economy has grown significantly over the past decade, with GSP growing from \$16.9 billion in 2006-07 to \$423.6 billion in 2015-16. Economic growth, however, is forecast to be moderate in 2016-17 and 2017-18 as the NT transitions from investment-led to export-driven growth.

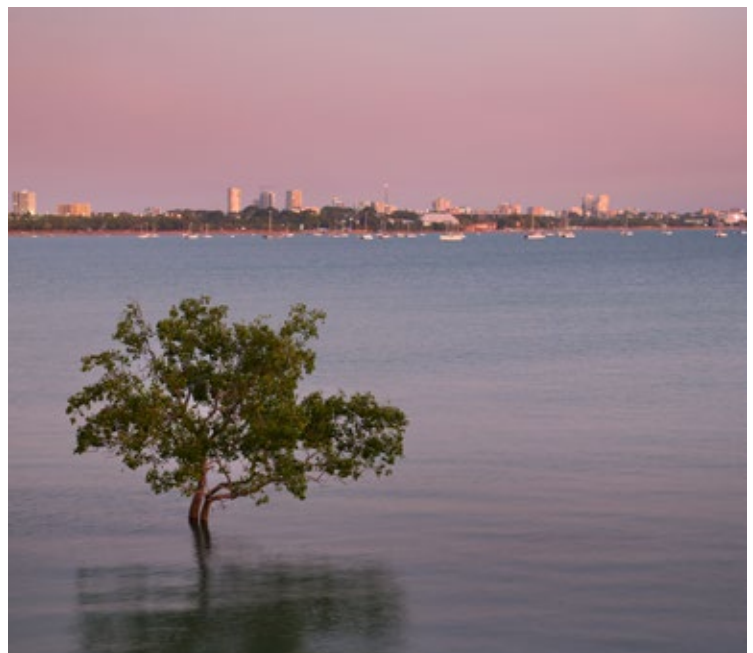
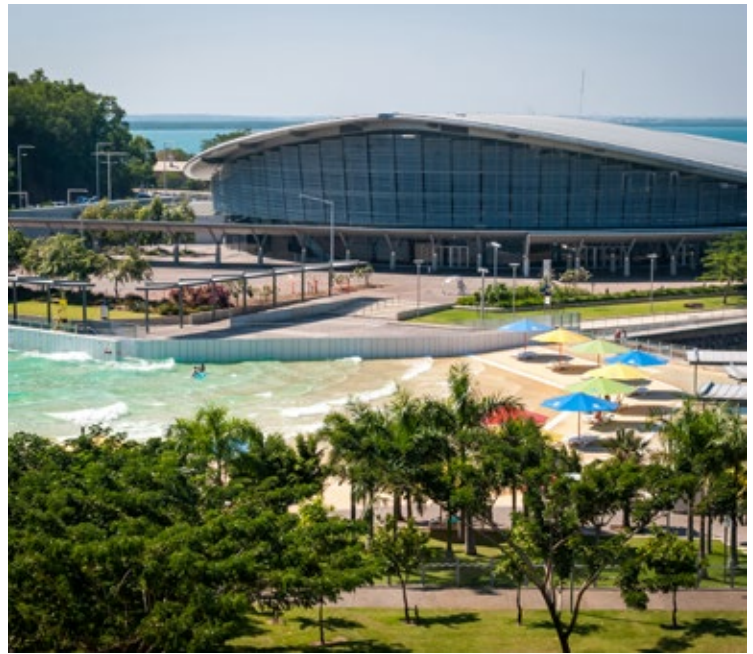
Opportunities for infrastructure exist in mining, expanding the tourism industry and strengthening agricultural production. Overall, the NT is strongly reliant on overseas trade, with international exports (mainly of goods) in 2015-16 contributing to almost one-third of total economic output. This was second only to that of WA and above the national average of 19.6 per cent.

On the 18 June 2015, the Australian Government released 'Our North, Our Future' - the first ever White Paper on developing Northern Australia. The Northern Australia Development Project promises to deliver a new \$5 billion Northern Australian Infrastructure Facility. This facility will provide concessional loans for the construction of major infrastructure such as ports, roads, rail, pipelines, and electricity and water supply. Overall, this project will enhance the economic outlook of the NT, along with that of WA and Qld.

Other investment opportunities:

- **Property development:** This includes farm and commercial land development, as well as retail property, residential property, schools, and industrial land estates.
- **Infrastructure development:** Further expansion and development of the Port of Darwin is one particular opportunity. Opportunities also exist in other ports and related industrial lands, railways and gas pipelines.
- **Manufacturing:** Openings are available for investment in biofuel refining, and downstream processing of minerals and natural gas.
- **Services:** Extensive opportunities exist in the services industry, many relating to the mining and energy boom. These include mining services and supply, and oil and gas services and supply. There are also various skill shortages in the oil and gas sector which new firms can address.
- **Agriculture:** Long-term projections in world population growth and the growth of the middle class will drive up the demand for food creating new opportunities to invest in the pastoral industry, horticultural production, and the commercial fishing industry.
- **Tourism:** Opportunities exist in accommodation to meet current tourism demand and growing corporate interest on the back of numerous resource, energy, construction, agriculture and defence projects.

For more information on investment opportunities, please visit: www.investnt.com.au.



NT'S TOP 5 EXPORTS & IMPORTS 2016

Top 5 goods exports:	A\$m
Confidential items of trade	2,741
Live animals (excl seafood)	472
Aluminium ores & conc (incl alumina)	331
Other ores & concentrates	331
Crude petroleum	260

Top 5 goods imports:	A\$m
Iron, steel, aluminium structures	510
Refined petroleum	416
Passenger motor vehicles	90
Confidential items of trade	86
Aircraft, spacecraft & parts	63

Source: Department of Foreign Affairs and Trade, 2017

Australian Capital Territory (ACT)



CAPITAL CITY
Canberra



TIME ZONE
GMT +10:00



CLIMATE
Dry. Summer temperatures: 12 to 27°C.
Winter temperatures: 1 to 12°C



TOTAL AREA
2,358 square kilometres



POPULATION
ACT: 395,200.



MAJOR AIRPORT
Canberra Airport – domestic flights plus chartered international flights



FORECAST ECONOMIC GROWTH 2017-18
2.75%

The Australian Capital Territory (ACT) is an administrative division of Australia, hosting the nation's capital city, Canberra, one of the world's only planned capital cities. Canberra and the ACT are located within the boundaries of New South Wales. The ACT does not have local councils, due to its small size.

History

The Territory was chosen by a ballot in 1908 to be the location of the country's capital. In 1909 the site of Canberra was chosen and the Parliament of Australia moved there from Melbourne in 1927. The area officially became the Australian Capital Territory in 1938.

The ACT has a long Indigenous heritage, sitting on the ancient lands of the Indigenous Ngunnawal people. The city of Canberra's name is believed to come from the Aboriginal word 'Kamberra', meaning 'meeting place'. When Europeans settled in the area in the early 1820s, hundreds of Aboriginals lived there. The first European settler, John Moore, established a stock station known as 'Canberry' which is the site on which Canberra is built today.

Geography and climate

Canberra is located 290 kilometres south of Sydney, 150 kilometres inland and 660 kilometres from Melbourne. The ACT is well connected to both Sydney and Melbourne by major roads and there are regular flights to all of Australia's state and territory capital cities.

The ACT has a cooler climate than other parts of Australia. Summer is from December to February and consists of warm to hot temperatures and low levels of humidity - temperatures range from 12 to 27 degrees. The hottest month is January, with daily averages of 29 degrees. As autumn arrives the weather begins to cool (March to May), with temperatures ranging from 7 to 20 degrees. Winter is from June to August, with temperatures ranging from 1 to 12 degrees and snow falling in the nearby Australian Alps. Spring (September to November) brings warmer weather, with temperatures ranging from 6 to 19 degrees.



Economy

Canberra and the ACT's economy is heavily influenced by the government sector. Canberra is the headquarters for the Australian Public Service (APS) and the primary offices for all Commonwealth Government departments are located there. The APS is Australia's largest employer with more than 150,000 employees across the nation. It is also the ACT's major employer and its purchasing activities impact upon local business and the Territory's population, as well as the surrounding New South Wales area. The ACT has one of Australia's fastest growing economies, expanding by 3.4 per cent in 2015-16. This has been supported by the current estimates predict above average growth will continue through to 2017-18, with the economy returning to the long-term growth rate of 2.5 per cent.

The ACT's GSP is heavily driven by public administration (34.5 per cent) – however, other major contributors to the economy are construction (11.3 per cent), professional, scientific and technical services (10 per cent), and education and training (7.9 per cent). The \$710 million Capital Metro light rail project, currently under way, has the potential to underpin construction work in the region for years to come, helping progress the economy. In terms of infrastructure, this planned city already has well-developed roads, housing and other forms of social infrastructure, with future government plans in place to develop some town centres. The City to the Lake strategic urban development plan, currently under consideration, potentially offers a range of investment opportunities.

Key sectors for investment in the ACT:

- Advanced manufacturing
- Antarctic and Southern Ocean
- Digital services and information technology
- Food and agriculture
- Forestry
- International education
- Mining and mineral processing
- Science and research
- Tourism.

ACT'S MAJOR EXPORTS & TOP 5 IMPORTS 2016

Major goods exports:	A\$'000
Gold coin & legal tender coin	28,851
Optical instruments	115
Special transactions & commodities	9

Top 5 goods imports:	A\$'000
Artwork & antiques	3,887
Aircraft, spacecraft & parts	832
Synthetic fibres	465
Computers	380
Measuring & analysing instruments	376

Source: Department of Foreign Affairs and Trade, 2017

New South Wales (NSW)



Snapshot



CAPITAL CITY
Sydney



TIME ZONE
GMT +10:00



CLIMATE
Temperate. Summer temperatures: 18 to 26°C . Winter temperatures: 7 to 16°C



MAINLAND COASTLINE
2,007 kilometres



TOTAL AREA
800,642 square kilometres



POPULATION
NSW: 7.7 million. Sydney: 4.9 million



INTERNATIONAL AIRPORT
Sydney Airport



FORECAST ECONOMIC GROWTH 2016-17
3.5%

New South Wales (NSW) is home to Australia's largest city, Sydney, and is ripe for investment with numerous opportunities ranging from agriculture to tourism. It is also Australia's primary hub for financial and professional services. The state has 152 general-purpose councils, 12 special-purpose councils and the NSW Aboriginal Land Council. For a comprehensive list of NSW councils, visit: www.lgnsw.org.au/about-us/council-links.

History

The state's history stretches well beyond its current borders. Home to its Aboriginal inhabitants for more than 45,000 years, it was also the site of the first documented landing of the British in Australia, when Captain James Cook's HMS Endeavour landed at Botany Bay in 1770. Cook claimed dominion over the territory for Great Britain under the name 'New South Wales'. The First Fleet in January 1788 brought more than 1,000 British settlers (including 778 convicts), and the first European settlement in Australia was established that year, now known as Sydney. As more land was explored, New South Wales' borders expanded to encompass many of today's states, including Victoria, Queensland and the ACT. The population grew with the arrival of more ships carrying convicts and eventually free settlers.

Today, NSW is the most populous state in Australia with 7.5 million people. The state has more than 31 per cent of Australia's total Aboriginal population, with the Office of Communities Aboriginal Affairs overseeing the engagement of Indigenous NSW people with local communities. For further information, visit: www.aboriginalaffairs.nsw.gov.au/.

Geography and climate

On the eastern coast of Australia, bordered by tropical Queensland to the north, cooler Victoria to the south and the dry Northern Territory and South Australia to the west, NSW has one of Australia's more moderate climates. NSW's wet season is from March to June, with moderate winters spanning from July to August. On average, temperatures from July to August range between 7 to 16 degrees. Snow can fall in the inland mountainous region of the state, which forms part of the Australian Alps - this includes Australia's highest mountain - Mount Kosciusko. Summer in areas including Sydney can be humid. Sydney's average summer temperatures range from 18 to 26 degrees, with spring and autumn slightly cooler and less humid.



Economy

The economy of NSW is larger than those of Hong Kong, Singapore or Malaysia. Sydney's location in a time zone between the closing of financial markets in the US and opening in the UK contributes to its role as a truly international city for business.

The state's biggest industry output – at 86 per cent – is services. Banking, insurance and finance, legal, accounting and engineering are all crucial to the economy. In July 2014, 46 per cent of all people employed in finance and insurance in Australia were in NSW – that is 196,800 people or five per cent of the state's total workforce.

The export of services is key to NSW's success. Businesses in the creative industries, digital economy, professional services and visitor economy sectors are particularly strong compared to the rest of Australia and grew 11.8 per cent in nominal terms to \$28.6 billion in 2015-16. Other sectors that thrive in NSW include agriculture and food, ICT, as well as defence and aerospace related industries. As in the rest of Australia, mining and resources are important, and NSW is putting a growing emphasis on renewable energy, with these industries supported by the state's extensive infrastructure – including, the country's busiest airport, as well as second-largest throughput container port, consisting of four major commercial sea ports and two regional ports. In addition, a vast road network of almost 185,000 kilometres further supports the movement of goods, with a state-wide rail network connecting NSW to neighbouring states.

Western Sydney is the current focus of much development – new infrastructure is being built, public-sector jobs are moving there and 'Smart Work Hubs' are being trialed to increase employment in the area.

NSW'S TOP 5 EXPORTS & IMPORTS 2016

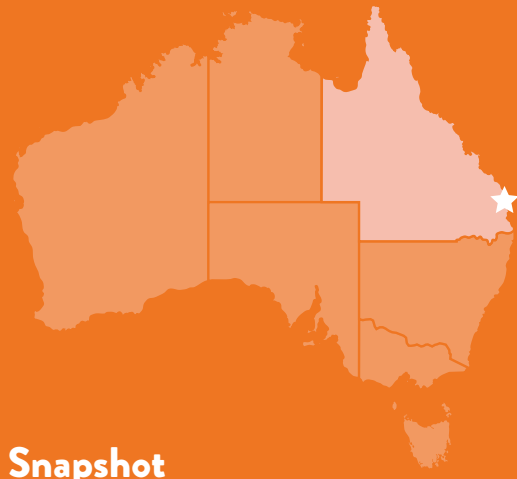
Top 5 goods exports:	A\$m
Coal	12,452
Confidential items of trade	2,627
Copper ores & concentrates	2,294
Beef	1,360
Aluminium	1,271

Top 5 goods imports:	A\$m
Telecom equipment & parts	9,498
Passenger motor vehicles	7,546
Medicaments (incl veterinary)	6,847
Refined petroleum	6,280
Computers	5,477

Source: Department of Foreign Affairs and Trade, 2017

Queensland

(QLD)



Snapshot



CAPITAL CITY
Brisbane



TIME ZONE
GMT +10:00



CLIMATE
Mostly sub-tropical to tropical. Summer temperatures: 20 to 29°C. Winter temperatures: 9 to 22°C



MAINLAND COASTLINE
6,973 kilometres



TOTAL AREA
1.734 million square kilometres



POPULATION
QLD: 4.8 million. Brisbane: 2.3 million



INTERNATIONAL AIRPORTS
Brisbane, Cairns, Townsville, Gold Coast



FORECAST ECONOMIC GROWTH 2016-17
2.75%

Queensland is known to tourists the world over for its major attraction, the Great Barrier Reef. What is more, this northern state has much to offer the investor.

The Queensland Parliament is Australia's only 'unicameral' parliament, meaning that it has just one House – the Legislative Assembly. The state has 77 local government bodies that are responsible for local public services and utilities. These cover large areas which often means more streamlined local government processes, as well as more consistent laws. Some local government areas also include marine territory.

For further information about local governments in Queensland, go to: <http://www.dilgp.qld.gov.au/local-government-directory/>.

History

Around a third of Queenslanders are migrants or children of migrants with the state having a large proportion of people with heritage associated with the British and European settlers of the 19th century. Queensland became independent as a colony from New South Wales in 1851. Brisbane was established in 1825 as a penal settlement for the more difficult convicts sent to Australia from England. However, the penal settlement was closed down in 1839, and Brisbane established itself as a permanent settlement that flourished after Queensland's independence. Strong commodities industries, including gold and wool, helped grow the state's population in the lead-up to joining the Federation of Australia in 1901.

Queensland is home to more than 28 per cent of Australia's Aboriginal population. The Queensland Government Department of Aboriginal and Torres Strait Islander Partnerships oversees relevant policy and service delivery to Indigenous Queenslanders, promoting cultural engagement. For more information, visit: www.datsip.qld.gov.au/.

Geography and climate

Queensland is Australia's second-largest state. It is almost five times the size of Japan and seven times the size of Great Britain. Unlike other states where most of the population lives in the capital city or urbanised areas, half of Queensland's population lives outside of its capital city, Brisbane.

The climate in Queensland ranges from tropical in the north, to subtropical in the southeast. The western region contains desert dry landscapes. The southern parts of the state experience mild seasonal changes, while the north has specific wet/monsoon periods, as well as a dry season. The average maximum and minimum temperatures for Brisbane are 25.3 degrees and 15.7 degrees. In Stanthorpe, temperatures range from 21.6 to 8.8 degrees, with occasional snowfall. At Mount Isa in Central Queensland the range is 32.4 to 18.3 degrees and at Cairns in the north, 31.8 to 22.7 degrees.



Key sectors for investment in Queensland:

- Mining and resources
- Tourism
- Urban development
- Agribusiness and food
- Knowledge industries.

For further details on investment-ready projects and other opportunities in Queensland across all industries, see: www.tiq.qld.gov.au/invest/investment-ready-projects-in-queensland/.

Economy

Queensland's economy is stable, with 2.75 per cent growth forecast for the financial year 2016-17. It is one of Australia's fastest-growing economies, and was Australia's second-largest international merchandise exporter (by value) in 2015-16.

It is a significant producer of food and has a considerable amount of Australia's resources and commodities, including more than 34 billion tonnes of raw, in situ coal and large reserves of liquefied natural gas (LNG). As Queensland continues to attract significant investment in mining and resources as well as tourism, there are vast opportunities for infrastructure and urban development, as well as progression of knowledge-related industries.

Queensland has specialist expertise in innovation, engineering, technology, mining and agriculture. Infrastructure is good and the state has the country's most competitive payroll tax regime. Queensland is well known for its expertise in tropical related fields, such as: health and tropical disease; tropical agriculture including aquaculture, biosecurity and environmental management; and tropical infrastructure and living.

The State Government Department responsible for trade and investment, Trade Investment Queensland (TIQ), can direct you to the relevant bodies for your specific area of interest. TIQ also has a strong presence across Asia with offices and representation in China, Hong Kong, India, Indonesia, Japan, Korea, and Taiwan. For more information, visit: www.tiq.qld.gov.au

QUEENSLAND'S TOP 5 EXPORTS & IMPORTS 2016

Top 5 goods exports:	A\$m
Coal	21,079
Confidential items of trade	13,882
Beef	4,199
Copper	1,863
Vegetables	1,149

Top 5 goods imports:	A\$m
Passenger motor vehicles	4,202
Refined petroleum	3,509
Crude petroleum	2,412
Goods vehicles	2,076
Confidential items of trade	1,506

Source: Department of Foreign Affairs and Trade, 2017

Victoria (VIC)



Snapshot



CAPITAL CITY
Melbourne



TIME ZONE
GMT +10:00



CLIMATE
Temperate. Summer temperatures: 15 to 26°C. Winter temperatures: 7 to 14°C



MAINLAND COASTLINE
2,512 kilometres



TOTAL AREA
277,416 square kilometres



POPULATION
VIC: 6.0 million. Melbourne: 4.5 million



INTERNATIONAL AIRPORT
Melbourne Airport



FORECAST ECONOMIC GROWTH 2016/17
3.0%

Victoria offers various opportunities for investment, ranging from infrastructure development in the world's most liveable city, Melbourne, to agribusiness and tourism. The state of Victoria has 79 local councils (with Melbourne encompassing several). A list of councils can be accessed via: www.knowyourcouncil.vic.gov.au.

History

Victoria has been home to Aboriginal communities for more than 40,000 years. British explorers sailed through Bass Strait in the late 1700s and early 1800s, with the French being the first to properly survey the coastline in 1802. Melbourne was officially founded by John Batman in 1835.

Victoria was part of NSW until 1851 when it became its own colony of the British Empire, joining the Commonwealth of Australia in 1901. When separating from NSW, Victoria's population was around 77,000, with only 23,000 in Melbourne. Nonetheless, Melbourne was already growing as one of the key centres for Australia's wool trade. The gold rush in areas near Ballarat and Bendigo followed soon after, attracting immigrants from around the world – particularly Chinese and Irish.

Over the years, many of Australia's 'firsts' occurred in Victoria, including the first steam railway line, first telephone exchange, and first set of traffic lights. The rapid growth of Melbourne eventually slowed around 1905, making Sydney the largest city in Australia. Melbourne was Australia's capital city until 1927 - after which, the nation's capital moved to Canberra. Victoria continued to grow, with key industries including farming, gold mining, services, manufacturing, dairy and wool. Like other states, Victoria's Aboriginal communities play a significant role in their local areas.

Geography and climate

Victoria is positioned at the south-eastern end of Australia, with Tasmania off its coastline and NSW and South Australia at its borders. Like SA and Tasmania, Victoria has four distinct seasons. Although summer maximum temperatures average 25 degrees, the state does have summer days that reach into the 40s. Maximum winter averages for Melbourne are generally around 14 degrees, however cold snaps can see temperatures get close to zero, with snowfall occurring in the Victorian Alps. The state is known for its changeable weather, with many Australians describing Melbourne's weather as 'four seasons in one day'. Rainfall is highest between May and October, with October usually the wettest month and June and July the coldest.

Economy

Victoria's economy is diverse. Key areas include:

- Agribusiness
- Professional services
- Creative industries
- ICT
- International Education
- Construction



- Manufacturing
- Defence and infrastructure
- Tourism
- R&D (including medical).

Many foreign companies have headquarters in Victoria, including BP, Royal Dutch Shell, Exxon Mobil, Energy Australia, Toyota, CITIC Resources, BUPA, Cargill and Glencore Grain. Six of the top 10, and 29 of the top 100 Australian companies have established their headquarters in Melbourne.

For information on industry capabilities, as well as opportunities in Victoria, please visit: <http://www.invest.vic.gov.au/resources/fact-sheets-and-brochures>.

Melbourne's well-developed infrastructure includes:

- Four deep-water ports, including the Port of Melbourne, Australia's largest and busiest container port
- Two major curfew-free airports, including Melbourne Airport just 25 minutes from the city
- A dense and diverse concentration of educational, technology, health and research infrastructure (including Australia's only synchrotron and the new Peter Doherty Institute for Infection and Immunity)
- Fast national broadband
- Reliable low-cost electricity and gas supplied by a privatised, deregulated energy sector
- Some of the world's best-quality water (backed up by HACCP quality assurance), with supply guaranteed by one of the world's largest desalination plants
- World-class events and entertainment infrastructure for Australia's busiest events city.

Today, Victoria is home to over 6 million people with around 4.5 million living in Melbourne, Australia's fastest-growing capital city. The city boasts a skilled, creative, educated and multicultural workforce developed through an internationally competitive higher education and vocational training sector. Melbournians come from more than 200 nations, with more than half having been born overseas or having a parent who was born overseas.

The Economist Intelligence Unit has ranked Melbourne as the world's most liveable city for seven consecutive years.

Key sectors for investment in Victoria:

The Victorian Government has established the \$200 million Future Industries Fund to support six high-growth sectors that have potential for extraordinary economic growth, to create jobs and attract investment in Victoria:

- Medical technologies and pharmaceuticals
- New energy technologies
- Food and fibre
- Transport, defence and construction technologies
- International education
- Professional services.

The Future Industries Fund will offer grants of up to \$1 million. Grants of up to \$500,000 will also be offered to companies engaged in manufacturing – recipients do not need to be part of the six high-growth sectors but will be expected to contribute at least \$3 for every \$1 in grant funding awarded.

The focus will be on projects that create the most jobs, and projects unlikely to succeed without government support.

More information, visit: <http://yoursay.business.vic.gov.au/futureindustries/>.

VICTORIA'S TOP 5 EXPORTS & IMPORTS 2016

Top 5 goods exports:	A\$m
Wool & other animal hair (incl tops)	1,651
Passenger motor vehicles	1,406
Meat (excl beef)	1,204
Edible products & preparations, nes	1,054
Beef	992

Top 5 goods imports:	A\$m
Passenger motor vehicles	7,104
Crude petroleum	2,495
Confidential items of trade	2,420
Goods vehicles	2,153
Telecom equipment & parts	1,703

Source: Department of Foreign Affairs and Trade, 2017

South Australia (SA)



Snapshot



CAPITAL CITY
Adelaide



TIME ZONE
GMT +9:30



CLIMATE
Dry. Summer temperatures: 16 to 29°C.
Winter temperatures: 8 to 16°C



MAINLAND COASTLINE
5,607 kilometres



TOTAL AREA
2,358 square kilometres



POPULATION
SA: 1.7 million. Adelaide: 1.3 million



INTERNATIONAL AIRPORT
Adelaide Airport



FORECAST ECONOMIC GROWTH 2016-17
2.0%

South Australia (SA) is often referred to in Australia as the 'festival state' due to the number of arts and cultural festivals it holds throughout the year. The capital Adelaide is Australia's fifth-largest capital city.

SA has 68 local councils, with councillors and staff managing more than \$8 billion worth of local community infrastructure, as well as investing around \$1 billion a year in providing services. For more information, visit: www.lga.sa.gov.au.

History

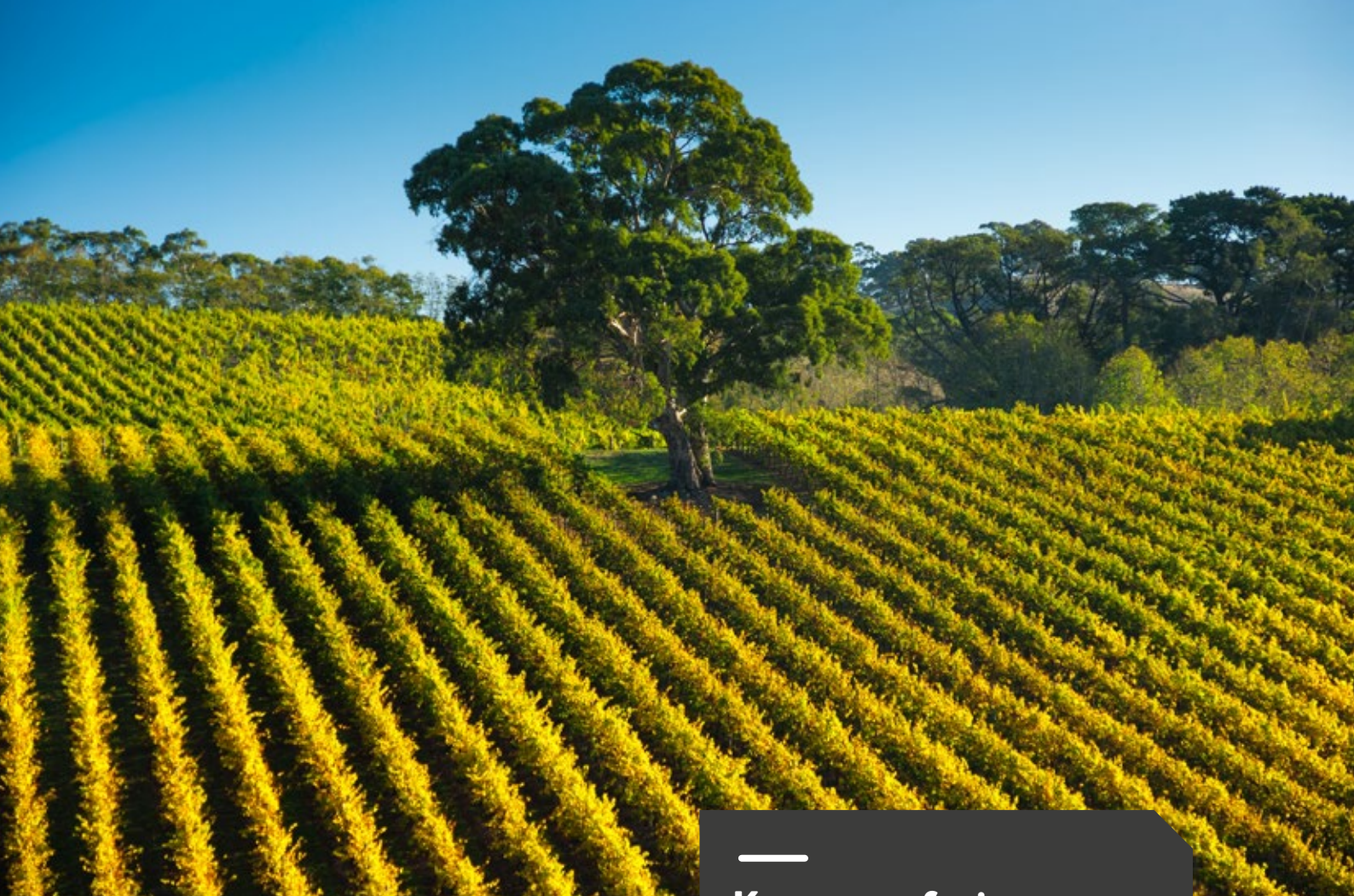
South Australia was first sighted by a Dutch ship in 1627 and the coastline circumnavigated in 1801-02 by Matthew Flinders on a British Royal Navy ship. In 1829, the British discovered the Murray River and SA's lakes. Noting the lands potential, the explorers requested that a colony be created by free settlers, with no convicts as labourers. This was approved by British Parliament in 1834. In particular, the aim was to create a society with both religious and political freedom, as well as establish an economy based on business and farming. Soon after, the first ship of free settlers from England arrived, and the future site for metropolitan Adelaide was established in 1836 on the River Torrens.

The colony became self-governing in 1857 and a state of the Commonwealth in 1901. Much of the state's cultural heritage, particularly in the Adelaide Hills area and Barossa Valley, is German, thanks to an influx of migrants. More recently, migrants have come from China, Italy, Greece, India, Vietnam and Africa, as well as from the Middle East.

Adelaide is built on the land of the Kurna Aboriginal people who, with other South Australian Indigenous people, remain active in community engagement.

Geography and climate

SA shares land borders with Western Australia, the Northern Territory, Queensland, New South Wales and Victoria. The climate varies across the state, ranging from mild and wet in the south and coastal regions to hot and dry in the interior, with some deserts. Adelaide is the driest of all the Australian capital cities and generally has warm, dry summers and mild, wet winters. Winter is typically from June to August with average temperatures ranging from 8 to 16 degrees. The spring months of September to November see temperatures ranging from 11 to 22 degrees and summer (December to February) ranging from 16 to 29 degrees. In summer, some days can reach as high as 45 degrees. The weather cools down in autumn with averages of 12 to 23 degrees.



Economy

SA's strengths range from exports in minerals and wine, to potatoes and IT services – with the shift beyond traditional areas of agriculture and advanced manufacturing opening up several investment and trade opportunities.

The predominant industry is services, accounting for 52 per cent of the GSP, with the mining and minerals industries' participation in the economy intensifying. The SA Government is keen to develop and invest in a diverse range of industries, and opportunities exist in renewable energy, health and defence.

Adelaide offers lower labour costs – nine per cent below the Australian average – and some of the lowest property and construction prices of all Australian mainland capital cities. It also has the lowest cost of living of all capital cities.

The SA Government is working to make investment easier by appointing a Coordinator-General to assist with investment stimulation for projects worth more than \$3 million, as well as implementing a red-tape reduction program.

Key sectors for investment in South Australia:

- Minerals and Energy
- Agriculture
- Renewable Energy
- Advanced Manufacturing
- Defence
- Health
- Education.

SA'S TOP 5 EXPORTS & IMPORTS 2016

Top 5 goods exports:	A\$m
Alcoholic beverages	1,451
Copper	1,128
Confidential items of trade	1,046
Wheat	1,040
Copper ores & concentrates	714

Top 5 goods imports:	A\$m
Refined petroleum	966
Passenger motor vehicles	710
Goods vehicles	391
Vehicle parts & accessories	361
Confidential items of trade	302

Source: Department of Foreign Affairs and Trade, 2017

Tasmania (TAS)



Snapshot



CAPITAL CITY
Hobart



TIME ZONE
GMT +10:00



CLIMATE
Temperate. Summer temperatures: 17 to 23°C. Winter temperatures: 3 to 11°C



MAINLAND COASTLINE
2,833 kilometres



TOTAL AREA
68,401 million square kilometres



POPULATION
Tasmania: 518,500. Hobart: 221,000



MAJOR AIRPORTS:
Hobart, Launceston, Devonport and Burnie



FORECAST ECONOMIC GROWTH 2016-17
2.3%

Although the smallest Australian state, Tasmania offers a wide range of investment and trade opportunities. The state has 29 councils overall, with the list of councils available from: www.lgat.tas.gov.au/.

History

The island now known as Tasmania was first sighted by Dutch navigator Abel Tasman in 1642 and named 'Van Diemen's Land'. In 1803, a British colony was established at Risdon Cove on the Derwent River. The first settlers to arrive brought convicts as labourers and subsequently penal settlements were built. Not long after, these penal settlements developed a reputation as being the worst of their kind.

In an attempt to shrug off this stigma, Van Diemen's Land was renamed Tasmania in 1856, following the abolition of convict transportation. The 1870s gold rush kick-started the exploration of Tasmania's natural resources that continues today. As elsewhere, the disease and war brought by colonisation meant the number of Indigenous people living in Tasmania has dwindled. The ABS estimates 25,845 Indigenous people live in the state today – just 3.6 per cent of Australia's Indigenous population, and one of the lowest ratios in the country.

Tasmania did not attract a wide range of migrating cultures until later in the 20th century. Some Chinese pioneers came to Tasmania in the late 1800s for commodity mining, but most early migrants were Western Europeans – Germans, Polish, Dutch and British. Today the state has initiatives in place to attract migrants from interstate and overseas.

Geography and climate

The island state of Tasmania which also encompasses King Island and Flinders Island, sits 240 kilometres southeast of mainland Australia.

Tasmania has around one per cent of Australia's total land mass and spans 296 kilometres from north to south, and 315 kilometres from east to west. The state also has a marine area of 22,357 square kilometres. Its population is one of the most dispersed of any Australian state. More than 58 per cent of residents live outside the capital city, Hobart. Twenty per cent of the population lives in the major northern city, Launceston, and another 20 per cent in the north-west coastal areas, including the cities of Devonport and Burnie. Hobart is Australia's smallest capital city, housing around 40 per cent of the state's residents.

Tasmania's weather is characterised by four distinct seasons, with each season having its own individual features. December to February (summer) is the warmest months, with temperatures ranging from 17 to 23 degrees. During autumn, the average low is around 11 degrees and average high around 20 degrees. Winter (June and July) temperatures can sit anywhere between 3 to 11 degrees.



Economy

Tasmania is rich in resources, is a significant renewable energy centre that produces 85 per cent of Australia's renewable energy, and has a thriving tourism industry. It is also known for producing some of Australia's highest-quality agribusiness and food-related products. As the gateway to Antarctica, it also has strong scientific and research linkages. Its government is pro-business.

The costs of operating in Tasmania are generally much lower than on the mainland – it has the lowest wage system, cheapest office space of any Australian capital city, and more reasonable land prices. Hobart has one of the highest ratios of scientists per capita in Australia, and the state's overall workforce is highly skilled. It has one of Australia's most stable labour markets, with the second-highest retention rate and the best industrial relations record. Tasmania's infrastructure is another plus, with well-established renewable energy systems and excellent irrigation infrastructure. Supply chain management and logistics are supported by freight-only rail networks, regular shipping services and processes that allow airfreighted produce to arrive within 48 hours of dispatch in markets overseas.

TASMANIA'S TOP 5 EXPORTS & IMPORTS 2016

Top 5 goods exports:	A\$m
Zinc	571
Aluminium	415
Confidential items of trade	332
Iron ores & concentrates	238
Beef	156

Top 5 goods imports:	A\$m
Other ores & concentrates	168
Refined petroleum	117
Animal feed	76
Residual petroleum products, nes	27
Fertilisers (excl crude)	24

Source: Department of Foreign Affairs and Trade, 2017

2.2 KEY INDUSTRIES

A handful of industries underpin Australia's economy and there are excellent prospects for overseas investors looking to take advantage of their success. This section looks at each of these industries and offers state-by-state guides to the major opportunities available.

Agriculture and agribusiness

Farmers in Australia provide 93 per cent of the nation's domestic food supply. What is more, Australian produce is in high demand around the world. It is estimated that agricultural exports in 2016 accounted for \$47.5 billion worth of revenue and consisted mainly of beef, wheat, meat, dairy, wool, cotton, wine, barley and seeds/fruit.

The range of produce grown in Australia is wide. Stringent biosecurity rules have kept many states clear of the pests that blight other countries' food production, while investment in R&D means constantly improving quality and efficiency.

Perhaps one of the largest prospects for the overall industry is the Ord Irrigation Project on the border of Western Australia and the Northern Territory. This involves development of 14,500 hectares of high soil on the NT side which will provide opportunities for broad-scale agriculture over the next decade. Already more than \$500 million has been spent on developing irrigation channels, roads and other social infrastructure.

Livestock

Queensland is Australia's largest producer of beef and pork exports with beef cattle farms making up the largest proportion of the state's overall farm businesses. Meat exports from Victoria in 2016 were worth \$2.2 billion. Beef was the highest value export, making up 44 per cent of the total, followed by sheepmeat at 35 per cent.

South Australia contributes substantially to Australia's livestock processing including pork (24 per cent), lamb (18 per cent) and chicken (15 per cent). Additional opportunities exist in investment in meat processing facilities and expansion of markets for red meat exports and wool, as well as developing the manufacturing food industry. In 2016 red meat exports were worth \$440 million, with 50,000 tonnes of wool produced and 500 million litres of milk from 85,000 cows. SA hosts 15 per cent of Australia's total sheep headcount, processes a quarter of Australia's total tally of pigs and 15 per cent of processed chickens.

More than 48 per cent of the Northern Territory's total land mass is allocated for pastoral production. The cattle industry is the dominant sector, comprising 63.1 per cent of the overall agricultural industry. Cattle production is worth over \$300 million per year and has been steadily growing over the past few years. Even at this vast size, there is still potential to grow with several opportunities existing for investment in partnerships, joint ventures, purchases of farms, and equity investment.

WA's sheep industry

The sheep industry contributes significantly to the economy:



Wool \$582 million



Sheep meat \$410 million

- In 2016 the state had 13.8 million sheep and lambs
- WA produced 65.2 million kilograms of greasy wool in 2015-16 – over 95 per cent is high-quality merino wool with all exported interstate or overseas

Key wool markets are:



China (82 per cent)



India (9 per cent)

Various opportunities exist for investment to further expand the industry's lamb production. These opportunities include the processing and marketing of lamb, stronger supply chains, franchising breeding lines, and the development of niche marketing companies.

In 2014, the NT Government passed legislation to diversify commercial activities allowed on pastoral leases, which has increased the availability of land for activities other than cattle production such as horticulture, tourism and forestry. This adds to the other opportunities that exist across the Territory related to expanding horticulture production, aquaculture farms, and tropical forestry development.

NSW - Australia's leading agriculture and food exporter

With increasing international and domestic demand for its products, NSW agriculture and food industry exports are worth \$7.14 billion annually.

In fact, NSW attracts many investors due to it offering favourable growing conditions, a skilled workforce, advanced technology, and access to Australia's eastern seaboard.

Key facts:

- Over 175,000 people employed in the sector, including retail, wholesale and logistics
- The state's annual food retail (eg cafés and supermarkets) alone is worth \$45 billion
- Related businesses spend \$180 million annually on research and development
- Food and beverage processing contributes \$25.8 billion yearly to the industry
- \$1.1 billion per year comes from fishing and aquaculture.

Agricultural Competitiveness White Paper - Stronger Farmers, Stronger Economy

On July 4, 2015, the Australian Government released its Agricultural Competitiveness: Stronger Farmers, Stronger Economy White Paper (Agricultural White Paper). This initiative is designed to improve the growth and competitiveness of the Australian agriculture sector, with a particular focus on greater infrastructure investment. Overall, the Agricultural White Paper delivers a \$4 billion package to grow Australia's agricultural competitiveness.

Some of the key commitments outlined in the Agricultural White Paper include:

- Increase the deposit limit for Farm Management Deposits (FMD) (voluntary contributions which help farmers to manage the risk of seasonally-fluctuating income) to \$800,000 from July 1, 2016 while also lifting restrictions placed on the scheme to allow financial institutions to offer FMD accounts that provide an off set on a farm business loan. This offset will allow farmers to use their FMD's to reduce the interest they pay on business debt and improve their net cash position.
- Establish the National Water Infrastructure Development Fund which includes \$50 million to support the detailed planning necessary to inform future water infrastructure investment decisions; and \$450 million to construct water infrastructure in partnership with State and Territory governments and industry.
- Invest \$3.3 million for improved seasonal forecasting.
- Invest \$29.9 million over four years for farm insurance advice and risk assessment grants to help farmers select the best insurance product for their needs in the developing market.
- Establish a new concessional loans scheme for drought-affected farmers, with up to \$250 million to be made available each year over the next 11 years.
- Invest a further \$100 million to extend the Rural R&D for Profit Programme to 2021-22.

For more information on the Agricultural White Paper, go to: <http://agwhitepaper.agriculture.gov.au/white-paper/creating-fairer-farm-business>.

Grain production

Australia's largest producer of grain, **Western Australia**, produces 13 million tonnes per year with exports generating on average \$4 billion per year.

Victoria produced 21 per cent of Australia's barley and 12 per cent of its wheat in 2015-16. Three types of broadacre crops – cereals, oilseeds and pulses – are produced, mainly on farms in the western and northern parts of the state. Cereal (mainly wheat and barley) production represents around 80 per cent of Victoria's grain production, with wheat accounting for around 60 per cent of the total cereal crop. Since 1980, production of oilseeds and pulses has grown rapidly from 1 per cent to almost 20 per cent of total grain production.

There is scope to increase exports of bulk wheat from **South Australia** to Southeast Asian markets. The state produces 5.2 million tonnes of wheat per year, as well as 2.1 million tonnes of barley, 600,000 tonnes of pulses and 430,000 tonnes of oilseeds – all non-genetically modified. Eighty per cent of this grain is exported overseas with the top destinations being Indonesia and China (including Hong Kong).

New South Wales is another large producer of cereal and legume crops, such as wheat, barley, canola, chickpeas and rice. **Queensland** has the largest amount of 'certified organic' agricultural production land in Australia, accounting for 2.3 million hectares in total.

Dairy

Victoria is the Asia-Pacific's most productive dairy centre. Two-thirds of Australia's milk comes from the state's 1.1 million cows. More than 40,000 people are employed in dairy production, and total dairy exports in 2016 were valued at \$1.8 billion.

Australia's second largest dairy producer is **New South Wales**, accounting for 12 per cent of the national dairy production at a gross value of \$497 million. The state's milk production in 2016 is forecast to increase by five per cent, producing over 1 billion litres from 710 dairy farm businesses. Although New South Wales' dairy production is primarily targeted at domestic trade, the state's industry is capitalising on growing regional demand for high quality milk, successfully trialling in 2014 fresh exports to China. Various investment opportunities exist to assist the industry to expand into exporting to Asia.

Tasmania's dairy industry's exports are worth more than \$200 million, with the value of dairy production in 2014-15 worth \$442 million representing over 43 per cent growth in the last decade. The industry presents a range of opportunities including the establishment of new farms, purchase of existing ones and opportunities for joint partnerships.

In **South Australia**, a key area for investment is in dairy processing plants, particularly for liquid milk and powders. As a result of growing demand from Asia for extended-life milk products and infant milk powder, the market for South Australian milk products is intensifying. This is in addition to significant opportunities in farm-gate investment and the manufacturing of cheeses, yoghurts and butter.

The advantages of investing in Tasmania's agrifood industry

- The climate is cool and stable – not subjected to climatic challenges such as severe drought, hail storms and cyclones, unlike the mainland
- Tasmania's strict biosecurity regulations means it is the only Australian state free from fruit fly, potato cyst nematode and tobacco blue mold
- The state has an abundant water supply – 13 per cent of Australia's total run-off, and ground-breaking irrigation development worth \$230 million committed by government for a majority of agricultural areas
- Most Tasmanian agricultural producers are within 100 kilometres of a port or farm, providing quick access to supply chains
- High-quality R&D facilities and capabilities particularly in wine, dairy, vegetables and fruit.

Forestry

Tasmania's sustainable forestry industry produces quality hardwood products that are in demand across Australia and the world. Specific areas encouraged by the Tasmanian Government for investment include:

- Development of a biofuels and bioenergy sector utilising forest waste, including the production of torrefied wood, wood pellets and biodiesel
- Production of high-value building resources such as laminated veneer, lumber and cross laminated timbers
- Assistance in increasing exports of wood fibre and fibre processing.

For more information, go to the Tasmanian Government's Department of State Growth website: www.cg.tas.gov.au.



Q CASE STUDY

Green Lake Pty Ltd

Wayne Hou, Director

When Wayne Hou and Adam Wang juxtaposed Australia's "green and organic" image with China's significant food-safety issues, they found a business opportunity. The pair set up Green Lake Pty Ltd, bought a Western Australian dairy farm with 800 cattle, and set about developing a supply chain for fresh milk, honey, wine, infant formula, and healthy products and snacks direct from WA to China.

End-to-end control of that supply chain, to ensure the safety and quality of the product, was vital. Green Lake owns the farm, outsources local manufacture, and owns the Capel Farm brand and three Capel Farm-branded stores in the central eastern city of Zhengzhou, with plans to open 15 to 30 Chinese stores in 2016, and eventually 100. The stores sell products such as honey and wine under the Capel Farm brand.

"Based on our analysis, Australian products will continue to have growing popularity and great prospects in China," says Hou. "Yet to achieve this, maintaining the good quality and a green and organic image of Australian products is key."

Perth-based Hou says Green Lake encountered higher-than-expected investment and labour costs in Australia, adding to the relatively high cost of agricultural products and their processing and distribution. Brand building and savvy marketing helps justify the higher final cost of its products by highlighting their uniqueness.

"That's how we promote our wine and milk and honey. By doing this, we want consumers to think that the relatively more expensive products are very special.

"In addition, it is crucial to ensure that Chinese consumers receive 100 per cent pure Australian products through reliable marketing channels, as

there are many fake and inferior products appearing in the Chinese market."

Wang, who is based in Zhengzhou, has strong market and business connections there. Capel Farm is the only entity who owns both the physical as well as online stores selling Australian fresh milk in the second-tier city. Other international brands focus on the larger first-tier cities such as Beijing and Shanghai. The China-Australia Free Trade Agreement, which came into force in 2015, also helped smooth investment and marketing channels.

Hou advises newcomers to the Australian market to have a sound understanding of its business policies and investment regulations and laws, but believes that understanding the Australian business culture is the single most important factor deciding between success or failure for Asian business people and investors hoping to operate there.

Differences in culture, business operating styles and expectations can lead to misunderstandings, he says. "For instance, when I conduct business in Asia or China, I can deal with various problems in different ways," says Hou. "However, my Australian partners may not understand that way of doing business. In China, we can reach an agreement or form a partnership by shaking hands. But Australians are stricter with contract making, legal documents and engaging with lawyers after the formation of a partnership.

"If investors bring Chinese business culture to Australia they will encounter big problems during the investment procedure. Because for me, Australia's complete legal system and the equal investment environment for foreign investors is valuable and favourable for investment.

"Understanding and adjusting to each other is the key for a successful investment in Australia."

www.capelfarm.com.cn





Aquaculture & seafood - an important sector for Australia

Australia's global reputation for high quality and safe food also applies to its aquaculture and seafood production. The states and territories specialise in different species with the five highest value aquaculture groups being: salmonids, tuna, edible oysters, pearl oysters and prawns. Tasmania is the largest producer (29 per cent) followed by South Australia (19 per cent) and Western Australia (18 per cent).

Tasmania has the largest marine salmon-farming area in Australia, and is worth almost \$550 million annually. The industry has increased production targets, from 40,000 tonnes to 79,000 in 2040. The state's aquaculture industry is a leader in technological capabilities, offering advanced manufacturing, software systems and logistical infrastructure. Areas for investment include farming innovation, aquaculture production (particularly in new species), and value-adding and downstream processing operations.

South Australia produces 60,000 tonnes of seafood per year contributing around \$850 million to the economy. Much of the aquaculture industry is based in SA's coastal towns with yearly production of 875 tonnes of abalone, 1,900 tonnes of prawns, 7,500 tonnes of southern bluefin tuna and 1,500 tonnes of rock lobster. Asia is the primary receiver of SA's seafood exports, particularly the leading markets of Japan, Vietnam, China and Hong Kong. Investment opportunities exist in greenfield investments, establishment of the farming of new species and the opening of new markets in Asia.

Although the Northern Territory is the smallest contributor to Australia's overall aquaculture industry (two per cent), it is still a vital sector for its economy.

- Aquaculture production is in the coastal areas, generally close to Darwin
- The pearl industry (both from wild and farmed oysters) is worth more than \$10 million per year
- Farmed barramundi is worth \$8 million with expectations for continued growth in coming years
- More than 650 businesses are directly involved in the seafood industry.

Queensland - a leading agricultural producer

- Queensland is Australia's largest producer of beef, pigs, and vegetables.
- It is Australia's second largest producer of fruit, third-largest poultry meat producer and a significant producer of milk (worth \$220 million), eggs (worth \$204 million), wool (worth \$55 million), sheep and lambs (worth \$69 million), and kangaroos (worth \$12 million).
- Queensland is the biggest producer of tropical fruits including mangoes, avocados, limes and lychees, and produces 90 per cent of Australia's bananas (worth \$580 million).
- In 2015-16, Queensland was Australia's second-largest producer of strawberries, worth around \$150 million. This is in addition to the state producing more than 50 per cent of Australia's tomatoes (worth \$294 million), approximately 75 per cent of Australia's capsicums (worth \$142 million) and 40 per cent of Australia's sweetcorn (worth \$45 million).
- Queensland produces approximately 50 per cent of Australia's prawns, crabs and scallops and 25 per cent of Australia's finfish (excluding tuna and salmonoids).
- It is the largest producer of sugar cane – it produces 94 per cent of Australia's total sugar cane and 61 per cent of Australia's total sorghum. In 2015-16, sugar cane was estimated to be worth \$1.14 billion and sorghum \$312 million.
- The state grows 41 per cent of Australia's cotton (estimated value of \$535 million) – some of the world's highest-quality lint selling at premium prices.

Horticulture

Australia produces a wide variety of fruits, vegetables and nuts. Many businesses take advantage of Australia's southern hemisphere location to export out-of-season produce to the northern hemisphere.

Victoria's horticulture industry includes nearly 3,500 businesses and has a farm-gate value of nearly \$1.2 billion. It accounts for nearly half of Australia's horticulture exports – \$1.2 billion in 2015-16. Nuts (fresh or dried) were the highest-value commodity, with almonds making up 40 per cent of total horticultural exports. Pome, berry and stone fruit are predominantly sold to domestic markets, while almond and citrus fruits tend to be exported.

In 2016, there were more than 700 business in Victoria producing vegetables for human consumption, valued at \$840 million. The state is Australia's largest producer of asparagus, broccoli and mushrooms, and half of all vegetable production occurs in the Melbourne region. The industry is driven primarily by domestic markets but Victoria is still Australia's largest exporter of vegetables, contributing 45 per cent of vegetable exports value in 2015-16.

Opportunities also exist in expanding **South Australia's** horticulture industry, where major produce includes almonds, tomatoes, capsicum and mushrooms. The state government has made the production of apples, citrus and almonds a priority and there is scope to develop high-tech initiatives. South Australia produces one million tonnes of product per year, generating \$850 million in revenue. It produces a majority of Australia's potatoes while exporting 50,000 tonnes of citrus and 15,000 tonnes of almonds.

A major investment opportunity is offered by the **Northern Territory's** Tiwi Islands, located 60 kilometres offshore from Darwin with two large islands, Bathurst and Melville, and several uninhabited islands. The project involves leasing up to 10,000 hectares of land for horticultural crop production. Once approval has been provided by the Tiwi people, opportunities will exist in forestry, buffalo, aquaculture and tourism ventures.

The Territory is a key contributor to Australia's overall horticulture industry, growing 30,000 tonnes of mangoes annually which come into season earlier than other states. This is around 50 per cent of Australia's total mangoes, valued at \$70-80 million. The Territory's vegetable industry is worth \$60 million and centred on small farms around Darwin and Katherine. Cucumbers, bitter melons, okra and snake beans are primarily grown. Another key horticulture output is the increasingly popular ornamental plant industry. The NT specialises in tropical plants, producing \$16 million in turnover yearly.

Tasmania and **New South Wales** also offer various prospects for investment and trade, as well as future R&D partnerships.

New South Wales produces 40 per cent of Australia's citrus production and 15 per cent of the nation's vegetables. The eastern state also houses three of Australia's primary horticulture growing areas which include: Murrumbidgee Irrigation Area, the northern NSW coastal strip, and the Sunraysia District shared with Victoria.

Viticulture

Australia's various wine regions produce wines to suit every pocket and palate. South Australia's wine industry is responsible for 50 per cent of Australia's red wine production and 40 per cent of white wine production, with a gross revenue valued at \$1.8 billion. Some 62 per cent of Australia's wine exports come from SA. Investment opportunities include grape growing, wine production, integrated vineyard and winery businesses, distribution channels, and related services including food and tourism. There is particular growth potential with emerging markets including China, Japan and Korea.

Western Australia produces about 45 million litres of wine annually, representing nearly 5 per cent by volume of Australia's production, but 12 per cent of the value. It produces nearly one quarter of Australia's fine wines (specialty and super-premium). China is now WA's largest export market representing 35 per cent by value.

The New South Wales Government is actively encouraging the sustainable development of the viticulture industry. The Hunter Valley – just 1.5 hours from Sydney – was named one of the world's 10 best wine travel destinations by the American publication, *Wine Enthusiast Magazine*.

Although the Hunter Valley only produces two per cent of Australia's total wine output, the region consistently produces premier and award winning wine. This is one of the key contributing reasons to the Hunter Valley region being the 10th most popular tourist destination for international tourists and 13th for domestic tourists.

Victoria is home to 21 distinct wine regions and many award-winning wineries. There are independent growers that sell their produce to wineries as well as wineries that grow grapes for their own use.

With increasing demand for cool-climate varieties such as Pinot Noir and Chardonnay, several prospects exist for investors in Tasmania to either partner with existing landowners, purchase new land or use local expertise to expand vineyards. There is potential to work in collaboration with a winery or processing facility. Tasmania also produces high-quality beer.

Food and Beverage Processing

In Victoria food and beverage processing employs around 70,000 people and the state produces half of Australia's processed food, as well as 90 per cent of the nation's dairy product exports. A number of major multinational firms have established bases in Victoria, including Mars, Nestlé, Pepsi and Mondelez International.

The South Australian Government has increased its international processed food and wine exports from \$2.8 billion (2013-14) to \$3.2 billion in 2015-16. Such growth opens many avenues for access to new markets in Asia as well as R&D collaboration, increase in trade, distribution opportunities and investment opportunities throughout the state. Initiatives such as Advanced Food Manufacturing (AFM) grants are available to support the development of new and innovative food products.

The Victorian wine industry

- More than 800 wineries
- 21 wine regions, covering 25,000 hectares
- 2015-16 exports worth \$251 million
- Produces 30 per cent of the value of Australian wines
- Varieties include:
 - Riesling
 - Chardonnay
 - Pinot Noir
 - Shiraz Cabernet
 - Merlot
 - Sparkling wines
- The state's wineries are a leading international and domestic tourist attraction:
 - Wine related tourism has an economic value of more than \$1.5 billion
 - Wineries receive more than 1.5 million visitors.





Innovation

Underpinning Australia's role as a major food producer is a strong commitment to innovation.

The **Western Australian** Government has invested \$4.5 million in a three year Food Industry Innovation project to assist regional agriculture and food businesses to capture premium domestic and export market opportunities, through the Royalties for Regions program. Food Industry Innovation aims to facilitate businesses working together to better market their products, reduce their costs and coordinate production. This is through the establishment of a Premium Food Centre which assist business promote high value, low input products with a focus on the organics industry. In addition, a Specialised Food Centre was established to support collaboration between a broad range of agriculture and food businesses from across the South West, Wheatbelt and the Great Southern region to reduce costs by sharing inputs, such as knowledge, skills, technology and infrastructure.

Melbourne, **Victoria**, is an attractive location for R&D to support the agricultural sector. Its world-class universities produce cutting-edge research and give the state a ready supply of highly skilled scientist. Research centres in Victoria supporting agriculture include:

- The Commonwealth Scientific and Industrial Research Organisation (CSIRO), has ranked in the top one per cent of the world's scientific institutions in agricultural science
- Asia Pacific Centre for Animal Health (University of Melbourne)
- The Australia-China Joint Research Centre for River Basin Management (University of Melbourne)

- Australian Centre for Plant Functional Genomics (University of Melbourne)
- Australian Research Council Centre of Excellence for Integrative Legume Research
- Centre for AgriBio Sciences at Latrobe University, a world-class facility for agricultural biosciences research and development
- National Centre for Dairy Research, Ellinbank

In 2013-14, nearly \$40 million was spent in **New South Wales** on R&D by agriculture and food businesses, equal to a fifth of national R&D spending in the sector. The NSW Government is targeting investment at 'frontier' technologies, particularly in the agriculture, biotechnology, fisheries, functional foods and genomics sectors. In 2013-14 it directed more than \$1.1 billion to the NSW Department of Primary Industries (DPI), one of Australia's largest primary industry research providers. The DPI spends more than \$100 million on R&D each year and manages over 900 active research projects, focused on finding practical solutions to productivity and sustainability challenges.

Queensland has some of the country's leading biotech and food research facilities, many run in conjunction with Australia's globally recognised CSIRO and leading universities. These include the Food Pilot Plant at the Health and Food Sciences precinct in Brisbane, Centre for Advanced Animal Science in Gatton with the University of Queensland, and a variety of research centres at the Ecocentres Precinct in Brisbane. The Government is actively encouraging research centres and private investment into R&D across the state.

Regional development

Several states have introduced initiatives specifically to encourage agribusiness investment in regional areas.

For example, the **Western Australian** government and relevant industry bodies are focusing on building more vibrant regional communities by supporting market-based companies and developing better supply chains and stronger supply security. The aim is to help double the value of the sector by 2025. Investment opportunities include partnerships and capital investment, all of which can be discussed with the WA Department of Agriculture and Food (DAFWA) in more detail. They offer various diagnostic and overview tools to assist new investors with the industry and future trade partners.

The **Queensland** Government has launched the Mary Valley Economic Development Strategy, which aims to bring new farms to market quickly, and the Queensland Production Horticulture Workforce Development Plan to improve and support education and training for the production horticulture sector. Examples of large projects open to investment include the Northern Outback Abattoir Development, a new meat processing facility, and the Flinders Gilbert Agricultural Zone, a new irrigation area on river catchments in North Queensland. The State Infrastructure Plan, released by the Queensland Government in early 2016, also has a number of projects in regional areas.

Urban and infrastructure development

Across all states, there are opportunities in urban and infrastructure development.

For example, in **Victoria**, there will be significant opportunities for private-sector involvement in the Melbourne Metro Rail project, including in delivery, financing and urban precinct development. The project will include a new underground, high-capacity rail line servicing Melbourne's city centre and adjacent education, health and research precincts.

Construction commenced in 2017, with the project due to be completed in 2026. For more information visit: <http://www.invest.vic.gov.au/opportunities/major-infrastructure-projects/melbourne-metro-rail>.

Other Victorian opportunities include:

- The removal of level crossings and redevelopment of rail lines across Melbourne offering prospects for development of land and infrastructure in surrounding crossings. Further information can be found at <http://levelcrossings.vic.gov.au/>.
- The Murray Basin Rail Project, to standardise the rail freight lines servicing the Murray Basin region in the north-west of the state and upgrade Victoria's rail freight network. The Victorian Government has committed \$220 million for the 2015-16 budget.

Urban and infrastructure development in Queensland

- Construction and infrastructure is the state's largest employer.
- In the 2017-18 Queensland Government budget, \$43 billion was allocated to infrastructure over the next four years.
- Significant areas of expenditure include:
 - \$3.9 billion for transport and roads.
 - \$605 million for construction and refurbishment of education and training assets.
 - \$916 million for health facilities and supporting infrastructure across urban, rural and regional areas.
 - \$2 billion for energy and water.
- Queensland accounts for 31 per cent of all civil construction in Australia.

Opportunities exist for foreign investment in Western Australia including:

- **Transport:** Roads, rail and developing new ports and airports.
- **Energy:** The expansion of electrical power networks as regional areas grow, with the building of both natural gas and petroleum pipelines, is a key focus of the WA Government.
- **Water-related infrastructure:** In addition to water irrigation systems in the north of the state, demand requires development of water supply and storage facilities, as well as sewerage and management of waste water.
- **Social infrastructure:** Building hospitals, schools, colleges, universities, prisons, courthouses and community housing. This is in addition to the development of cultural and sporting facilities and various opportunities in developing tourism infrastructure.

The WA Government has committed to the Metronet rail project in Perth. Already \$1.2 billion has been committed with additional funding to be allocated in future years. Metronet is due for completion in 2023.

New South Wales is another example of a state offering investors numerous opportunities in various infrastructure projects. With a strong pipeline of upcoming projects, the NSW Government will spend more than \$73.3 billion on the state's economic and social infrastructure over the next four years, including building a second international airport in Sydney. The private sector will play a crucial part in these projects including building roads and railways, while increasing the state's population's access to improved utilities such as electricity and internet connections. According to the NSW Government, particular opportunities exist for investors in the areas of direct investment and participation in design, construction, management and operation of projects. Contact NSW's Department of Industry for further information and introductions to the relevant parties: www.industry.nsw.gov.au.

Mining and resources

Mining and resources is often a major industry one thinks of when considering the Australian economy – and there is no doubt that it is a major contributor. Australia has a wealth of talent in this industry, not just in mining and processing of resources but in associated areas such as the development of mining equipment, technology and services (METS), training and logistics.

The Northern Territory has some of Australia's largest deposits of uranium, zinc-lead, bauxite, gold, phosphate and manganese. There are also several emerging projects for commodities including copper, iron ore, rare earths, tungsten, mineral sands and potash. Significant deposits of conventional and unconventional oil and gas also exist both onshore and offshore. The mining industry is the largest sector of the Territory's economy, estimated to contribute 20 per cent of its gross state product (GSP) and grossing around \$3 billion per year.

A major contributor to this boom is the construction and first years of operation of the Ichthys liquefied natural gas (LNG) project. It is a 40-year project, valued at \$34 billion, and will open access to more than 12 trillion cubic feet of gas in the Ichthys field.

The potential for investment is substantial. According to the NT Government department InvestNT, the Territory currently has 10 medium to large mines operating, one under construction, 15 working through development approvals processes, and several others at various stages of feasibility studies. Most of the produced minerals are exported via the deep sea port of Darwin, with three other facilities in the Territory used by specific companies.

Currently, much of NT's land mass is granted or under application for oil and gas exploration by major Australian and multinational companies. The NT Government estimates potential onshore gas resources at over 200 trillion cubic feet – enough gas to power Australia for more than 200 years. There is also more than 30 trillion cubic feet of gas offshore in NT waters. Where exploration is successful, significant further opportunities exist in pipeline construction and investment.

CORE Program – Creating Opportunities for Resource Exploration

A four-year (2014-18), \$23.8 million NT Government exploration initiative focusing on:

- Acquiring new pre-competitive geoscience information to stimulate exploration
- Collaborative regional assessments of shale gas potential
- Industry grants for high-risk exploration
- Programs to attract investment into resources projects in the Territory.

To access detailed information go to:
www.core.nt.gov.au.

Currently, the NT has almost 2,500 kilometres of onshore gas pipelines and over 500 kilometres of offshore gas pipelines connecting Darwin to operating gas fields in the Bonaparte Basin, the Bayu Undan field, and the gas fields in Central Australia. A further 890 kilometres is under construction to connect Darwin to the large reserves in the Browse Basin under the Ichthys Project. A project to construct a gas pipeline connecting the NT with the east coast at Mt Isa in Queensland is in its initial stages and has the potential to attract significant investment in regional infrastructure, particularly in road-building, which would open up remote areas for future economic activity.

In Queensland, opportunities for foreign investors exist both in the future exploration of natural resources and infrastructure development. This includes the expansion of both hard and soft infrastructure such as roads, gas pipelines, engineering, procurement and construction (EPC), and social infrastructure related to housing and building health and education facilities. The sector is also Queensland's largest export field, with the state's resources fuelling the development of many other countries' economies.



Investment opportunities promoted by the Queensland Government include:

- **Coal:** Several prospects exist with new projects and expansions of existing ones in the Galilee Basin and elsewhere.
- **Coal seam gas (CSG):** To support LNG projects, 300-500 new drilled wells are estimated to be required annually for 20 years. This is in addition to infrastructure maintenance and operational works, as well as manufacturing and installing gas and water pipelines for field development.
- **Minerals:** New projects exist with associated support development including EPC in the uranium and rare earth sectors.

Several Queensland Government initiatives aim to minimise bureaucratic restrictions that can slow down project investment, including:

- **The Collaborative Drilling Initiative (CDI):** A program that offers grants to co-fund drilling costs of innovative programs.
- **Future Resources Program:** Funding seven initiatives over a three-year period, this \$30 million program will assist the state's exploration and resources initiatives.
- **Galilee Basin Development Strategy:** Aims to assist the development of the Galilee Basin Area to provide an efficient way of transporting coal to the Port of Abbot Point by lowering costs and offering opportunities in water, power and rail infrastructure expansion.

For further information on mining and exploration in Queensland, including applications for permits, go to the Queensland Government's Department of Natural Resources and Mines: www.dnrm.qld.gov.au/mining.

Queensland – a global leader in mining and natural resources

- 25 per cent of Australia's natural resources-related business comes from Queensland.
- The state has more than 34 billion tonnes of coal and is one of the world's largest seaborne exporters of coal.
- Queensland is Australia's third-largest producer of gold and largest producer of bauxite (32 per cent).
- It is one of the globe's largest producers of lead (9.1 per cent), zinc (7.9 per cent), silver (6.4 per cent) and copper (1.6 per cent).
- The state holds 98 per cent of Australia's proven gas reserves.
- The resources sector is strongly supported by extensive infrastructure, highly skilled talent, and innovative and knowledge-based industries.

As a dominant industry contributing to Western Australia's GSP, the opportunities in the state's mining and energy sectors for investment and trade cannot be ignored.

Australia has 25 per cent of the world's iron ore resources, and the north-west WA region of the Pilbara, which spreads over 305,000 square kilometres and has a population of approximately 10,000, accounts for around 95 per cent of Australia's iron ore exports. The region also produces 80 per cent of Australia's LNG exports. In addition, the Pilbara has Australia's second-largest gold mine, the world's second-largest solar salt fields and large deposits of copper and manganese. Other gas fields are under construction in the coastal town of Carnarvon and the offshore Browse Basin. It is predicted that by 2019-20, Australia will overtake Qatar as the world's biggest exporter of LNG, with exports of 76.6 million tonnes, mostly from Western Australia.

Even with current and committed exploration and mining projects in WA, the region and its offshore territory is regarded as some of the most prosperous in the world for large oil and gas discoveries. Several recent discoveries have occurred in WA's seven major sedimentary basins and several minor basins which in total cover an estimated 2.5 million square kilometres.

As of 2016, there were 79 permits issued for onshore exploration and 140 for offshore. For offshore areas, petroleum rights are owned by the Australian Government, which works with the WA Government to jointly administer a regulatory regime which grants permits and licences to companies to explore and develop petroleum in offshore areas. Offshore activities in Australian waters adjacent to Western Australia are managed by the National Offshore Petroleum Titles Administrator (NOPTA), with major decisions made by a Joint Authority comprising the Australian Minister and the Western Australian State Minister.

Offshore titles can be obtained by:

- Bidding for vacant exploration acreage releases at: www.petroleum-acreage.gov.au
- Farming into existing offshore titles.

Onshore activities are administered by the Government of Western Australia through the Department of Mines and Petroleum (DMP). Onshore titles can be obtained by:

- Bidding for vacant exploration acreage releases at: <https://pgr.dmp.wa.gov.au/PGR/Default.aspx>
- Farming into existing onshore titles.

For detailed information contact the WA Department of State Development: www.dsd.wa.gov.au.

WA's highly specialised workforce has strong capabilities in constructing and operating mines and processing facilities, and related services such as consulting, legal, engineering and design, exploration and research, geophysical surveying and data management.

WA's mining and energy industries key facts

- WA's resources exports are valued at \$95 billion per annum.
- The state has almost 1,000 operating mines, over 500 projects and produces more than 50 different minerals.
- Produces 41 per cent of Australia's total merchandise exports.
- As of September 2015, WA has \$171 billion invested in resources related projects under construction or committed.
- By 2018 WA will have five operating LNG export projects with a total capacity of close to 50 million tonnes a year.
- WA accounts for more than 25 per cent of Australia's \$90 billion METS industry.

WORLD MINERALS PRODUCTION (2016)

Commodity	% WA	% Rest of Australia	% Rest of world
Alumina	12	6	82
Cobalt	4	0	96
Diamonds	8	0	92
Garnet	34	0	66
Gold	6	3	91
Ilmenite	11	1	88
Iron ore	37	1	62
LNG	9	8	83
Nickel	7	0	93
Rare Earth Oxides	13	0	87
Rutile	41	6	53
Salt	4	1	95
Zircon	8	29	62

Source: Western Australian Department of Mines and Petroleum, 2016

The state's contribution to the advancement of mining equipment, technology and services (METS) is predominantly centred in Perth, a major hub for scientific and technological research and innovation. This includes supporting command and control centres using automation and remote systems to operate equipment more than 1,000 kilometres away. Perth is also the base for many leading Australian global firms including BHP Billiton, Rio Tinto, FMG and Roy Hill.

Many of the advances in mining-related software are supported by these companies with links to research institutes, including established R&D centres such as:

- Chevron Global Technology Centre
- GE Oil & Gas service, maintenance and training facility
- IBM Natural Resources Solutions Centre for Petroleum
- Shell Centre for Floating Liquefied Natural Gas (FLNG) Learning and Research.

There are also partnerships between universities, government and industry including:

- The Australian Resources Research Centre (ARRC), a petroleum and minerals centre of expertise and an initiative of the Western Australian Government, CSIRO and Curtin University employing more than 300 scientists.
- The National Resource Sciences Precinct is a CSIRO, Curtin University and University of Western Australia (UWA) collaboration which tackles some of the resources industry's most complex challenges by connecting researchers with industry and government.

South Australia is Australia's second-largest producer of iron ore, and has the nation's largest deposits of uranium and copper, as well as growing developments in graphite, tin, silver, lead, zinc, kaolin and manganese. The state also has extensive R&D into mineral exploration, hosting the Deep Exploration Technologies Cooperative Research Centre (DET CRC). This is the world's best-supported independent research initiative in mineral exploration, with \$145 million funding from the Commonwealth Government and partners. The University of South Australia hosts the Ian Wark Research Institute, one of the leading centres in its field in Australia. Areas of research include energy materials, minerals processing, functional coatings, lubrication, and nanomedicine and biopharmaceuticals.

South Australia's Plan for Accelerating Exploration (PACE) initiative will streamline approval processes, provide world-class geoscientific data and support early-stage exploration to help attract and encourage investment into the state.

The various investment opportunities in the minerals industry are subject to government approvals and include the following:

- Copper currently has three operational mines with four development projects and more than 40 prospects
- The gold industry offers seven development projects with currently four operational mines
- One iron ore operational mine currently exists with 20 development projects and prospects available, with extensive infrastructure development opportunities.



Such investment opportunities can be categorised into different stages of projects – exploration, project development, production and rehabilitation. Investment opportunities for the exploration stage include:

- Holding direct shares in Australian exploration companies
- Direct tenement opportunities
- Joint ventures with companies already actively exploring in SA.

Various sites are available for exploration investment. The process normally entails an 'Exploration Release Area' (ERA) becoming available then being advertised by the SA Government with applications taken after one month. Another option is buying an existing licence of a company currently exploring in the state.

When entering the project development stage, investors may choose to simply acquire a project in full, enter a joint venture with a company already owning a development project, or become involved in developing key infrastructure and supply chain-related opportunities. This is in addition to purchasing direct shares. The production stage offers similar opportunities of direct shares, purchasing existing mines, joint ventures and supply opportunities. When entering the rehabilitation stage, a company must first apply to the government for a mining lease (ML).

Supporting the SA mining industry – opportunities in infrastructure development

South Australia's resource infrastructure sector offers various opportunities. Mining projects related to iron ore, copper, uranium and other minerals particularly require supporting infrastructure including processing plants, rail and power upgrades, development of new port facilities and desalination plants.

Currently SA has:

- 10 operational ports
- 23,000 kilometres of road networks covering all major mining areas
- Two major gas pipelines
- Principal water sources of the River Murray and surface water – managed by the SA Government.

Key projects under consideration include:

- Six new port projects
- Multiple 100-kilometre slurry pipelines
- Three proposed desalination plants
- Eyre Peninsula power transmission upgrade
- Rail upgrades throughout the state including the new Eyre Peninsula standard gauge heavy rail.

The development of ICT infrastructure, products and services related to the mining and energy sector is another key focus of the SA Government. The ICT Roadmap for the Minerals and Energy Resources Project has been established as a Centre of Excellence-funded project focused on establishing Adelaide as a national ICT hub to service the sector by developing new innovative products and cutting-edge ICT solutions.

Key advantages of SA's mining sector include:

- The Port of Adelaide is one of only two licensed uranium ports in Australia.
- Olympic Dam is the world's fourth-largest copper resource and has the fifth-largest deposit of gold in the world.
- The Cooper Basin (on the border of Queensland and SA) has approximately 160 producing gas fields feeding into the major facility at Moomba – which links pipelines to regional areas, Sydney and Adelaide and connects 5,600 kilometres of pipelines and flowlines, encompassing extensive underground storage facilities.
- The SA Government provides access to one of the world's best geological databases and co-funding for exploration drilling.

For detailed reports on investing in SA's minerals industry go to: <http://minerals.statedevelopment.sa.gov.au/invest>.

For petroleum (gas and oil) related information go to: <http://petroleum.statedevelopment.sa.gov.au/>



The **New South Wales** mining, resources and energy sector generated around \$20 billion in revenue in 2015-16. Many of the world's leading resources companies have active mining and exploration programs there, including Anglo American, BHP Billiton and Peabody Energy. Much of the increasing demand for raw materials the state is experiencing is driven by Asia's economic development and growth, particularly that of East Asia.

Coal from the state's 56 coal mines remains New South Wales' largest single export product in value terms. Seventeen major metallic minerals mines and many smaller mines produce other significant exports, including iron, steel, aluminium, gold, lead and copper. Investment in new copper, gold and silver mines looks set to continue, while exploration is under way for further reserves of zinc, tungsten, tin and other base metals.

In **Tasmania**, the extraction and processing of mineral resources contributes almost 50 per cent of the state's GSP. Tasmania's west coast alone has been identified as having more than \$11 billion in ground minerals. In relation to its size, Tasmania is one of the world's most highly and diversely mineralised areas, with many of its minerals having strong global market prices. Currently, the state has approximately 554 mining leases, most of which are concentrated on construction-related resources, such as road base and surfacing materials.

The Tasmanian Government aims to:

- Attract and facilitate new investment in both mining and mineral processing
- Provide adequate infrastructure for mining operations
- Maintain a world-class regulatory system for exploration and mining
- Assist industry in the acquisition of data and critical skills.

The Tasmanian Government is actively seeking value-adding investment in the areas of exploration, extraction and downstream processing, putting various measures into place for more supportive legislation, and encouraging sustainable mining initiatives. Through Mineral Resources Tasmania (MRT), the government provides current geo-scientific data in advanced digital formats to assist explorers in identifying potential mineral targets and providing information to help investors choose where to invest. For further information go to: www.mrt.tas.gov.au.

Tasmania's minerals

- Metallic minerals include copper, gold, silver, iron, tungsten, tin and zinc.
- Future opportunities exist in nickel and aluminium.
- Over 80 per cent of Australia's resources of tin are in Tasmania.
- The mining and mineral processing sectors contribute 50 per cent of the state's export earnings.

Victoria's variety of commodities

Victoria has numerous resources currently mined with several opportunities for future investment. Key resources include:

- Brown coal
- Gold
- Base metals such as copper, zinc and lead
- Mineral sands
- Oil and gas

For further information, go to:
www.energyandresources.vic.gov.au/.

Renewable energy

South Australia is a national leader in wind, solar and geothermal energy. Currently 37 per cent of SA's electricity is created by renewable sources and the state has the highest renewable energy generation target – 50 per cent by 2025.

SA is an exceptional solar resource. The irradiance levels of Roxby Downs north of Adelaide are comparable to North Africa, Spain and the Middle East. One in four SA households has rooftop solar panels and six per cent of SA's annual energy is sourced this way.

SA also hosts 90 per cent of Australia's geothermal exploration investment, with more than \$1 billion of private capital investment in the nation's industry since 1990. Nine deep wells are currently being drilled to reservoir depth over three main projects. As most geothermal-related sources are in remote areas, further infrastructure will have to be developed. Wave power is another young but high-potential industry in the state – SA has the highest wave performance in the country.

The Australian Government offers various incentives to investors in SA's renewable energy sector, including:

- The Australian Renewable Energy Agency (ARENA) which provides funding assistance in relation to R&D, knowledge sharing, and deployment and commercialisation of renewable energy and related technologies.
- The Clean Energy Finance Corporation (CEFC), a \$10 billion fund to provide financial products and structures to develop Australia's renewable energy sector.

Other favourable business practices include no feed-in tariff, permission to sell electricity to customers, and 100 per cent foreign ownerships permitted (subject to the Foreign Investment Review Board's approval).

Victoria's renewable energy generation is largely based in regional areas. For example, two regional Victorian projects have won the right to build 100 megawatts of wind farms to (indirectly) supply Canberra, the nation's capital, with renewable energy. (By 2020, Canberra plans to meet 90 per cent of its energy needs with renewables.)

The Victorian Government has implemented a scheme to improve the energy efficiency of homes, businesses and public buildings by offering consumers savings for installing energy-efficient products, while its \$20 million New Energy Jobs Fund offers grants to firms specialising in the new energy technology sector. In June 2016, the Victorian Government committed to Victorian renewable generation targets of 25 per cent by 2020 and 40 per cent by 2025. A competitive auction process will be taken to help Victoria reach these targets.

In a bid to expand the supply of cleaner energy sources, in particular gas, the New South Wales Government has funded three exploration programs: New Frontiers, Exploration NSW and Discovery 2000, as well as a number of solar and wind energy initiatives. The state has several pre-commercial advanced biofuels facilities and its knowledge in hydropower is

SA's wind farms – world class with much potential

SA's wind energy industry has the world's second-highest penetration of wind capacity per capita after Denmark, 41 per cent of Australia's installed capacity, and currently 16 operational wind farms with a capacity of 1,473 megawatts (MW).

SA's Eyre Peninsula has been identified in government studies as having potential capacity of more than 10,000MW of wind generation.

There are four wind zones with speeds of over eight metres per second in the Eyre Peninsula.

SA's renewable energy industry is connected to the National Electricity Market (NEM), making Eyre Peninsula the greatest untapped wind source available to the NEM.

High levels of community and government support, as well as one of Australia's best practice planning system approval processes, assists the industry's continual development.

ripe for export to Southeast Asia. The state's 2013 Renewable Energy Action Plan puts priority on attracting investment in the field.

NSW is a national leader in sustainable initiatives, clean technology businesses and research institutes. In 2013-14, \$6.7 billion was spent by such businesses on research and development, with a focus on commercialising technologies and acquiring patents in areas such as water management and clean manufacturing.

In terms of output, Tasmania is the leading state with 90 per cent of its energy produced by reliable renewable sources. This primarily encompasses wind power and hydro-electric power generation. Already a mature area, with well-developed energy infrastructure, safeguarded by connection to the mainland electricity grid and main gas pipelines under Bass Strait, Tasmania is a good location for new businesses to take advantage of lower energy-related costs.

Professional and financial services

New South Wales is Australia's top-performing economy. In 2017, approximately 190,000 people were employed in finance and insurance – 46 per cent of all those employed in the industry in Australia. The NSW finance industry contributed \$64 billion to the economy in 2016, Sydney was ranked the 15th-most competitive financial services sector in the world, up six places on the previous year. The city is also Australia's leading financial technology hub, thanks to an attractive environment for fintech startups, with many accelerators, incubators and co-working spaces, as well

as good access to finance. More multinationals have their regional headquarters in Sydney than any other Australian city and NSW is on a par with global professional services hubs such as Hong Kong, London and Singapore.

The Victorian economy is also strongly founded on professional and financial services. Contributing \$63 billion to Victoria's total economy, making it the largest segment, the sector employs 344,700 – almost 12 per cent of the state's total workforce. Companies range from legal to funds management, banks to accounting.

With long standing links to the mining industry, Perth (WA) and Brisbane (QLD) also are becoming centres for professional services related to mining and resources. The two cities host strong capabilities in these areas, attracting the likes of multinationals such as Rio Tinto, Woodside Energy and BHP Billiton as well as the major Big Four consulting firms and many other legal and financial companies. Adelaide's (SA) share of the economy in professional services is growing too, with the state enjoying some of the lowest costs associated with rent, labour and living.

Tourism: infrastructure and visitor experiences

Australia has long been a magnet for travellers. From its lively cities with iconic landmarks and vibrant culture, to the majestic outback and rich Aboriginal heritage, the country attracts everyone from the budget-conscious backpacker to those seeking a unique, luxury experience. There are still opportunities in the sector for the smart investor interested in developing new attractions and upgrading existing tourism ventures.

The New South Wales Government has committed to spending an additional \$123.35 million to secure more major sporting and cultural events for Western Sydney and regional NSW, with a view to boosting visitor expenditure by around \$481 million. This additional budget – an increase of 25 per cent – includes \$40.6 million more to grow regional tourism, an additional \$22 million to bring more events to Western Sydney, and \$9.5 million more to attract overseas visitors from priority international markets. There is also scope for investment in facilities for business travellers.

In the year ending December 2016, the state attracted 3.9 million international visitors and 83.5 million domestic visitors, more than any other state or territory in Australia. The same year, tourism contributed some \$30.6 billion to the NSW economy. Sydney Airport is Australia's busiest, handling 40 per cent of all of the country's international flights, and the sector employs 267,000 people, directly and indirectly.

Tourism in Victoria is estimated to be worth \$23.2 billion to the state's economy (or 6.0 per cent of GSP) and employed more than 210,400 people in 2014-15. Melbourne is

Australia's major drawcard for domestic tourists: in the year ending December 2015 it attracted over 8 million overnight visits from interstate travellers.

The experience economy is Victoria's second busiest export sector after international education. The Victorian Government is working with investors to develop new services and infrastructure to provide high-quality experiences for new and returning visitors.

In the year ending March 2017, international tourism expenditure in Victoria grew strongly to reach \$7.3 billion, exceeding the national average growth (28.2 and 9.7 per cent respectively). Victoria's expenditure growth is the largest reported over the last decade with key influences including a low Australian dollar, major international events, significant visa changes and increased airline capacity. Victoria experienced strong year-on-year growth in international visitors (6.8 per cent) and nights (12.2 per cent), with both rates higher than the national average and key competitors.

The Chinese market continues to underpin Victoria's international growth. In the year ending March 2017, Chinese expenditure grew significantly (up 12.7 per cent) to \$2.6 billion, exceeding the Government's long term 2020 target of \$2.0 billion. Visitor numbers increased by 7.3 per cent, year-on-year, to reach 570,500 for the year end March 2017. Chinese visitor expenditure now accounts for a third (34 per cent) of total international visitor expenditure in Victoria. The strong growth in expenditure was also at the national level (14.5 per cent), due to increased amount spent on shopping, education, and food, drink and accommodation. Over this period the Chinese renminbi increased 20 per cent against the Australian dollar.

The Australian Capital Territory Government has set the objective of increasing tourism activity to \$2.5 billion by 2020. The industry contributes approximately \$1.65 billion to the ACT economy and supports around 16,000 jobs across 6,800 businesses and organisations. Tourism infrastructure investment opportunities include building hotels and group accommodation developments, as well as tourist attractions.

South Australia's tourism industry is founded on the state's reputation for excellent food and wine, with various festivals dedicated to showcasing the state's produce. In the year ending March 2017, the industry captured \$5 billion in tourism expenditure, attracted 436,000 international visitors and 6.2 million interstate visitors, employed 32,000 people directly with potential to grow to 41,000 by 2020. Attractions include many beyond Adelaide such as the outback, Flinders Ranges, the wine areas of the Barossa Valley, McLaren Vale and the Fleurieu Peninsula, as well as the coastal areas along the Eyre Peninsula and Kangaroo Island.

Current key strategies of the SA Government includes growing nature-based tourism which would increase tourism expenditure by \$345 million annually and create over 1,000 new jobs. The South Australian Tourism Commission (SATC) can assist investors with providing information on these potential opportunities and others, go to: www.tourism.sa.gov.au.



The Barossa Valley presents opportunities in infrastructure development. An independent study forecasts the future number of visitors to the region increasing in the next 5 to 10 years to a level that can sustain a new five-star hotel with 200 rooms and a new six-star luxury lodge. Various other opportunities exist in developing infrastructure across the state including hotels and tourist attractions.

The **Northern Territory's** tourism industry is the fastest-growing part of the economy and the second-biggest contributor after mining and energy, thanks to attractions like the world-famous sacred Aboriginal site Uluru (Ayers Rock) and the pristine national parks Kakadu and Katherine Gorge.

In recent years overseas visitor figures have increased annually by 8 per cent on average, with around 20 per cent growth for domestic visitors. While several major developments have opened in recent years, there are still numerous opportunities for investment in providing further tourist developments and accommodation to meet the growing demand.

To meet growing demand in Darwin, the NT Government is seeking multimillion-dollar investments, particularly from overseas, to build accommodation, including luxury hotels, and develop other accommodation and hospitality services, as well as those related to leisure activities. Potential land and sites have been allocated. For information on specific opportunities contact InvestNT at: www.investnt.com.au.

Other prospects include the Finke Gorge nature-based tourism accommodation outside Alice Springs, where pre-approval processes are already under way, and the development of existing and new ecotourism initiatives, leisure activities, restaurants, helipads and campsites in the Territory's many national parks and reserves.

Tourism NT provides further information at: www.tourismnt.com.au.

Growing tourism in NT

- In 2016, a total of 1.8 million people visited, more than a million of them Australians
- 840,000 were holiday visits
- Average stay five to seven nights
- Average spend per trip \$1,664 – with a total visitor spend of \$2 billion in 2016 - up 5.3 per cent on the previous year
- Visitor figures grew by 23 per cent for Japan, 9.1 per cent for Greater China, and 4.1 per cent for the rest of Asia
- Overall increases were experienced across the Top End (up 2 per cent to 415,000 holiday visitors) and Central Australia (up 18 per cent to 396,000).

Queensland is home to five of Australia's Eleven World Heritage areas and one of the Seven Natural Wonders of the World – the Great Barrier Reef. The Reef is the world's largest living structure, covering an area bigger than the combined size of Victoria and Tasmania.

Queensland contributes over \$5 billion to Australia's international tourism – representing around 20 per cent of Australia's income from international tourism for year ending March 2017. The fastest-growing market of international visitors for the state are those from China, increasing by 6.7 per cent to a total of 472,000 visitors. Queensland has the largest share of holiday visitors for Australia: 69.6 per cent of international visitors to Queensland are there for a holiday.

Queensland also attracts a significant amount of domestic tourism: more than 20 million domestic visitors in the year ending March 2017. Of those, 6 million were from other Australian states and territories, and the rest were Queenslanders travelling within the state. The overnight visitor expenditure increased by just under 6 per cent to of \$15.3 billion, with a strong growth rate of 18.5 per cent in spending for domestic business visitors.

Both the Australian and the Queensland Governments have prioritised tourism infrastructure for future investment and development. The state has various investment-ready tourism projects including:

- **Barrier Reef resorts:** Various resorts along the Great Barrier Reef have opportunities for co-investors to develop luxury resorts on already approved land located in some of Australia's best tourist development sites, such as Great Keppel Island and Heron Island.
- **Ecotourism projects:** A number of projects that preserve Queensland's unique flora and fauna have been approved for development of precincts and resorts, including some in the Gold Coast hinterland and in tropical North Queensland.
- **Logistical infrastructure:** Various opportunities exist in northern parts of Queensland along the eastern coastline.
- **Short-term accommodation:** Investment is sought in short-term accommodation options including at the Gold Coast, Sunshine Coast and Whitsundays.

For an overview of available funding programs and grants, refer to the QTIC (Queensland Tourism Industry Council) Grants Gateway. This provides relevant information updated daily and is free for members, or annual subscriptions can be purchased for \$85 (as at June 2017). This includes information on funding from various sources such as governments, banks and financial companies in the form of grants, loans, programs and partnerships. The Gateway can be accessed at: www.qtic.com.au/project-service/qtic-grants-gateway.

In 2016, **Western Australia's** tourism industry employed more than 97,000 people across the state (indirectly and directly) and contributed \$10 billion to the WA economy. The government aims to increase this to \$12 billion by 2020. Attracting tourists from nearby Southeast Asia could be key. The government's objectives include securing and growing direct aviation services from established and emerging tourism markets including China, India, Indonesia and Japan, and expanding Singaporean visitor numbers through offering more flights and international airports in the state.

Perth in particular offers numerous opportunities. A \$1 billion expansion of both international and domestic facilities at Perth Airport is due to be completed in 2020. Other significant projects include: the international-standard, 60,000-seat Perth Stadium; the 10-hectare, \$2.62 billion Elizabeth Quay development, with 400 new hotel rooms and 800 new dwellings among retail and commercial space; and the \$428 million WA Museum, set to be completed in 2020.

The city has one of the highest revenues per available room in the Asia-Pacific at an average of US\$150.84, and investment in hotel development is actively encouraged by the government's Hotel Incentive Policy. Opportunities exist in Perth and surrounding areas, such as Fremantle and Rottnest Island.

The development of an international airport in Broome would help increase tourist numbers to the north-west of the state and the northern parts of the Coral Coast. Other regional initiatives include the Pilbara Cities of the North Redevelopment, Geraldton foreshore, Albany foreshore, Busselton foreshore and Carnarvon waterfront.



There are prospects for the development of caravan and camping sites, particularly in the Golden Outback, Perth and the south-west.

The Naturebank Program sees land released for the development of quality environmentally sensitive tourism accommodation in national parks. Jointly managed by Tourism WA and the Department of Parks and Wildlife, with funding from Royalties for Regions, Naturebank ensures a site has appropriate environmental and cultural clearances, the necessary infrastructure (for example, water and access) and is sustainable for an ecotourism development. This work removes much of the upfront uncertainty and cost for developers.

The WA Government department, Tourism WA, provides comprehensive investment guides listing the latest opportunities in detail. Go to: www.tourism.wa.gov.au.

Tasmania hosts five World Heritage sites and has become a leading cultural destination with the renowned Museum of Old and New Art (MONA) and events including the famous wine and food festival, Taste of Tasmania.

The state's tourism industry has grown by more than 50 per cent since 2002 and recently bypassed one million visitors per year. Eco-adventures are a strength, with a range of popular activities among mountains, beaches, rivers and oceans, including white-water rafting and the Overland Track – one of Australia's best-known hikes.

As one of Australia's most renowned domestic tourism destinations, more than one third of domestic tourists plan to visit Tasmania over the next two to three years. Tourists to Tasmania are also more likely to recommend the state for a holiday destination than tourists visiting any other state or territory in Australia.

Tourism - key to Tasmania's economy

- Directly and indirectly, tourism contributes eight per cent to Tasmania's GDP – equal to \$38 million per week, the second-highest GDP contribution for tourism in Australia
- The industry employs 17,500 people directly, and 36,700 in total – 13.5 per cent of Tasmania's total employment and the highest rate in Australia
- Total visitors for the year ending 2016 increased by seven per cent to 1.24 million – 1 million of these were interstate visitors and 608,300 were visiting Tasmania on holiday
- Visitor expenditure also increased by 10 per cent to \$2.14 billion
- Tourists from key Asian markets have increased significantly – Korean tourists by 133 per cent and those from Hong Kong by 34 per cent.

With Australia's highest occupancy rates (an average of more than 70 per cent), Tasmania is an attractive destination for further tourism development. Opportunities include the building of infrastructure including hotels and other accommodation, creation of tourism developments in the state's Wilderness World Heritage Area, national parks and reserves, and development of new ecotourism initiatives, gourmet and culinary experiences, and recreational activities.

Defence and aerospace

Canberra is the headquarters for the Australian Department of Defence – a government agency with one of the largest national budgets, 15 per cent of which is invested into the ACT. In addition to housing national security agencies, Canberra's defence sector also comprises private businesses and national defence-related institutions, making it the ACT's largest industry and most prominent in terms of investment opportunities. These exist in cyber security, garrison support, professional services and the manufacture and supply of transport solutions and defence equipment, among others. Major industry corporations including Lockheed Martin, SAAB and British Aerospace have taken advantage of the ACT's defence focus, establishing regional headquarters there.

The ACT's space industry is distinguished worldwide. Key specialists including 2011 Nobel Prize-winning astronomer Dr Brian Schmidt are based there, and there is extensive infrastructure including observatories and space-related facilities such as the Advanced Instrumentation and Technology Centre, which designs the next generation of global astronomy instruments; the Canberra Deep Space Communication Complex, which supports NASA and has the largest antenna in the southern hemisphere; and the Australian Department of Defence's expanding satellite communications control facility. There is great potential in all areas of the industry for further investment and development, as well as commercialisation. This includes in the fields of Earth and deep space observation technologies, satellite communications, defence systems and debris tracking and interdiction technologies.

New South Wales has the largest number of defence facilities in Australia and employs around 30,000 people. The Defence Industry economic contribution to the state is estimated to be around \$5 billion per year and attracts several international companies operations, with many having established head quarters in NSW. These include those related to aerospace, marine, electronics and vehicle construction. The state's well developed defence infrastructure and advanced technology present several opportunities for small to medium-sized enterprises.

Similarly, an increased defence presence in the Northern Territory has brought with it the need for additional social, housing and transport infrastructure.

ICT

Melbourne produces more ICT graduates than any other Australian city. A recent national report into research excellence (produced by the Australian Research Council) in the information and computing sciences recognises Monash University's performance as "above world standard", and the University of Melbourne's as "delivering outstanding performance, well above world standard".

This concentration of talent – boosted by the nearly 20,000 new technology professionals who have moved to Melbourne in the last five years – has made the city Australia's technology hub. Victoria's ICT industry has more than 8,000 companies, including firms such as IBM, Microsoft and Intel. It generates \$34 billion in revenue annually and employs

South Australia – a leading technology centre for defence

SA captures 32 per cent of Australia's in-country spend for defence materiel making the state a leader in naval shipbuilding, maritime patrol aircraft operations and support, military vehicle manufacturing and support, as well as systems engineering.

In addition SA contains:

- The world's largest land-based test facility at the RAAF (airforce) Edinburgh superbase in Woomera
- The southern hemisphere's largest defence electronics R&D centre at DSTO Edinburgh
- Techport Australia – the country's premier naval industry hub
- Hosts leading defence companies such as SAAB, Bae Systems, ASC (Australian Submarines Corporation), Babcock and more.

around 91,300 people directly, 31 per cent of Australia's ICT workforce. It generates annual exports of around \$2.5 billion.

Some of Victoria's key ICT strengths are in:

- Software development
- Cloud technology
- Digital games
- Mobility technology
- Social networks
- Data analytics

In terms of tech start ups in Australia, 64 per cent base themselves in New South Wales. This is in addition to the many leading international companies and researchers who are attracted to the state and its world renowned technology hubs. Such hubs include the Innovation Campus in Wollongong and the Australian Technology Park in Sydney.

Recognising the state's strong capabilities and position as a leader in ICT research and innovation, the NSW Government has introduced the Digital Economy Industry Action plan offering support and various incentives to attract investors, as well as encourage data centre hubs in NSW. The University of Sydney and the University of New South Wales (UNSW) add to the state's excellence in research and development (R&D), regularly collaborating with other leading universities and companies on cutting edge R&D projects.

The **Australian Capital Territory** offers various opportunities, with the Australian Government being the largest consumer of ICT products nationally. Key areas for growth include supporting systems and infrastructure related to e-government and the digital economy.

South Australia has over 40,000 ICT workers – approximately 4.8 per cent of the state's workforce. The state government alone spends around \$575 million on ICT-related services and products a year with a Memorandum of Understanding (MoU) in place with the CSIRO and Adelaide City Council to develop Australia's first Internet of Things Innovation Hub. The collection of hubs and the state's long-established manufacturing base and innovation focus is helping SA to evolve into a higher-value manufacturing sector. In 2015-16, the manufacturing sector contributed 6.5 per cent of GSP - \$6.6 billion – with forecast potential to grow as the industry focuses on advanced manufacturing.

Tasmania has a high concentration of skilled software developers and the Tasmanian Government has initiatives in place to facilitate investment in enabling digital infrastructure and services through investment in innovation, IP, commercialisation and expanding R&D and education across the state. Particular areas open for private-sector investment include ICT R&D (including test beds), as well as:

- Software and applied knowledge application and development
- Cloud-related applications
- Data centres and connectivity including the implementation of the National Broadband Network
- Content and media development
- Government, social and community digital transformation
- Service delivery centres as well as contact and business processing centres.

Research and development (R&D)

Melbourne is a global medical research and development hub. Annually, Victoria receives more than 40 per cent of national government medical research funding. Melbourne's independent medical research organisations have major programs covering cancer, inflammatory disorders, cardiovascular disease, diabetes, infectious disease, public health, neurological disorders and mental health. They also have expertise in medical bionics, eye diseases, stem cell science and paediatric research. Victoria also offers a highly favourable environment for clinical trials and a strong culture of collaboration with industry.

The **Australian Capital Territory** hosts the prestigious John Curtin School of Medical Research (JCSMR) and the Australian Institute of Sport (AIS), which encompasses world-class sports science, sports medicine, nutrition, biometrics, physiology, performance psychology and sports administration expertise.

Alongside biomedical and health research, **South Australia** has the Thebarton Bioscience Precinct, one of the largest precincts of its kind in Australia, and the Tonsley Park redevelopment project, a new sustainable high-tech advanced manufacturing precinct. The state also hosts around 100

Melbourne Biomedical Precinct

The *Melbourne Biomedical Precinct – Parkville* is located on the edge of Melbourne's city centre, around the University of Melbourne, several hospital and research organisations. The Precinct's innovative environment has made it Australia's most important life science cluster and there are only five of its calibre in the world. Some of the Precinct's past successes include colony stimulating factors, cervical cancer vaccine, Rotavirus vaccine, the influenza drug Relenza, and revolutionary devices such as the bionic ear and wearable biosensors.

Along with the University of Melbourne, governments, health service providers, biomedical research organisations and philanthropists regularly invest large sums in the Precinct's infrastructure and research, in recognition of the huge impact it has on health and creating R&D opportunities for business.

Recent infrastructure investments include:

- Victorian Comprehensive Cancer Centre (\$1 billion)
- Peter Doherty Institute for Infection and Immunity (\$210 million)
- Melbourne Brain Centre (\$225 million)
- Expansion of the Walter Eliza Hall Institute (\$150 million)
- Victorian Life Sciences Computation Initiative (supercomputer - \$100 million)

The successes of the Melbourne Biomedical Precinct are complimented by another precinct with strengths in biomedical engineering, medical research and health technology development. Located 20km from Melbourne city centre, the Clayton Precinct is centred around Monash University, research organisations, national research infrastructure capabilities and Monash hospitals.

bioscience centres which specialise across various bioscience avenues including gene-based diagnostic, stem cell research and livestock productivity, and ICT and technology companies.

Queensland hosts several research hubs, including Pharmacy Australia Centre for Excellence and Australian Research Centre for Aerospace Automation, as well as various multinational corporations' R&D centres, with a primary focus on developing renewable energy technology:

- Boeing Research and Technology Australia – established in 2008 under the name Phantom Works, this Boeing R&D branch concentrates on several major research programs including advanced composites, light robotics, Unmanned Airborne Vehicles (UAVs) and ageing aircraft technologies.

- Centre for Advanced Materials Processing and Manufacturing (AMPAM) – based at the University of Queensland, AMPAM capitalises on emerging trends in manufacturing research to create new opportunities for materials development, manufacturing and processing.
- Eco-kinetics – this solar manufacturing company has established a manufacturing facility on the Gold Coast, the first of its kind in Australia. The facility will assemble photovoltaic modules and manufacture mounting kits.

The Office of the Queensland Chief Scientist provides further information about the state's capabilities and the various opportunities in R&D and innovation: <http://www.chiefscientist.qld.gov.au/index.php>.

In **Tasmania**, prospects exist in the fields of science research, particularly in temperate marine systems, agriculture, aquaculture, renewable energy, population genetics and regional medicine. Research related to the Antarctic is a strong field for Tasmania, as its location makes it the gateway to East Antarctica, the Southern Ocean and sub-Antarctic Macquarie Island. Hobart is the headquarters of Australia's Antarctic program and is home to the French Antarctic program (Institut Polaire Francais Paul Emile Victor).

Advanced manufacturing is another growing Tasmanian industry. The state has specific capabilities in the field of mining equipment and maritime and marine manufacturing, including such products as catamaran fast ferries. Besides large manufacturers, there are extensive opportunities for supply chain-related companies in these fields.

Creative industries

Both **New South Wales** and **Victoria** are home to Australia's largest arts, culture and creative sectors. Forty per cent of Australia's total creative workforce is based in NSW, from filmmakers, artists and musicians to designers, writers and advertising agencies, and there is a thriving museum and art gallery culture. The sector is underpinned by funding from the NSW Government: \$1.8 billion was committed to the arts, cultural and screen industries in the 2017-18 budget, including \$721.2 million for cultural institutions over four years. Private patronage also plays an important role.

According to a creative industries report by the NSW government, around 4.7 per cent of NSW's workforce – almost 148,000 people – is directly employed in the creative industries sector. In fact, the sector is responsible for around 6.8 per cent of NSW's total services exports, worth around \$1.38 billion annually, and 57.3 per cent of Australia's creative industries services exports in total.

In **Victoria**, the sector contributes to eight per cent of the state's economy – a total of \$22.7 billion and employing over 220,000 people. The state's broad collection of cultural facilities, collections and organisations are valued at \$7 billion, with much collaboration with communities and the private sector.



2.3 DEVELOPING NORTHERN AUSTRALIA

Northern Australia encompasses the areas above the Tropic of Capricorn in Queensland, the Northern Territory, and Western Australia. The Australian Government has made developing the region a critical priority in order to build a strong, prosperous economy. Covering more than 40 per cent of Australia's land mass, this huge, diverse region of more than three million square kilometres and over 1.3 million people has most of Australia's mineral and environmental assets.

The region is growing faster than the average national population rate of 1.7 per cent, with some parts growing by almost double the national average. Most people live along the coastline in Darwin, Northern Territory, and along the northeast coastline of Queensland in the cities of Cairns, Mackay and Townsville. Most of northern Australia is sparsely settled, but the urban areas are expected to have the highest forecast growth rates in the country in the coming decades. The region is also home to almost 30 per cent of Australia's Indigenous population (over 190,000) including the Torres Strait Islands population close to the border with Papua New Guinea.

The Australian Government is putting money into improving roads and telecommunications, building dams and developing water infrastructure, while also implementing regulations to encourage private-sector investment and R&D, and lower operating costs. The Northern Australia White Paper released by the Government in 2015 outlines this support as including:

- A \$5 billion Northern Australia Infrastructure Facility (NAIF) to provide concessional loans for major infrastructure and other prioritised projects to help fast-track the development and building of infrastructure

Growing the north

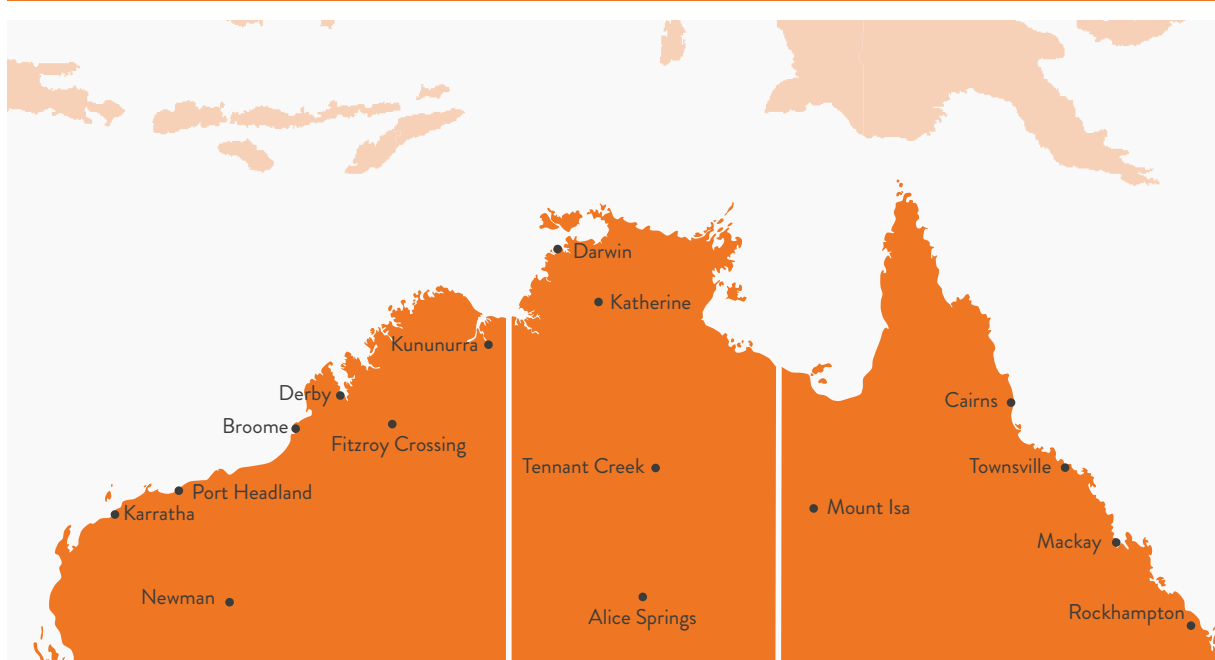
A new initiative by the WA Department of Agriculture and Food (DAFWA) – growing the north report focuses on embracing growing export market opportunities for irrigated agricultural produce in northern parts of the state including the Gascoyne, Pilbara and Kimberley regions.

Only in its initial stages, the initiative identifies 18 high-potential products to be grown and exported to key markets including those in East, Southeast and South Asia. These include: cassava, walnuts, sesame seeds, sorghum, almonds, cane sugar, soya beans and cotton.

As the initiative expands, DAFWA is leading and open to investment for irrigated agriculture development projects in the three northern areas of the state for the commercial viability of high-potential crops to grow. This is in addition to the InvestWest Agribusiness Alliance created to assist with coordinating investment into WA's agricultural industries.

For further information about DAFWA and its initiatives, go to: www.agric.wa.gov.au.

MAJOR TOWNS AND CITIES OF NORTHERN AUSTRALIA





- \$50 million in initiatives to give Indigenous Australians and the private sector access to simpler and secure land arrangements
- A National Water Infrastructure Development Fund with a commitment of \$200 million to ensure the correct water infrastructure is built
- A \$75 million Cooperative Research Centre on Developing Northern Australia
- \$600 million for improving and upgrading principal roads
- Improvements to cattle supply chains with \$100 million for roads transporting Australia's beef
- \$5 million into rail freight analyses
- \$39.6 million to upgrade airstrips and subsidise air services in remote areas.

The region's potential

According to projections by Deloitte Access Economics, northern Australia will contribute to almost 42 per cent of the economy by 2040, an increase from 35 per cent in 2011. This is predominantly due to the natural resources, but also the trade in agriculture to the growing middle-class consumers of Asia and other regional neighbours. Much of Australia's total foreign direct investment, worth \$52.4 billion in the national resources industry in 2015-16, was in the northern regions of Australia. Over the past decade, the Northern Territory, Western Australia and Queensland attracted more than double the investment of other parts of Australia. This is partially due to large liquefied natural gas (LNG) projects including the Gorgon LNG Project (US\$54 billion) and the Ichthys LNG Project (US\$34 billion), but also the region's extensive coal and iron ore contribution to the Australian

economy – more than \$23 billion. Such investment is expected to continue as much of the Northern Territory and the northern parts of Western Australia and Queensland open up for gas and oil exploration.

More than 55 per cent of Australia's exports are shipped by sea from ports in northern Australia. However, a large volume of goods produced in northern Australia is shipped from southern ports, which suggests there is potential for transporting these items from the northern ports following further infrastructure development.

Northern Australia also contributes significantly to the country's agriculture-related exports. Around 11 per cent of Australia's total agricultural production (worth around \$5.2 billion) comes from northern Australia, and 45 per cent of Australia's national herd of cattle are produced in the region's pastoral industry. Northern Australia's agricultural commodities also include sugar cane (worth around three quarters of a billion dollars), bananas, mangoes, tomatoes, cotton, melons, wheat and sorghum.

Tourism is another major industry for the region, as it is home to prime tourist attractions including the Great Barrier Reef, Uluru, the Kimberley and Kakadu National Park. The Great Barrier Reef alone is estimated to contribute \$5.6 billion per year to the Australian economy (directly and indirectly) through marine tourism and fisheries. Opportunities exist in developing and upgrading tourism ventures, and in infrastructure supporting the agricultural industry.

Further information can be found at the Office of Northern Australia's website: www.northernaustralia.gov.au/.



An aerial photograph of a rugged coastline. The top half shows a flat, sandy or rocky beach area. Below it is a steep, layered rock cliff face. At the bottom, the ocean is a deep blue with white-capped waves crashing against the base of the cliff. The right side of the image is overlaid with a semi-transparent orange gradient.

3. Entering the Australian market

There are many different ways to get your product or service into the Australian market. Do you want a presence in Australia? If so, do you want to operate as a branch of a foreign company? Or do you want the benefit of local knowledge by entering into a joint venture? Perhaps you're considering expanding your franchise options into the Australian market or are seeking an agent to sell your product. There are numerous options to choose from. The right one will depend on your business objectives, the sector you're considering and your target market.

Before deciding on your next step, it is vital to conduct research and understand the opportunities, challenges and demographics of the location you're considering. Although Australia has a highly educated workforce, different regions offer different specialist skills. For example, mining capabilities related to gas and iron ore are concentrated in the northern areas of Australia, while you will find expertise in defence-related technology in Adelaide and Canberra.

This chapter outlines the various business structures available in Australia as well as the key factors foreign investors need to consider when entering the Australian market. It also includes an overview of marketing and e-commerce in Australia to help you develop your overall Australian strategy.

Australia's international business rankings

INTERNATIONAL COMPARISONS OF COMPETITIVENESS*

AREAS	RANK
 FINANCIAL MARKET DEVELOPMENT	6
 HIGHER EDUCATION AND TRAINING	9
 HEALTH AND PRIMARY TRAINING	10
 INFRASTRUCTURE	17
 INSTITUTIONS	19
 MARKET SIZE	22
 MACROECONOMIC ENVIRONMENT	23
 TECHNOLOGICAL READINESS	24
 INNOVATION	26
 BUSINESS SOPHISTICATION	28
 GOODS MARKET EFFICIENCY	27
 LABOUR MARKET EFFICIENCY	28

9 AREAS TO CONSIDER WHEN SETTING UP A BUSINESS IN AUSTRALIA

CONSIDERATIONS	RANK **
 DEALING WITH CONSTRUCTION PERMITS	2
 ENFORCING CONTRACTS	3
 GETTING CREDIT	5
 STARTING A BUSINESS	7
 RESOLVING INSOLVENCY	21
 PAYING TAXES	25
 GETTING ELECTRICITY	41
 REGISTERING PROPERTY	45
 PROTECTING MINORITY INVESTORS	63
 TRADING ACROSS BORDERS	91

Source: The 2016-17 World Economic Forum Global Competitiveness Report
*Rank out of 138 countries.

Source: World Bank Doing Business Report 2017
**Out of 190 countries

3.1 UNDERSTANDING THE MARKET

Entering any new market can be an overwhelming and intimidating process without local knowledge. It's important to take a strategic approach to learning about local conditions, supply and demand, culture, and business practicalities. The following are important steps in this process:

- Conduct as much research as possible and make connections before travelling to Australia. You could, for example, contact your local Austrade office or the relevant Australian Chamber of Commerce in your area.
- Carry out due diligence and research on any potential advisers, partners and contractors. Australians will research your background and credentials so ensure you do the same.
- Allow time for bureaucracy. Australia has extensive legal requirements that must be met so there will be lots of documentation to deal with. Filling in forms and waiting for approvals, both in Australia and when trying to enter the country or bring products in, takes time.
- Choose a business structure based on research specific to your industry, objectives and product.
- Whether establishing your own business in Australia or joining a partnership, make sure you are directly involved in the setting-up process to ensure you develop a good knowledge of the market.
- Be flexible and accept that the way of conducting business in Australia may be very different to in your home country. In particular, business procedures may be more formal, and different standards and regulations may apply, for example in human resources or health and safety.
- Have a business plan that contains scenario planning and risk mitigation approaches and consider consulting local business advisory firms and legal professionals to help navigate the business practicalities.
- As you acquire more knowledge and data about Australia and your target market, ensure you update your strategy and objectives.

Visiting Australia

Visiting Australia is a useful way to understand the market further as well as build vital relationships with Australian business and government communities. There are no fixed rules about when to visit, but you should do so before entering into any agreements and plan your trip at least six weeks in advance. Consider meeting with several prospective agents, distributors or other business partners to give you a basis for comparison. Always leave the most promising contact until last. Meet with them once you have a better understanding of the market and standards and are more prepared to handle questions and strategic options.

Before you leave for your visit, arrange in-country assistance to plan and set up your program. This will help ensure you see the right agents and customers, who will be briefed and screened for interest and suitability. Also do some background reading and learn more about Australia and its way of life by reading Australian news and media websites. It can be useful to consider how you would treat someone who has no experience of your own country visiting to do business with you. The aim of this initial research is not to develop a judgement of Australia; rather, it is to enable you to ask better-informed questions and have a more knowledgeable commercial judgement about the people you meet in the country.

When choosing when to go, take note of holidays and religious festivals that occur at the same time as your planned visit. Much of Australia goes on holiday over the Christmas and New Year period (mid Dec/early January), and many businesses and government departments shut down. Another peak holiday period is Easter, which falls in either March or April.

To make the most of your visits to Australia, you need to be well prepared before you arrive. Pre-arrange as many of your meetings as possible and, if time allows, reconfirm them three days to a week in advance. Have addresses for meeting locations and information on the people you are meeting with. Ensure you have company and product information and business cards. These are vital for developing business relationships with Australians, and it is important to follow up with people who have provided you with their cards. It is recommended that, within 48 hours of your appointment, you send an email thanking your contact for the meeting and providing any follow-up information – noting also, if necessary, that you will get back to them within a specific time period on further requests. This will leave a good impression by demonstrating your reliability and professionalism. Joining an Australian business association in your country of residence is another great way to learn more about what is going on in the local business community and to meet people.



Risks

All countries present risks in regards to conducting business, trade and investment. Although the level of risk associated with Australia's business environment is lower than that of other countries in the region, it is still critical to seek professional advice on the risks specific to your venture and how to minimise your exposure to them.

Bribery and corruption, including of public and private officials, is illegal in Australia and is a relatively low risk compared to other markets in the Asia-Pacific region. Transparency International ranks Australia as one of the least corrupt nations in the world, placing it in 2015 at 13 out of 168 (168 being most corrupt) – ahead of other leading economies such as the UK, the US, Japan and Germany. It is also illegal for any Australian-registered business to engage in bribery or corruption in foreign markets. Such behaviour is subject to legal prosecution in Australia.

Another area of low risk is intellectual property (IP). Australia has a strong and extensive IP framework to protect the IP rights of businesses and individuals. This incorporates trademarks, designs, patents and copyright, which come under common law and are governed by legislation. The common law also has a position against a person passing off goods or services as those of another, as well as protection for confidential information or trade secrets. Further information on IP can be found in Chapter 5.

Foreign investors from Asia may not be used to the idea of regulator risk or interventionist government. Regulations differ among the states and territories and can even contradict federal legislation. Furthermore, Australia's political structure allows any government to remove government initiatives or regulations introduced by previous governments. One example of this was the introduction of the WorkChoices industrial relations laws by the Liberal Howard Government in 2005, which were abolished and replaced by the Fair Work Act 2009 by the Labor Government. Australia has strong union movements and rights to object in certain industries, including health, transport and maritime, and these may be cumbersome for those not used to highly unionised environments. Businesses looking to operate in multiple Australian states should check the regulations in each state. It is important to note that the passing of an Act in Parliament (at all levels) can be a lengthy process with procedures in place to seek business and public input.

Need an interpreter or translator?

Australia has many resources that can help with translating and interpreting in various languages. Asking your Australian contacts for recommendations is perhaps one of the best ways to be introduced to a good service provider.

A nationally accredited translator or interpreter in Australia will be able to provide you with their certificate from the National Accreditation Authority for Translators and Interpreters (NAATI) – the only agency to issue accreditations to interpreting and translating professionals.

The Australian Department of Immigration and Border Protection offers a Translating and Interpreting Service (TIS) which is available to Australian citizens, as well as businesses and agencies needing to communicate with clients. TIS offers on-site and phone services with prices starting from \$27.17 per 15 minutes during working hours for phone services and a minimum \$761.42 for a full weekday of on-site interpretation.

Further details are available at: www.tisnational.gov.au or from the Australian Institute of Interpreters and Translators (AUSIT): www.ausit.org.

Two areas of potential risk are skill shortages and supply chain disruption. Because of Australia's vast size and relatively small population, some industries – particularly those that are predominantly technical, and based in more rural areas, especially northern Australia – will experience skill shortages. Businesses need to address these issues in their strategic plan, for example by offering recruitment incentives, accommodation and options to fly in and out of remote work sites. Such options will mean higher operating costs for ventures in more isolated areas. Skill shortages can also occur in major cities – there have been problems recruiting doctors and nurses, for example.

Australia's size and the fact it is an island can also cause issues with supply chain disruption. Delays can be caused by weather or environmental conditions such as cyclones, drought, monsoon rain and floods. Australian ports can be hindered and transport infrastructure including rail and roads can be damaged. In addition, these conditions can impact on the quality and quantity of agricultural products, which may affect export contracts and related sales.

Financial support and government assistance

The Australian Trade Commission Office (Austrade) can help you understand what financial support and incentives might be available to you in Australia. Austrade has offices throughout Asia and works with the Federal Australian Government, the individual state and territory governments, as well as foreign governments to facilitate foreign direct investment (FDI) into Australia. For further information on support available from Austrade go to: www.austrade.gov.au/International/Invest/Guide-to-investing/Australian-Government-support-programs. It is also recommended that you visit the websites of the relevant state and/or territory government where you are thinking about investing or establishing a business, to see what support and assistance they can offer.

Various grants exist to assist businesses in certain industries with funding particular projects or initiatives. These change regularly and sometimes attract additional support from state or territory governments. Many of the grants available are created to assist with Australia's development and provide job opportunities for Australians. They may not be purely financial, but be related to government support for training services, as well as mentoring, advice and R&D. To see if any grants are available in your area of business, go to the Australian Government's Grant Finder at: www.business.gov.au/assistance.

Other support the Australian Government offers includes:

- Incentives, financial assistance and services offered by the Australian Department of Employment. The Department's Jobactive service helps employers find skilled workers while encouraging more Australians into the workforce, by aligning labour shortages with those seeking work. Further information can be found at: www.jobsearch.gov.au.
- Australia offers some of the world's best R&D tax incentives for eligible companies. R&D activities conducted overseas are eligible under certain circumstances. The program is jointly administered by AusIndustry (an Australian Government agency) and the Australian Taxation Office (ATO). It is a targeted, generous and easy-to-access entitlement program that helps businesses offset some of the costs of R&D. The program aims to help more businesses carry out R&D and innovate. It is a broad-based entitlement program, which means that it is open to firms of all sizes in all sectors who are conducting eligible R&D. More details are available at: www.business.gov.au/grants-and-assistance/innovation-rd/RD-TaxIncentive/Pages/default.aspx#.
- The Australian Government's Tourism Major Project Facilitation Service (TMFP) was set up to support the Tourism 2020 Strategy. It aims to attract investment and develop Australia's major tourism infrastructure by providing potential investors with a central contact person in the Australian Government to help guide them through both Australian and state or territory government approvals processes. As well as helping to streamline the approval and application processes, TMFP will facilitate any required introductions or meetings with the relevant

Australian state and territory government investment websites

- **ACT:** www.business.act.gov.au
- **NSW:** www.industry.nsw.gov.au
- **NT:** www.investnt.com.au
- **QLD:** www.business.qld.gov.au/invest
- **SA:** www.statedevelopment.sa.gov.au
- **TAS:** cg.tas.gov.au/
- **VIC:** www.invest.vic.gov.au
- **WA:** www.dsd.wa.gov.au/invest-in-wa

Key bodies

- **Australian Securities and Investment Commission (ASIC):** The regulator of Australian-registered companies. ASIC oversees the Corporations Act which is the law regulating the incorporation of companies and their operations and management.
- **Australian Tax Office (ATO):** The Australian Government department that is the statutory authority responsible for administering the Australian federal taxation system.
- **Foreign Investment Review Board (FIRB):** Non-statutory body established to advise the Australian Treasurer and the Government on Australian foreign investment policy and its administration. This includes examining proposed investments in Australia.

Australian Government agencies, and provide access to support programs and expertise. See: www.austrade.gov.au/Australian/Tourism/Tourism-and-business/Investing-in-Tourism/how-to-apply for more information.

- Australia also offers a Major Project Facilitation Service (MFP) for other industries. Similar to the TFMP, it provides assistance and support with a primary Australian Government contact person. This contact can help to arrange relevant meetings, provide information on Australian suppliers and help respond to any policy issues that may arise. See: www.majorprojectfacilitation.gov.au.

3.2 CHOOSING A BUSINESS STRUCTURE

There are various structures one can choose from when establishing a business in Australia. Which one is the most suitable for your Australian operations will depend on various factors, including your Australian strategy. Do you want to establish a branch office of your existing company, or do you want to establish an entirely new business? Is being a public listed company on the Australian Stock Exchange (ASX) a strategic objective, or are you entering a joint venture (JV) with an Australian partner?

The most common business structures to choose from in Australia are:

- A public or proprietary company
- Sole trader
- Australian subsidiary
- Foreign company branch
- Joint venture (JV)
- Partnerships
- Trusts

Note that the Australian regulatory system allow for changes to business structures as a company grows, to suit its objectives. Each structure is subject to varying tax and auditing requirements, asset protection and ongoing costs.

Australian companies: There are four types of company to choose from:

- A company limited by shares, either public or proprietary – the most common form
- A company with unlimited liability
- A no liability company – only for mining companies
- A company limited by guarantee.

A company limited by shares in Australia can either be a **public company** or a **proprietary company**. Neither has any minimum capital requirements. A public company can have an unlimited number of shareholders with at least three directors. Two of these and one company secretary have to be ordinarily resident in Australia and hold annual general meetings (AGMs). In contrast, a proprietary company must have one director who is ordinarily resident in Australia and no more than 500 non-employee shareholders. It does not need to hold AGMs. This is the most common of the two types of companies established by foreign investors. The company is managed by the directors, but free trade of shares is not allowed. Certain industries, however, such as banking, do have specific licensing requirements.

Sole trader: An individual can conduct business in Australia by registering as a sole trader. There is no legal distinction between the business and the person, so the sole trader is personally liable for all debts and obligations related to the business. If the business' name is not that of the sole trader then it needs to be registered as a 'business name' with ASIC.

Australian subsidiary: A foreign investor can establish an Australian subsidiary by either purchasing a 'shelf company' – a registered business that has been set up, but is not trading yet, by a business for that purpose; or by establishing an entirely new one by completing the required application form and submitting it to ASIC.

Foreign company branch: A foreign company can trade in Australia (not as an Australian subsidiary) by registering as a foreign company branch at ASIC by submitting the required registration forms. Successful registration means the branch does not have to operate within an Australian business structure, however it must have an agent appointed in Australia to ensure Australian law is complied with. A registered office must also be established in Australia and the name reserved.

Joint venture (JV): A JV can be established that is either incorporated (as a company) or unincorporated. This business structure is generally between two companies or individuals – foreign investors with Australian entities – and is used for a particular project or venture.

Partnerships: Unlike a JV, a partnership involves foreign investors and Australian entities entering a partnership, but it is not a separate legal entity. Partners are jointly personally liable for all obligations and debts incurred by the business. This business structure is governed by state and territory legislation rather than federal law. Some states will permit limited liability partnerships to be established, where one or some of the partners have limited liability.

Trusts: A trust arrangement that permits foreign investors to conduct business in Australia is generally between two or more trusts. A trust involves the trustee (usually either an individual or corporate entity) holding certain assets in their own name but for the benefit of a group of persons and/or entities (known as 'beneficiaries'). However, the trustee may not use any assets for their own benefit. This form of business structure is commonly entered into due to its ability to attract lower tax requirements and increased asset protection. A trust itself does not pay income tax on profits, provided that the profits of the trust have been fully distributed to the beneficiaries in the relevant financial year.

There are various types of trust arrangements to choose from. The most common is a unit trust, which is generally used for medium to large-scale investment properties. Another common one is a discretionary trust, in which a trustee has the discretion to decide which beneficiaries will receive distributions (including the amounts) of both income and capital. Establishing a trust can be a simple process, but the governing laws and regulations are incredibly complex and if not adhered to can attract regulatory penalty. Appropriate legal advice should be sought to understand the laws and requirements.

Entering the Australian market need not necessarily involve having a permanent presence in Australia. Foreign companies may also use other methods such as franchising, direct selling, or appointing an agent or distributor to sell their product or service. Like the choice of business structure, the form of market entry you choose will depend on what you're offering

Principal franchise bodies in Australia

Franchise Council of Australia: A not-for-profit organisation representing franchisees, franchisors and service providers to the sector.

Franchise Business: The official directory of the Franchise Council, listing over 1,500 brands and more than 4,000 franchises, providing franchise news, insights and advice. For more information, go to: www.franchisebusiness.com.au.

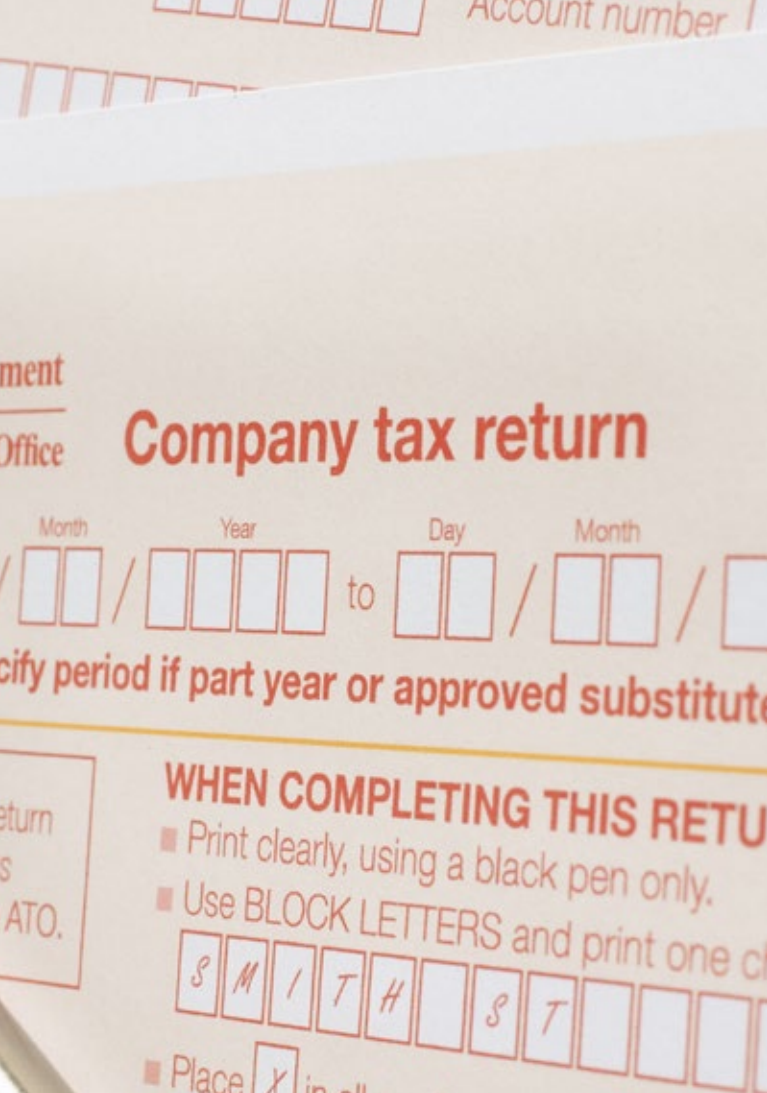
the market – a service or product, and also your strategy for Australia, and perhaps even the region. Some may also choose to use a mix of market-entry options, developing their business structure and strategic plan for the Australian market as their business grows and the marketplace evolves. See Chapter 5 for information about financial reporting requirements, trade regulations and varying tax requirements for different business structures.

Franchising

Ibis World estimates the value of Australia's franchise sector in 2016 to be \$171.6 billion, generating \$12.7 billion in profit. The industry has grown at a rate of 2.7 per cent over the five years to 2016, with projected growth expected to moderate slightly to 2.3 per cent between 2016-2021. At this rate of growth, the industry is projected to expand to \$192.7 billion by 2021. Australia is a highly attractive market for international franchisors, driven by the Australian population's strong desire for health, nutrition and wellbeing services. There are more than 73,000 franchises in Australia, with the sector employing over 570,000 Australians across the country. Aged care, food retail, courier services and health-related franchises are some of the sector's fastest-growing types of businesses. The four most prominent types of franchising foreign investors can engage in are:

Direct franchising: This involves the foreigner franchisor directly awarding unit franchises in Australia – as they would do to a franchisee in the US, for example. This gives the franchisor maximum control over its entire franchise network, allowing a direct relationship between the franchisor and franchisee. The advantages of this include the foreign franchisor supplying products or allowing some local supply for the Australian franchisee. However, it may present some challenges for the foreign investor, for example if they do not understand cultural differences or know the local market well. It may also be difficult to ensure adequate training, with ongoing support and assistance needed by the franchisee.

Joint venture (JV): As discussed in the business structures section, this entails two parties forming a company or partnership in Australia to operate the franchise network there. The JV is licensed by the foreign franchisor to operate one or more of the other franchise structure options.



Master franchise: This involves the foreign franchisor expanding into Australia through a master agreement. A master agreement entails contracting with a person or business (master franchisee) to provide services to franchisees in a specified territory (typically a major market or even one or more states). Essentially, the master franchisee acts as the country or territory's franchisor with the exclusivity of the territory for marketing, expansion, and autonomy over sites and selection of franchisees. They provide training and support to franchisees. The franchise company generally receives from the master franchisee a significant initial fee for the rights to develop the territory and then retains most or all the initial fees and royalty fees paid over time by the individual franchisees in the region. The foreign franchisor does not have any direct contractual relationship with local franchisees and has no direct legal obligations to them.

Area development: This is the fourth option for franchising in Australia, and involves an area developer being awarded an area to establish a specific number of franchise units over a certain period of time. The area developer enters into a direct agreement with the foreign franchisor that outlines an exclusive territory. This may be a certain area of the country, all of the country or even several countries. The area developer is paid a sales commission on the initial franchise fee paid by unit franchisees and a portion of the ongoing royalty stream so long as it provides such services. The area developer may or may not pay anything to the foreign franchisor for this right. The Australian franchise sector is highly regulated by the Australian Competition and Consumer Commission (ACCC), under the Franchising Code of Conduct 2014. The Code assists with the ongoing relationship between franchisees and franchisors, covering issues such as:

- Disclosure of the pertinent information regarding the franchisor
- Conditions contained within the franchise agreement
- Complaint handling and dispute resolution procedures.

When considering establishing a franchise network in Australia, ensure you:

- Thoroughly research the market and identify whether there is an opportunity, and where the most appropriate market would be – remember Australia is a large country with regional and urban differences
- Develop an appropriate business model and expansion plan, including a financial plan
- Prepare legal matters such as disclosure agreements, operational manuals, policies and procedures
- Protect core intellectual property, including registration of brands and trademarks
- Perform thorough due diligence when choosing partners and franchisees
- Test the market and consider possible modification of operational systems to suit the local context
- Continuously monitor and review operations to maximise brand development and success of your operations.

For further information on franchising in Australia, go to: www.franchisebusiness.com.au.

Agents and distributors

Other options for selling your product or service in Australia are engaging an agent or distributor, or direct selling. These may not be appropriate for all products and services, so ensure you do your research and consider whether other foreign companies with similar products to yours are using these methods. These market-entry options may be suitable for the establishment of your brand in Australia, but in the long term you might want to consider changing to another option for stronger expansion.

Agent: An agent is a representative of the supplier, but does not take ownership of the goods. An agent is generally paid a commission based on an agreed percentage of sales value generated. Agents generally reside in Australia and often represent numerous services or product lines. They may operate on an exclusive basis, where they are the sole agent for a company's goods or services in that market, or as one of a number of agents. The advantages of this method include lower costs than using distributors, direct contact between manufacturer and customer, and the opportunity to have more control over the marketing and terms of sale.

Distributor: In contrast to an agent, a distributor takes ownership of the goods by buying them and reselling them in Australia, either to local retailers or direct to consumers. In some cases, the distributor may sell to other wholesalers who then sell to local retailers or end users. Although not always, usually a distributor will take on the role and responsibility of marketing. One advantage of this method is that it passes a significant amount of risk to the distributor. It also means you only have to monitor the distributors' accounts rather than

those of the customers, and the distributor is more motivated to sell your product than an agent would be because they hold the stock.

Direct selling: More than 500,000 people in Australia are direct sellers. They sell various products including, but not limited to, cosmetics, apparel, cleaning products and systems, homeware such as kitchen items and cookware, jewellery, scrapbooking supplies and nutritional products. Often direct selling is carried out in conjunction with online sales. Professional advice should be taken before going down this route as a company needs to meet several legal requirements, including having contracts for independent salespeople (ISPs) and compensation or reward plans for the ISPs. ISPs can either be commission agents, who sell the products on your behalf, or they may be independent resellers, who buy the products from you at wholesale price and resell to consumers at a higher retail price. For further information about direct selling in Australia and the associated requirements, consult the website of the Direct Selling Association of Australia (DSAA): www.directselling.org.au.

3.3 ESTABLISHING YOUR BUSINESS

The Australian market is relatively user-friendly when it comes to establishing a business: the process of starting a business ranked 11th out of 189 economies by the World Bank Doing Business Report 2016. The process of officially registering a business is quite straightforward and streamlined, and extensive information is available from the relevant government websites. Nevertheless, the large range of available information can be overwhelming to new market entrants who may find it hard to know where to find the specific information they are seeking, or simply be unsure of where to begin.

Your first step should be to visit ASIC's website: <http://asic.gov.au/>. This has lots of information, including several step-by-step processes related to establishing a business, registering business names and setting up a company. Austrade and the relevant state and territory government investment and trade departments may also be able to guide you in regards to establishing a business in Australia.

Australia does have guidelines on who can establish and run a business. A person cannot manage a business if they are:

- a bankrupt, or
- have been convicted of certain types of offences under s206B of the Corporations Act
- have been convicted of certain types of offences under s32(1) of the Business Names Registration Act 2011.

If a person has been convicted of certain types of offences they are automatically disqualified from managing a company for five years.

ASIC can also disqualify or ban a person from managing a company for up to five years if:

- they have been involved in two or more failed (liquidated) companies in the last seven years, and

Establishing a business in Australia

- Business operations in Australia can be managed by a trust, a company, an individual, a joint venture (JV), a partnership or a foreign company branch.
- The applicable legal and taxation regulations differ based on the type of operation.
- The Corporations Act, the Constitution and common law govern all Australian companies.
- All Australian companies are required on all official documents to disclose their:
 - ACN – Australian Company Number; or
 - ARBN – Australian Registered Body Number.
- Once registered for an ACN, a company needs to register with the ATO for an Australian Business Number (ABN), which is used on all tax-related information.
- For further information, go to: www.business.gov.au or <http://asic.gov.au/>.

- a liquidator has lodged a report with ASIC for each of the companies about the companies' inability to pay its debts.

Small business-related structures do not need to be registered with ASIC. However, their business name still has to be reserved with ASIC (as outlined later on in this chapter). This applies to sole traders, partnerships and trusts. Only a company (Australian or foreign) needs to be registered with ASIC.

Registering a company

Registering a company is a relatively simple process. The below forms can be found at the following link: <http://asic.gov.au/regulatory-resources/forms/> or by contacting ASIC directly.

- Form 201: Application for registration as an Australian company
- Form 402: Application for registration as a foreign company.

Foreign companies need to submit a number of associated documents with Form 402. These must be certified, translated into English and include:

- a current certificate of registration or a document of similar effect that confirms that the company is currently registered

Australia - One of the easiest countries to start a business

The World Bank's Doing Business Guide 2017 ranks Australia 7th out of 190 economies for ease of starting a business, with procedures and costs much lower than the average of OECD high income economies.

INDICATOR	RANK	
	Australia	OECD high income
 Procedures (Number)	3	4.8
 Time (Days)	2.5	8.3
 Cost (% of income per capita)	0.7	3.1
 Paid-in min. capital (% of income per capita)	0.0	9.2

PROCEDURE	Time to complete	Associated cost
Complete and lodge ASIC Form 201 and obtain a certificate of incorporation and an Australian company number (ACN)	1 DAY	\$463
Register for ABN with the Australian Taxation Office (ATO)	<1 DAY (Online)	NO CHARGE
Register for Worker Compensation Insurance at an insurance agency	1 DAY	NO CHARGE

Source: World Bank Doing Business Guide 2017

- a certified copy of the company's constitution
- a memorandum stating the powers of certain directors
- Form 403 – only if a local agent has been appointed to act on behalf of the foreign company.

Once these are completed, they need to be lodged (via mail or in person) with ASIC. Fees apply and are subject to change.

Further information on registering a foreign company can be found at: <http://asic.gov.au/for-business/starting-a-company/how-to-start-a-company/foreign-companies/#how>.

Choosing a company name

Your company doesn't necessarily need a name – it can be referred to by your ACN. However, if you decide to choose a company name, there are several rules that must be adhered to.

According to ASIC, a proprietary company must include the word 'Proprietary' or the abbreviation 'Pty' in its name and must also show the liability of its members, unless the members' liability is unlimited. For example:

- If the liability of the company's members is limited to the amount unpaid on their shares, the company name must end with the words 'Proprietary Limited'
- If the liability of the members is unlimited, the company name will end only with the word 'Proprietary'.

Certain words may not be used in the name without Government approval. These include words such as university, trust, chamber of commerce, and chartered. Once you have decided on a name, check with the Australian Government department IP Australia to see if it is already registered or if a business with a similar name exists, because if so, your name may not be permitted. Then, you can reserve the business name with ASIC. Further information on reserving company names can be found at: www.asic.gov.au/regulatory-resources/forms/forms-folder/410-application-for-reservation-of-a-name.

Australian website

Having a **comprehensive website** is crucial for attracting Australian businesses or customers to your new service or product, or for conducting business with potential agents. Design your website for an Australian audience – content should be in English and it should operate on an Australian domain (with the suffix .au) to help attract more Australian traffic through such search engines as Google. Consider seeking professional assistance to help you design an appealing website for the Australian market. This will help convey that your business is modern and uses new technology, projecting the impression of a professional and trustworthy operation.

3.4 MARKETING AND E-COMMERCE

The Australian market is typically saturated with advertisements and messages, so it can be a major challenge to get through to your target audience. Australians also value the opinion of their peers, so the strongest advocate for your product is an excellent customer review. However, you need to be aware that a negative review can be extremely damaging.

Australians are among the world's most well-travelled people and are actively exposed to foreign values and trends via television programs, social media, shops and online platforms. This means the average Australian consumer has high brand awareness, something that is further strengthened by the multiculturalism of Australian society and the nation's high average income. Such brand awareness may work in your favour if your brand is well known, particularly in the US or in Asia. However, note that Australians overall are generally price sensitive and will often research products online before purchasing to compare prices, and also read customer reviews.

It is important to take into account the differences between the major cities in Australia and across regional areas. Such differences may include (but are not limited to) income levels, climate, access to products, and lifestyle. For example, a popular campaign running in metropolitan Melbourne will not necessarily be attractive to the northern Australian demographic in places such as Cairns, or suitable for different cultural environments. Areas such as Sydney and Melbourne generally have more sophisticated and educated consumers who seek on-trend items, whereas the lower income levels and diversity in Darwin mean the market is more price-sensitive and not as brand-focused. The vast distances between cities means that logistics and handling times need to be considered if you're targeting an area where you have no physical presence for service or product delivery. Depending what type of service or product you're offering, you may have to adapt it for the Australian market or your specific target audience.

Australians are quite sceptical when it comes to advertising, making it difficult for marketers to get their message or product to stand out in the saturated market. However, research by Nielsen contends that Australians are becoming increasingly trusting of digital advertisements, with one in three Australians trusting online ad banners and search engines' advertisements, and three in five Australians having trust in branded websites. Nonetheless, the most trusted form of advertisement is a referral by someone an Australian knows who has used the product. In Nielsen's study, three out of five Australians indicated that they have high trust in this situation. Mobile advertising is perhaps one of the least trusted forms of consumer ads.

The best way to deal with the complexities of the Australian market for marketing and advertising purposes is to invest in and hire local knowledge. There are Australian and international companies that specialise in marketing

Popular marketing options in Australia:

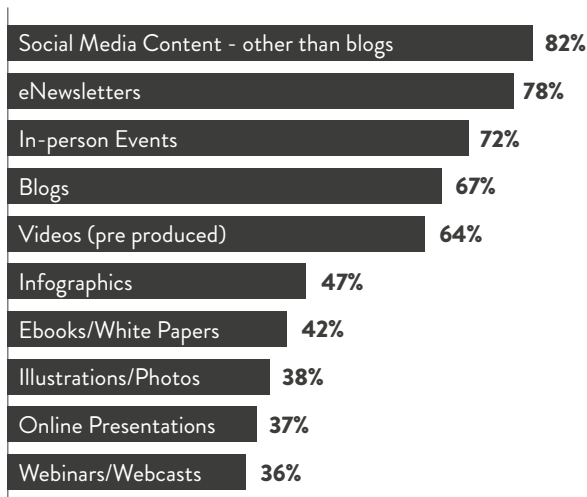
- Sponsoring events, including those related to sport
- Advertising in magazines, newspapers, television, radio, and digital avenues including search engine marketing (SEM)
- Content marketing, e.g. blogs, articles on websites
- Holding in-person events
- Social media
- Mobile ads
- Mail – direct and email
- Surveys
- Online videos.

The Australian Government provides further information on marketing to Australians and developing marketing and social media plans. Go to: www.business.gov.au/Info/Plan-and-Start/Templates-and-tools/Marketing-Plan-Template-and-Guide.

in Australia and they can help develop a creative way to communicate your message to your Australian audience. A comprehensive marketing plan is required that covers elements such as your brand, stakeholder management, public relations, media (including digital and social media), and your product/brand value proposition.

Recognising such challenges and the market trends, many companies engage in business to business (B2B) but also business to customer (B2C) content marketing. The key is to develop engaging content that is of interest to the target audience. The report *Content Marketing in Australia 2015: Benchmarks, Budgets, and Trends* highlights that although the most common content marketing tactics by research respondents were social media content, website articles and e-newsletters, the most effective were in-person events, e-newsletters and blogs. On average, Australian companies engage in 12 forms of content marketing, reaching a variety of audiences through the most popular avenues of LinkedIn, Facebook and Twitter, with usage of Google+ growing.

AUSTRALIAN CONTENT MARKETING TACTIC USAGE



Source: Content Marketing in Australia 2017: Benchmarks, Budgets, and Trends

Trade shows and exhibitions: An effective way to reach potential new customers is to visit one of the many trade shows and exhibitions that are held frequently across Australia. Trade shows are particularly popular for food and beverage-related products – many Australians favour high-quality food and wine and enjoy tasting them at trade shows or ‘expos’. Although consumers may come to look at your product, you still need to persuade them to buy it, so ensure you have all of your sales and product information in English. Many Australians prefer simple and to-the-point information on such literature – save extensive descriptions for your website, which you can direct them to on the distributed pamphlets. If attending an industry-specific trade show, it may be appropriate to have detailed technical information outlined in the literature.

E-commerce in Australia

As in many other countries, the Australian e-commerce market is growing substantially. It made up 3.4 per cent of Australia’s total retail sales in 2016, and is forecast by eMarketer to grow to 5.6 per cent by 2018.

Although a small market in the Asia-Pacific region, simply due to population size, more than 80 per cent of Australian internet users buy cross-border products online. This is significantly higher than the global average (51.2 per cent) and places it second regionally, behind Japan (82 per cent). Research by various parties including PayPal, Roy Morgan and DHL have identified the US, followed by the UK, Hong Kong and China as the most common countries to buy from. The most frequently bought cross-border products include apparel, footwear and accessories, books, DVDs and computer games. Challenges include price sensitivity and long delivery times.

The country’s substantial online sales growth is not only occurring with cross-border online sales. The ABS reports that e-commerce turnover in Australia has grown by 40 per cent, from \$7.4 billion in 2014 to \$10.5 billion in 2016. According to Australia’s Digital Pulse Report, Australia has the OECD’s second-highest percentage of businesses engaged in e-commerce, behind New Zealand and ahead of Denmark, with around 75 per cent of businesses having an online presence. Many businesses are embracing this opportunity through social media, using it as a customer service channel and taking advantage of it to promote service-based products such as tourism and hotels.

The principal social media site in Australia is Facebook, with an estimated 40 per cent of the population (nine million) logging into it daily. Instagram is perhaps the fastest-growing social media avenue, with 1.6 million Australian active users. However, the overall market is saturated, with changes in market share minimal compared to social media in Asia. Interestingly, compared to other markets, Australians prefer to keep their social media feed ‘personal’ therefore are less likely to follow brands on social media unless it relates to their work. The most-liked brands on Facebook by Australians were the wine brand Yellow Tail, followed by McDonalds and women’s activewear brand Lorna Jane.

Recognising the growing e-commerce trend, Australia Post (the national postal service) has various initiatives in place to assist online businesses and customers. These include: My online shop (online shop platform), SecurePay (online payment system), ShopMate (which sets up a US address allowing Australians to buy from US-resident only online shops), and Online Farmers’ Market (a platform enabling farmers to sell directly to Australians online). Further information can be found at: <http://auspost.com.au/business-solutions/ecommerce-solutions.html> and <https://shopmate.auspost.com.au/>.

E-commerce laws: Like other industries in Australia, e-commerce and online transactions are regulated by the Australian Government under various legislation. E-commerce transactions are governed in Australia by the Australian Consumer Law (ACL). This legislation applies to consumer goods and services bought or sold in any state or territory in Australia, no matter whether online or in person.

According to the Australian Department of Communications and the Arts, legally, a business has to keep records in English of completed transactions for up to five years. Businesses need to supply the following to the person they are conducting the transaction with:

- A clear description of the product
- Cost details including delivery, insurance and any credit card charges
- Information on exchange, refund and warranty policies
- Details of when consumers will receive the good(s) or service (s)
- The terms and conditions of the agreement.

This information is generally supplied on the product webpage, with links to the various elements on the page (for example, a link to the returns policy). In addition, the ACL provides Australian shoppers with automatic guarantees to protect them from unacceptable and/or misleading products and services. A number of consumer rights also apply under the law when purchasing goods or services under \$40,000 or over \$40,000 if for personal, domestic or household use. These may include warranties offered, rights to repair, replacements and refunds. Further information on guarantees can be obtained at: www.accc.gov.au/consumers/consumer-rights-guarantees/consumer-guarantees.

When obtaining buyers' personal information, e-commerce businesses need to ensure they adhere to Australia's privacy law, the Privacy Act 1988. As when collecting information in person, the Act encompasses the National Privacy Principles (NPPs), which essentially require sellers to have a policy that tells consumers exactly what you will use their information for. There is also the Spam Act 2003, which prohibits all unsolicited electronic communication. Under this Act, businesses are required to have consent from the person they are sending messages or emails to, while offering them an opportunity to unsubscribe and providing identifying information about their business.

Overview of Australia's e-commerce market

Major online e-commerce platforms:

- eBay Australia (23.1 million weekly visits)
- Gumtree – eBay's local paid advertisement site (13.3 million)
- eBay – US site (13.2 million)
- Amazon – US site (11.6 million).

Principal payment type: Debit/credit cards (Visa and Mastercard) or the online payment site PayPal.

Principal search engine: www.google.com.au

Peak sale times: 7pm-9pm throughout the week, with higher sales on Sunday and Monday nights.

Peak online shopping days:

- Christmas Day – 25 December
- Boxing Day – 26 December
- New Year's Day – 1 January
- Australia Day – 26 January.

Key social media sites:

- | | |
|--|---|
|  Facebook |  Instagram |
|  YouTube |  Twitter |
|  LinkedIn |  Tumblr |

Note: There is no import tax, duties or import processing charges for goods* valued under \$1,000 imported into Australia.

*Excluding tobacco or alcohol products

Further information on getting online in Australia can be found at: www.communications.gov.au/what-we-do/internet/digital-business.

Applicable federal, state and territory e-commerce laws are available at: www.ag.gov.au/RightsAndProtections/ECommerce/Pages/default.aspx.

3.5 BUILDING INDUSTRY RELATIONSHIPS

There are various industry and business associations you should reach out to. They can assist with providing connections and introductions in Australia and with the Australian business community in Asia. Additionally, some may be able to provide guidance as to where to find useful information relating to investing or conducting business with Australia. Below is a list of the key business associations, including Chambers of Commerce.

Greater China

AustCham Beijing
<http://austcham.org/>

AustCham Hong Kong & Macau
www.austcham.com.hk

AustCham Shanghai
www.austchamshanghai.com

Australia China Business Council (ACBC)
www.acbc.com.au

Australia New Zealand Chamber of Commerce in Taipei (ANZCham)
www.anzchamtw.org

Australia-Taiwan Business Council
<http://atbc.asn.au/>

Hong Kong Australia Business Association (HKABA)
<http://hkaba.com.au/>

India

Australia India Business Council
www.aibc.org.au

Australian and New Zealand Business Association in India (ANZBAI)
www.anzbai.co.in

Indo-Australian Chamber of Commerce
www.indoaustrchamber.com

Indonesia

Australia Indonesia Business Council
www.aibc.com.au

Indonesia Australia Business Council
www.iabc.or.id

Japan

Australia Japan Business Co-operation Committee (AJBCC)
www.ajbcc.asn.au

Australian and New Zealand Chamber of Commerce in Japan (ANZCCJ)
www.anzccj.jp

Republic of Korea

Australia-Korea Business Council (AKBC)
www.akbc.com.au

AustCham Korea
www.austchamkorea.org

Singapore

AustCham Singapore
www.austcham.org.sg

Australia Singapore Business Council
www.asbc.org.au

Thailand

AustCham Thailand
www.austchamthailand.com

Australia Thailand Business Council
www.aust-thai.org.au

Other associations in the Region

Australia Bangladesh Business Council
<http://103.1.217.71/index.php>

Australia Brunei Darussalam Business Council (ABBC)
<https://www.facebook.com/Australia-Brunei-Darussalam-Business-Council-ABBC-110779372325928/>

Australian Chamber of Commerce in Cambodia (AusCham)
<http://auschamcambodia.com/>

Australia Chamber of Commerce Lao PDR (AustCham Lao)
www.austchamlao.org

Australia Malaysia Business Council (AMBC)
www.ambc.org.au

Malaysia Australia Business Council
www.mabc.org.my

Australia-Myanmar Chamber of Commerce
www.a-mcc.com

Australia Pakistan Chamber of Commerce and Industry
www.auspcc.com

Pakistan Australia Business Commission (PABC)
www.pabc.org.au

Australian-New Zealand Chamber of Commerce Philippines (ANZCham Philippines)
<http://anzcham.com/>

Australia Philippines Business Council
www.apbc.org.au

Sri Lanka Australia New Zealand Business Council
www.slanzbc.com

Australian Chamber of Commerce in Vietnam (AusCham Vietnam)
<http://auschamvn.org/>







4. Australian culture and business

Once you have researched the potential opportunities Australia offers and considered how you're going to enter the Australian market, it is time to make sure you understand Australian culture, particularly in the business context. Australians are incredibly adaptable and accepting, but it is good practice to learn about their cultural and business styles so you can tailor your approach when conducting business in Australia.

Australia is one of the world's most multicultural societies so its culture is actually a mix of many – there is no one single kind of 'average Australian'. However, across all Australian cultural groups, great importance is placed on treating all with respect and in a trustworthy manner. And, like many other cultures in the Asia-Pacific region, Australians highly value relationships. They don't expect foreigners to be experts on their way of doing things, but they do greatly appreciate acknowledgment and small gestures that demonstrate you are making an effort, as you would hope they would do in your own country.

This chapter expands on the overview of the Australian culture provided in Chapter 1. It examines business etiquette in Australia and outlines the key points you will need to understand, as well as explaining how to work effectively with Australians. It also gives guidance on how to conduct meetings and negotiations, and carrying out due diligence – Australians are generally ethical people who act within the law and they will expect you to make checks before entering into a deal or partnership.

4.1 BUSINESS ETIQUETTE

Generally, Australians are relaxed, friendly, open and 'laid back'. They favour direct communication, preferring to get to a point quickly, and take feedback well – so if you are working with an Australian partner and you are uncomfortable about something, you can tell them without fear of them losing face.

Business etiquette varies depending on where you are and the situation – for example, meeting with politicians, going to business meetings in the more formal business environments found in Sydney or Melbourne, visiting a farm, or meeting a potential partner in a regional Australian town. However, in general, the principles discussed below will apply across all situations. More formality is required when meeting people in senior positions, such as those in government, but in more relaxed settings such as in small towns, Australians will generally encourage you to be more informal. They will be friendly and want to make you feel comfortable. If you're ever in doubt about how to behave, take cues from your Australian counterpart or ask an Australian colleague or friend for their guidance prior to the meeting.



Direct communication

Australians can be quite direct, but are usually less so than some Western European cultures.

They will be honest about their view on a matter and advise you of it plainly. They value directness and brevity in return. Overly formal behaviour, indirectness, and being too polite is often interpreted by Australians as insincere and distrustful. However, most Australians are aware of other cultures' customs so are more accepting of indirectness and formality from foreigners than from fellow Australians.



Hierarchy

The lack of hierarchy is perhaps one of the first things a foreigner will notice in Australian business culture. Within the workplace, collaboration is the norm and hierarchy is generally quite limited. The same amount of respect and status is expected and displayed for all, no matter their position. That said, Australians do still value experience and seniority, but this is demonstrated in different ways to in hierarchical cultures. Australians will show respect for the more senior person (by position or age) by the way they involve them in discussion, rather than positioning them as the primary speaker, or allowing them to be the first person to enter a room.

Consultation, equality and respecting people's personal qualities are core to Australian management styles. For this reason, Australians will voice opinions even if they are different to those of their superior. Managers also actively seek out their subordinates' views and include them in decision-making processes. Questions are encouraged and are asked of people in high positions. This is not disrespectful, but demonstrates one's interest in and passion for a topic or project. In some situations, not asking questions or engaging in discussions can be seen as rude: it looks like the person is disengaged or does not care enough to participate. It

When conducting business with Australians, note:

- Australians are open, friendly and pragmatic
- Collaboration is common, with little hierarchy
- Respect is shown based on interpersonal qualities and achievements rather than seniority and age
- They prefer direct communication over diplomacy
- Equality, inclusiveness and consultation are highly valued
- Building relationships is vital and done through socialising
- Gifts are not generally exchanged but are welcomed
- Australians will use sarcasm and humour in their communication, even in business meetings
- It is common for Australians to have after-work drinks on Fridays
- People are generally called by their first names, even senior personnel.

may be useful to think of questions to ask your Australian counterparts before meeting with them. While demonstrating your willingness to be part of a team can be a challenge for those from more conservative, hierarchical cultures, it is important.

Australians will tend to be more polite and respectful towards the elderly – those of their grandparents' age or those who have retired. This higher level of respect is also displayed with members of society who have held prestigious positions or won social awards, such as former senior diplomats or returning military personnel.

Australians put less emphasis on preserving 'face' than many other cultures. While embarrassing someone or shaming them is a cultural taboo in Australia, losing face only really applies to extreme behaviour, for example breaking the law, lying, deliberately making someone look like a fool in front of others, or openly condemning them in public.



Greetings and titles

Similar to their European counterparts, Australians will greet each other by shaking right hands, and will do so again when leaving a meeting. Respect is shown by looking people directly in the eye, however, unlike other cultures, Australians do not generally stand very close to each other or have much physical contact. Standing too close to an Australian can be perceived as intimidating and will make them feel uncomfortable. Note that they will pay attention to the type of handshake you give. One that is too soft can indicate weakness, whereas someone with too strong a handshake will be seen as trying to be too dominant. Hugs and kisses are generally reserved for people Australians know very well. Both women and men may kiss a woman they know well once on the cheek.

Generally Australians call each other by their first names, even at initial meetings or when introducing someone. However, when addressing people in senior positions (such as politicians or CEOs) who they do not know well, they will refer to them by their surname with the appropriate title – for example, Professor Smith or Ms Brown – until otherwise instructed. Generally, it is best to call someone the name they are introduced to you with. For example, if they are introduced by someone saying “This is Jack Smith”, call them Jack; or if the introduction is “This is Mr Jack Smith”, call them Mr Smith. When calling a woman by her surname, unless otherwise advised, it is best to use the title Ms, followed by their surname. If she wishes to be called Mrs, then she will politely correct you or be introduced to you with that title. If you are corrected in this way you should not feel embarrassed or that you have done something wrong. It is actually a compliment that they trust and feel comfortable enough with you to do so.



Business cards

Australians will generally give out their business cards at the beginning of a meeting, but it does also happen in the middle or at the end. If you're not sure when to provide your business card, it is best to do so at the start of the meeting. There is no set protocol for how you should give or receive a business card, so do not be surprised if Australians hand theirs to you with two fingers and don't look at yours when receiving it. On receiving a business card, an Australian will often put it away in their document folder, pocket or wallet. Do not take offence if your business card is placed in their pants or suit pocket, or if they don't have one to give to you.



Australian work ethic

Although Australians are very laid back, their work ethic is known as being one of the strongest in the OECD. They have some of the longest working hours and lowest amounts of annual leave (only 20 days, compared to some in the UK who receive 25 to 30 days). Even when busy with an extensive workload, they will say “no worries” and take on further work if requested, rather than admitting how busy they are. If someone declines work or says that they are too busy for a task, they may be considered to be complaining or not a team player.

Australian values

The Australian Government highlights Australian society's collective values as:

- Respect for the equal worth, dignity and freedom of the individual
- Freedom of speech
- Freedom of religion and secular government
- Freedom of association
- Support for parliamentary democracy and the rule of law
- Equality under the law
- Equality of men and women
- Equality of opportunity
- Peacefulness
- A spirit of egalitarianism that embraces tolerance, mutual respect and compassion for those in need.

These are actively practised in Australia's business environment.

Modesty is an integral part of the Australian psyche, linked to the idea of ‘battlers’ or people who have struggled (battled) in life to be a success, or simply to survive. This means Australians will often downplay their intelligence or success around others, and is reflected in the Australian cultural expression ‘tall poppy syndrome’. The term refers to people of genuine merit being openly criticised or resented because of their talents or achievements, to ensure they are not elevated above their peers or differentiated from them. This concept may seem very strange to some as many cultures value praise and one's progression, however it is a great example of Australians' emphasis on humility.

Don't be surprised if you're having a casual discussion with an Australian in the workplace or in a business meeting and they start to direct you back to the meeting's agenda or topic, or encourage you to get back to work. They don't want to be perceived as avoiding work and prefer to ‘get on with things’ rather than stalling. It's not a sign that they are impatient, but that they are focused. Nevertheless, they will engage in more small talk and general conversation in meetings and throughout the working day than some European cultures will.



Multiculturalism

Australia is one of the most multicultural societies in the world, which means most Australians are incredibly adaptable to the context they are in. For example, if they find themselves with people from a more conservative culture, they find it easy to be more reserved and refrain from expressing their opinion or asking questions of a superior.

Research shows that often Australians who were born overseas, or are first or second-generation Australians, will modify their behaviour to suit their environment. In the workplace they may act in a typically Australian way, but then when at home, in their communities or around people of their own culture, they will behave in a manner culturally appropriate to their heritage. Their behaviour may also differ based on the age or seniority of the people from their own culture around them. This ability to adapt is a respectful characteristic that can be very useful for Australians working in an international context. Being able to tailor your behaviour to suit that of your foreign counterpart is a useful skill.

Australia's multicultural nature also means that the workplace is respectful of people, regardless of background, ethnicity, religion, gender or if they have a disability. Australian laws protect members of these groups, and are reflected in businesses' policies and practices. It is important to consider the cultural heritage of your Australian counterpart. For example, if they are Muslim, accept that they may not want to meet during prayer times. Some Australians prefer to have meetings during school hours (9am to 3pm) due to childcare commitments, or not attend social activities on a Sunday, as they consider it a day for family or religious practice.



Use of language

As discussed in Chapter 1, Australians use a lot of slang and often shorten words in conversation, which may be quite confusing. Although they may say things to you like "G'day", "How ya goin'?" or use the term "mate", they may take offence if you use such colloquial terms, particularly if you have never lived in Australia. If they feel that they are being mocked or disrespected, they will become increasingly distrustful. To avoid this, use authentic terms such as "Hello" and "How are you?" rather than engaging in colloquial language.

Perhaps one of the most challenging aspects of communicating with Australians is their use of sarcasm, which occurs in general conversation and in the workplace. If an Australian happens to tease you, don't take offence. It is a compliment that they feel comfortable enough with you to do so. They also often use rhetorical questions or use rising tones or words at the end of sentences which in other native English-speaking countries indicate a question is being asked. For example, in some parts of Australia they will say "hey" or "but" at the end of a sentence: "I don't know but" or "What a hot day hey!" These aren't questions, just comments. If you're ever unsure of what an Australian means or if they are asking you a question, simply smile and ask them directly to explain. They will not be offended.

Emails sent by Australians tend to be quite direct and may start off with "Hi Jack", rather than "Dear Mr Smith". Generally, the first email from an Australian will be relatively formal but subsequent ones will be less so. Colloquial words may also be used in emails once the email conversation has become more informal. An example of this is "meeting with the client this arvo," referring to a meeting with a client this afternoon. However Australians are very aware of context, so when sending emails to superiors, people in formal positions or overseas in conservative cultures, they will use a more formal and traditional writing style. Australians tend to send text messages for quick questions or even to arrange meetings in the workplace, rather than calling. None of this is intended to be insulting or undermining. Generally the more comfortable an Australian is with you, the more casual their mannerisms will be.



Dress

What is an acceptable business dress code varies across Australia, simply due to weather.

Traditional business attire is generally favoured, with Sydney and Melbourne being more formal than elsewhere. If you are unsure what to wear, it is best to always dress more formally than be too casual. Commonly, men wear dark suits and ties, and women wear business suits (either with pants or a skirt) or an appropriate dress with a suit jacket. However, in regional cities and towns, and particularly in summer in areas such as Queensland, the Northern Territory and Western Australia, men will wear a business shirt with suit pants and leather dress shoes or boots. When going to meetings they may take their suit jacket but will take it off at the beginning of the meeting. Women tend to wear dresses, or blouses with a skirt or trousers, and sleeveless tops and dresses are acceptable. Generally the shortest a skirt or dress can appropriately be is just above the knee. Women may also wear their hair in different styles and wear open-toed shoes or sandals. In winter, boots are common for both women and men, with Australians in cooler climates often wearing dark, warm jackets (generally wool ones in the business environment) as well as scarves.

Outside the work environment and business functions, informal clothing is acceptable. In their free time, Australians wear a variety of fashions and there are few social restrictions on clothing. Choice of clothing is generally influenced by the weather and temperature on the day and also the context of where they are going, for example to the beach or to the shops.



Gift giving

Gift giving is uncommon in Australian business culture and is generally reserved for people who have done you a favour or are visiting from afar. Only small gifts are ever given as a token of appreciation. Australians refrain from giving gifts to avoid accusations of bribery and corruption. They also don't want to make the receiver feel uncomfortable by its worth as they may not be able to reciprocate.



However, Australians do generally engage in gift-giving when visiting foreign business partners overseas, so they welcome small gifts from their counterpart when they are visiting Australia. If you would like to give a gift, it is best to either give wine (or another form of alcohol) or chocolates, or something small representing your own culture or region. If invited to an Australian's home, always take a gift for the host such as flowers, chocolates or a good bottle of wine.

When a gift is received in Australia, it is opened straight away in front of the giver. Australians will also give clients and business partners 'holiday cards' or 'Christmas cards' at the end of the year. It is increasingly common to receive these as electronic cards via email.

Building relationships

Australians place importance on building relationships, both in and out of work. In general, however, there is a distinction between people's personal and private lives in the workplace, particularly in the more conservative context of major cities such as Sydney and Melbourne. However, in more regional parts of Australia, one's work environment can become like a family.

Australians welcome general questions about their family such as their children's ages and schooling, but usually they prefer to keep more details private until your relationship is stronger. Questions about politics, income, religion and age should be avoided unless an Australian initiates the topic. Discussing one's personal life or asking personal questions in a business setting may be considered inappropriate. Good topics to ask about to demonstrate your interest in an Australian beyond

business include where in Australia they grew up, Australia itself, and hobbies they enjoy. When Australians share information about themselves, it is common courtesy for you to do the same. This will ensure that they don't feel like you're interviewing them or are invasive. The more you share with an Australian, the more they are likely to share with you.

The most popular topic among a majority of Australians – men and women – is sport. If you're familiar with major sporting events happening in Australia at the time, mention this to them. Australians will usually enjoy talking about it, even if they are not a fan of that particular sport. Watching the Australian news or reading it in newspapers or online before travelling to Australia and while there is a great way to learn about local current affairs and will give you something to talk to Australians about.

Australians do not spend as much time building relationships as those in neighbouring Asian cultures. Small things are more important than large, ostentatious acts. This is again due to the Australian emphasis on modesty. To preserve your relationship with an Australian, do not ever speak badly of them with others or disclose information about any business dealings to others. Confidentiality and promises are held in high regard in the Australian business context. Stay in touch with them by phone calls and emails once you return to your home country and invite them to come to visit you. You should also make an effort to connect with employees of different levels when you visit your Australian counterpart's business. Interacting well with a junior associate and showing them respect demonstrates to management that you respect and value the entire organisation, and your relationship with them.



Networking

Networking is key to Australian business relationships. Go to industry, government and association events, particularly those your Australian business partner is attending or invites you to. For most of these you will need to register or 'RSVP' prior to the event. Research the event in advance to understand what the focus will be and the type of people that will be attending, and ensure you have plenty of business cards to give out. More often than not, everyone stands at an Australian networking event, although sometimes there is a presentation first with everyone sitting down in a lecture-style environment, followed by a stand-up networking event. Generally at networking events food and drink will be available, normally brought around by waiters.

The social connection website LinkedIn is used a lot in the business environment so don't be surprised if Australians you meet at a networking event add you on it soon after.

Socialising

In Australia, socialising is an important contributor to the building of relationships and trust among colleagues and business partners. Australians will engage in a mix of social activities with their associates, ranging from coffee in the morning or afternoon and lunch meetings, to drinks after work and attending sporting events or taking part in sporting activities on weekends. It is not uncommon for offices to finish work early on Fridays and have employees go to a local pub or bar for drinks. Management will usually attend as well to bond with their teams outside the workplace. Other activities may also occur during working hours as a way to build team relationships and collaboration across a business.

Lunch or dinner business meetings with Australians are a lot more casual than in some European cultures, but more business-orientated than many meetings in Asia held over a meal. Lunch meetings tend to be informal, while dinner business meetings are generally reserved for visiting overseas business associates or people in senior positions. Generally, Australians will begin meetings over a meal with small talk and questions that do not relate to work to build some trust and make each other feel relaxed. They will then start discussing business, work or deals.

Inviting a guest to a sporting event (particularly those related to rugby or Australian Football) is also common in Australia and should be seen as a privilege, especially if they are taking you to a game in which their team is playing. Try not to be concerned if you don't understand the sport or its rules. Australians may attempt to explain it to you but they do not expect you to comprehend it. Rather, it is their way of demonstrating they value your relationship and want you to experience their culture.



Paying and tipping

When going out for a meal, who pays will depend on the context. If it is a formal business dinner or lunch, generally the host will pay. The guest, however, is expected to make a gesture to pay. This will naturally be declined by the host, but the guest should respond with "Are you sure?" no more than twice. However, if it is an informal dinner, such as when a colleague suggests going out for a meal after a long working day, perhaps by saying "Let's get a bite to eat", then normally you each pay for your own food and drinks.

In Australia, tipping is by no means obligatory, although it has become more common in recent times. It is generally done when exceptional service or great food is provided by the restaurant or waiter. When going out for drinks, Australians will often take turns in buying a 'round of drinks' for everyone. This is referred to as 'shouting' or 'paying for a shout' and means one person will buy everyone drinks, with the next person buying the next round for everyone. The idea is that everyone in the group will buy each person a drink for the evening, and if not they will do so the next time they are out for drinks. Reciprocation is key to demonstrating equality, therefore if drinks are bought for you, you are expected to buy some in the future, even if it is on your next visit.



Dining

Australians love their food and are open to eating a variety of cuisines. Common cuisines Australians enjoy include Japanese, Chinese, Thai and Italian, among many others, along with 'pub food' at a local pub or bar. If you want to take your Australian host out for a meal but don't know where, feel free to ask them what type of food they feel like and if there is anywhere in particular they may want to go. Not knowing where to dine is not seen as a negative. Rather, the fact you are asking for your Australian counterpart's opinion is seen as inclusive and is appreciated.

At the dining table, Australians will eat with knives and forks (cutlery), but many also eat with chopsticks and will do so at the relevant Asian restaurants. It is common to have bread before or with your food and you should use the smaller plate on the left side of your setting for this. There will be a napkin, also known as a serviette, on the table, which you should lay out on your lap before eating to capture any food dropped.

It is customary to not eat your food until everyone is served, unless your host or the person waiting for food invites you to eat, which is normally what they will do. When eating, chewing with your mouth open or talking with food in your mouth is considered very rude.

Australian's commonly invite others to their home for meals or a barbecue (BBQ), this is a good way get to know acquaintances and catch up with family and friends. When accepting an invitation for dinner at someone's home, ask if you can bring anything. Australians generally will say "BYO" (bring your own) which means that you are to bring any alcohol you would like to drink, but food and non-alcoholic drinks such as juice and soft drink will be supplied. As you don't live in Australia, your host may not ask you to bring anything but "yourself", which is a respectful way of saying just come along and do not bring anything with you. However, Australian guests may be asked to bring a plate of food plus alcohol.



4.2 MEETINGS AND NEGOTIATIONS

While Australians will run meetings in a relaxed manner, they are still professional and punctuality is important. You should always aim to arrive a few minutes early and let your Australian counterpart know (by calling) if you're going to be more than five minutes late. It is always best to arrange meetings at least one week in advance and it is common practice in Australia to confirm by sending email calendar invites. If you are visiting from overseas, try to arrange the meeting as far in advance as possible, and then follow up to confirm around a week prior to the meeting. Meetings are rarely scheduled late on Friday afternoons unless they are expected to have a social element to them, such as going out for a drink or dinner.

Although Australians generally shy away from promoting status, having a senior executive attend the first meeting or two demonstrates to the other party how much you value the relationship with them and their business. It is good practice to advise prior to the meeting how many people will be attending and who they are.

There is not generally any strict protocol in meetings, with no set seating arrangements or rules on how to provide a business card. Generally, meetings will start with introductions, when business cards may be exchanged. People will sit down in no particular order at the table and then engage in small talk to establish personal rapport. This will likely include asking each other how they are and how work is, or discussion of the weather and other general topics. Only then will Australians move on to begin the formal part of the meeting – discussing business.

Ironic and sarcastic humour may be used by your Australian counterparts, and you may feel that they are teasing or attacking you. Do not take it personally or consider it

offensive. It is good to show that you have a sense of humour but don't try to use humour in the same way as Australians. It's easy for it to come across incorrectly and give the impression that you are mocking them.

Presentations to your Australian counterparts should be attractive with clear visuals, and everything checked for spelling and grammatical errors. Australians prefer things to be simple and straightforward and are suspicious of flashy presentations with fast-moving images, hype and lots of bright colours. They appreciate it when limitations or weaknesses are addressed alongside strengths and benefits, as this demonstrates that you are sincere and honest. Get to the point of your presentation quickly and refrain from giving excessive details. You can always point them to a separate document or website if they want further information. Make sure that you reference the source of any statistics you use as Australians can be sceptical.

Be sure to make eye contact with the entire group when presenting, never looking down or at your presentation too much. During the meeting, continue eye contact but don't stare at anyone, or look around the room or down while someone is talking. This is off-putting and can suggest you are not interested.

At the end of the meeting, summarise what has been discussed and confirm what the next steps will be so both parties are clear about everything. Ensure you do what you say you will by following up, for example sending through a report within a week. Never agree to anything you know you cannot deliver on or do not have authority to do. It is always best to be honest with an Australian – they will respect you more for it. Arrange the next meeting if appropriate or advise when you will be in touch to do so. Shake hands when saying goodbye to your partner and wish them well.



Negotiating with Australians

One of the most successful ways to negotiate in international business is to understand your counterpart's culture and negotiation processes, then adapt yours to suit theirs. Australians' directness and openness in their general manner translates into the way that they conduct negotiations. They will say "no" if they do not agree, and express their opinion and concerns frankly. Their negotiation style is generally quite firm, with the expectation that both sides will compromise in order to achieve a win/win outcome for all.

Before beginning negotiations with Australians, one should understand that any deal has to be within the constraints of the law, with all details determined, explicit and outlined in a contract. Once signed, the contract is legally binding and is what both parties have to follow. This is quite different to

some other countries, where a contract is just the beginning of a deal with the roles of each party and the details of the project evolving long after the contract is officially signed. In Australia, any changes to the contract post-signing will generally be received with strong resistance and more than likely will be viewed by your Australian partner as bad faith.

Bargaining is uncommon in Australia and is definitely not done to the same extent as in some neighbouring countries. The initial proposal is expected to have only a small margin for movement in negotiations, generally no more than 20 to 30 per cent. If your second or third offers (or subsequent ones) are significantly lower than your original, Australians may begin to distrust you, feeling like you are wanting to rip them off or deceive them.

Fundamentals for negotiating with Australians

- They are direct and avoid dishonesty and deception as tactics
- Emphasis is placed on cooperation and completing deals smoothly
- Eye contact is important for an Australian to know you're trustworthy
- Silence may be perceived by an Australian party as a lack of interest, or coldness
- Contracts are final and legally binding
- Understand the value of your offer and consider why it is better than what other businesses or partners can offer
- Don't use aggressive, emotional or high-pressure techniques
- Australians can be risk averse and will conduct risk management and due diligence before agreeing to anything.

Ensure you don't use high-pressure techniques, aggression or emotional tactics with Australians as they will likely cease negotiations, or lose interest and seek opportunities with other business partners. Using such techniques are seen by them as arrogant and dishonest, and challenge their values of inclusivity and compromise.

As part of the importance placed on due diligence in Australia, do not be surprised if your Australian counterparts disclose that they have also been in discussions with a competitor and try to compare your offer to theirs. Although Australians have to feel that they trust you and have a relationship with you before entering a partnership or a deal, a relationship is not everything and they will place their business' interests above your relationship if they feel they can get a substantially better outcome elsewhere. This is demonstrated in the common phrase "It's not personal, it's business". Note that in Australia, relationships are not just between people, but also between organisations. When in negotiations, the deal is between the two businesses, not the individual negotiators who are negotiating on behalf of their organisation. Therefore, don't be surprised if different people attend during the negotiation process as the emphasis is on the organisation's role.

It is common practice in Australia to get quotes from several parties, and investigate quality as well as the credibility and financial stability of an organisation and its teams. Potential Australian partners will speak to others who have worked with you previously or investigate your reputation to validate your position and trustworthiness. Australians will also examine minor details and do cross-comparisons with other potential businesses or partners to ensure the best deal is done. It is important to them when negotiating to ensure they are not entering a controversial or high-risk deal. To successfully address this, it is crucial that you know your value – what makes your business better than others and why would they enter a deal with you instead of someone else?

Australians could be considered impatient because they like to get a deal done relatively quickly. However, this is just the nature of negotiations in Australia. Although the discussion and agreement on the final deal may occur over a short period of time, the associated documents, review by lawyers and legal processes can take a long time in comparison. Negotiations in Australia do not follow a set timeframe, but you may notice larger organisations take longer than small ones because they take longer to gather information and have more complex approval processes. Even though an Australian may give you a time deadline, it can be inappropriate for you to do the same with them.

Unlike in other Western cultures, the 'good cop, bad cop' routine is not appropriate in the Australian context. If someone tells you they need to discuss the offer with their manager or with others, they are most likely telling you the truth. The decision maker in Australia is generally an individual who will consult with others outside of the negotiation meetings and consider their opinions before making a decision. Often, senior executives are involved in the decision-making process, but will not attend the negotiations themselves. This can slow down the overall process. Because of the complexity of the network of people involved in making the decision, make sure you develop relationships with and include all parties, from junior associates to senior management.

As Australia is an egalitarian society, women will take part in negotiations and must be respectfully treated as equals, like their male colleagues. Any difference in attitude or interaction with them may deeply offend your Australian counterpart and result in them withdrawing from discussions, which can damage your relationship with the organisation in the future.

Consider the following questions before entering, during and when finalising negotiations: What are you willing to compromise on? What do you want out of the negotiation? Are you meeting all the Australians' requirements? Do you understand what their objectives are, long term and short term? Can you compromise on anything that you're offering and in return ask them to adjust one or more of their requests? Are you being honest with the Australian party and not stalling? Is your initial offer calculated based on a final offer that is expected to be significantly less? Do you agree to all the details in the contract? Have you received legal advice before signing the contract and can you meet all your requirements by the listed deadlines as part of the partnership?

4.3 EVALUATION AND DUE DILIGENCE

Australia places a strong emphasis on corporate governance and abiding by the law. It is critical that you evaluate potential business partners and deals to determine their credibility and the degree of risk to which you will be exposed. Do not be offended by the fact the Australian party will also be investigating you and gathering information about the potential partnership.

The type of due diligence you should perform will vary depending on what business opportunity you are pursuing, such as investing in property, buying an Australian business, entering a joint venture, or examining suppliers. Different laws may also apply in different states and territories, particularly in relation to contracts, arbitration and dispute resolution. Be aware that well-established businesses or business people in Australia will be transparent and willing to provide requested documents, information and referees. You may want to reconsider your dealings with them if they are not forthcoming with information you request.

In Australia, many companies offer services to perform credit checks, risk assessments as well as perform due diligence and investigation of corporate governance for you. These include legal firms and large multinational corporations. For more tailored due diligence and evaluation procedures, contact a professional adviser to assist you.

There are numerous things to consider when performing due diligence on a business. Below is an overview of some of the major elements you can examine. Note that not every single one is listed, nor will all apply to your situation.

- **General corporate information:** Study the organisational structure chart, certificate of incorporation, business licences (for example a real estate licence), company register, stock exchange register, current insurance policies and claims.
- **Financial and tax:** Look at historical audit files, annual reports, monthly board packs and budget packs, debtors' ageing profile, financial accounts, statutory records, accounting policy, year-to-date trading results comparisons, past years' and current year's budgets and forecasts, budgeting explanation, lending history and credit rating.

- **Trade:** Find out who their major customers are and compare annual historic spend against financial year forecast. Review suppliers' lists and terms of trade, customer complaints against suppliers, and outstanding tenders.
- **Litigation:** Check if they have any current material disputes, litigation, arbitration or proceedings such as those related to material contracts, employees, unions or government, and if they have any judgment or orders against them. It may also be good to know if there have been any such litigation-related incidents in recent years. Criminal history should be checked if you're dealing with an individual.
- **Safety and environmental:** Request all environmental licences, registrations, approvals and permits, reports and inspections, any claims, proceedings or complaints, any non-complaints and occupational health and safety (OH&S) investigations.
- **Reputational risk:** Consider what information about your potential partner/business is currently in the media, or has been in the past. Search them and any relevant stakeholders or other partners/board members on Google and investigate on social media.

Be wary of potential business partners who:

- Will not disclose important information when requested such as licences, financial statements or reports, permits, business history
- Try to talk you out of performing due diligence or won't allow you a period of time to do so within your contract
- Are currently involved in legal proceedings
- Are struggling financially
- Have a questionable credit record and history
- Want to rush into a partnership or deal.

Scams

A number of websites alert consumers and businesses to scams, both in Australia and overseas. Scam alerts at www.scamwatch.com.au will highlight suspect schemes that can affect your business in Australia. If you believe you have been contacted by a scammer, ignore their mail, calls or emails and delete immediately.

Sources of information

Specialist organisations* that can assist with credit and risk assessments in Australia:

- Coface - www.coface.com.au
- Dun & Bradstreet - www.dnb.com.au
- DMS Group - <http://dmsgroup.net/>
- Baycorp - www.baycorp.com.au.

*Recommended by the Australian Government agency Austrade

For regulatory resources relating to financial reporting and auditing, insolvency, corporate governance and superannuation funds, refer to the Australian Securities and Investments Commission (ASIC), which regulates compliance with financial reporting and auditing as per the Corporations Act - <http://asic.gov.au/regulatory-resources/>.

For regulatory and best practice guidance on corporate governance, refer to organisations such as:

- The Australian Institute of Company Directors
www.companydirectors.com.au
- The Governance Institute of Australia
www.governanceinstitute.com.au
- The Financial Services Council
www.fsc.org.au
- The Australian Stock Exchange (ASX)
www.asx.com.au
- The Australian Council of Superannuation Investors
www.acsi.org.au.





5. Business regulations and practices in Australia

Australia has various regulations in place to protect citizens and businesses. While it is impossible to outline them all in this guide, this chapter covers the key laws and regulations new entrants to the Australian market should be aware of. These include those associated with employing workers, consumer laws, tax and accounting requirements and financial practices.



The Australian foreign investment legislation consists of the Foreign Acquisitions and Takeovers Act 1975, its related regulations, and Australia's Foreign Investment Policy.

The Foreign Investment Policy provides guidance on what factors are typically considered in assessing whether an investment proposal is contrary to the national interest. The concept of national interest includes factors such as national security, competition, the impact on other Australian Government policies (such as tax and environmental policy), the impact on the economy and the community, and the character of the investor. Where a proposal involves a foreign government or a related entity, the Australian Government also considers the commerciality of the investment.

Regulations specific to the resources sector

Foreign businesses and investors should note that specific regulations apply to certain industries, particularly those related to mining and energy. Under Australian law, the State owns minerals with the state and territory governments authorising certain mining activities. The relevant industries are regulated by a collection of state and territory laws and some Commonwealth laws. Investors considering this sector should consult Austrade and the relevant state and territory government departments, and seek professional advice on the specific laws and regulations that apply.

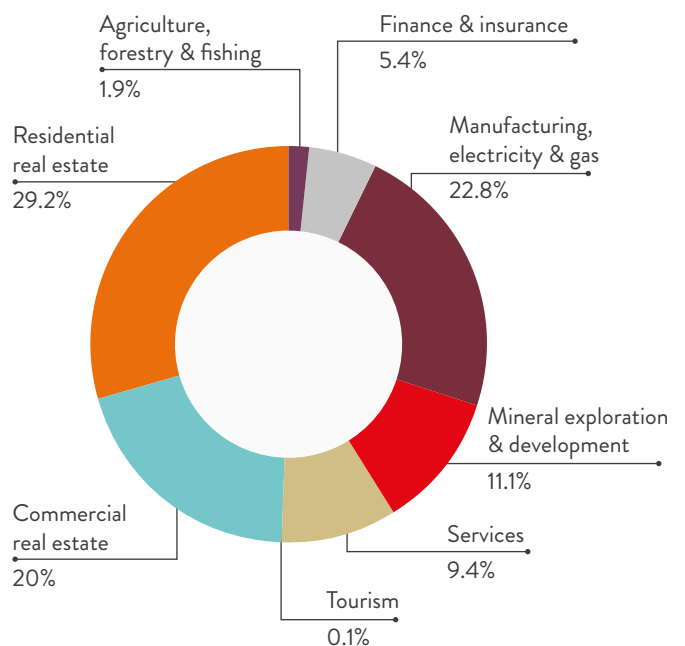
5.1 PRINCIPAL BUSINESS AND INVESTMENT REGULATIONS

Business and investment regulations in Australia are generally based on Commonwealth legislation, but there may be variations in different states and territories. It is critical that foreign investors familiarise themselves with the legislation, including that relating to foreign investment, intellectual property (IP), anti-bribery, environmental matters and privacy, as well as the various competition, consumer and fair trading laws.

Foreign investment legislation

The Australian Government welcomes foreign investment. The total stock of foreign investment in Australia at the end of 2015 was valued at over \$3 trillion, up from about \$1.3 trillion a decade ago. Approximately \$735 billion of this was foreign direct investment. To protect Australia's interests while maximising investment flows, certain foreign acquisitions of Australian shares and assets are reviewed by the Australian Foreign Investment Review Board (FIRB). Most foreign investment proposals are approved. Once approved, foreign investors are generally treated the same as domestic investors under Australian laws.

TOTAL APPROVALS OF FOREIGN INVESTMENT IN AUSTRALIA 2015-16



Source: Foreign Investment Review Board Annual Report 2015-16

SUMMARY OF FOREIGN INVESTMENT REVIEW BOARD (FIRB) APPROVAL REQUIREMENTS

Agribusiness	Approval is generally required for proposed direct interests in an agribusiness where the value of the investment is more than \$55 million. Investors from Australia's trade agreement partners are exempt and a \$0 threshold applies to foreign government investors.
Agricultural land	<p>Generally, proposed investments in agricultural land require approval where the cumulative value of a foreign person's agricultural land holdings exceeds \$15 million. Investors from Australia's trade agreement partners are exempt and a \$0 threshold applies to foreign government investors.</p> <p>All acquisitions of interests in agricultural land by foreign persons, regardless of whether they require approval and regardless of value, must be notified to the Australian Taxation Office Register of Foreign Ownership.</p>
Business	<p>Prior approval is generally needed for proposals to acquire an interest of 20 per cent or more in any business valued at over \$252 million (or the higher threshold of \$1,094 million for agreement country investors from Chile, China, Japan, Korea, New Zealand and the United States).</p> <p>All foreign government investors must also get approval to acquire a direct interest in an Australian entity or an Australian business or to start a new Australian business, regardless of the value of the investment (\$0 threshold).</p> <p>The Treasurer can prohibit foreign investment proposals found to be contrary to the national interest, or can impose conditions on an investment to address national interest concerns.</p>
Exemption certificates	<p>Under the foreign investment framework it is a requirement that each proposed acquisition of an interest in land by a foreign person be separately notified, unless otherwise exempt. However, a long-standing feature of the framework is that foreign persons making multiple acquisitions can apply for an up-front approval for a program of land acquisitions without the need to seek separate approvals.</p> <p>Section 58 of the Foreign Acquisitions and Takeovers Act 1975 allows a foreign person to apply for a certificate in relation to acquisitions of one or more kinds of interests in Australian land, and the Treasurer to grant such a certificate, if satisfied that the acquisitions of the kinds of interests by the foreign person is not contrary to the national interest.</p>
Commercial real estate	<p>Foreign persons may be required to notify and receive a 'no objections' notification before acquiring an interest in commercial land in Australia. Different rules apply depending on whether the land is vacant or not, whether the proposed acquisition falls into the category of sensitive commercial land that is not vacant, and the value of the proposed acquisition.</p> <p>Commercial land means land in Australia (including any building on the land) or the seabed of the offshore area, other than land:</p> <ul style="list-style-type: none"> • used wholly and exclusively for a primary production business; • on which the number of dwellings that could reasonably be built is less than 10; or • on which there is at least one dwelling (except commercial residential premises).
Vacant commercial land	<p>Commercial land is vacant if there is no substantive permanent building on the land that can be lawfully occupied by persons, goods or livestock.</p> <p>Foreign persons generally need to notify before acquiring an interest in any vacant commercial land, regardless of the value of the proposed acquisition (\$0 threshold). 'No objections' notifications will normally be subject to conditions that the foreign person:</p> <ul style="list-style-type: none"> • commences continuous construction of the proposed development on the land within five years of the date of approval; and • does not sell the land until construction is complete.
Developed commercial land	<p>Foreign government investors are required to notify before acquiring any interest in developed commercial land, regardless of the value (\$0 threshold) and their country of origin.</p> <p>Foreign persons need to notify before acquiring an interest in developed commercial land only if the value of the interest is more than the relevant notification threshold. The general notification threshold for developed commercial land is \$252 million unless the proposed acquisition is considered to be sensitive, in which case the threshold is \$55 million.</p> <p>If the foreign person is from an agreement investor country, the threshold is \$1,094 million regardless of whether the land is considered sensitive.</p>

Note: It is important to distinguish between a 'foreign person' and a 'foreign government investor'. Definitions can be found here: <https://firb.gov.au/resources/definitions>.

Source: Foreign Investment Review Board, 2017. For further information go to: <http://firb.gov.au/investment>.

Intellectual property (IP)

Australian intellectual property laws are extensive and comprehensive to ensure the IP rights of individuals and companies are maintained. Such laws go beyond protecting IP within Australian borders, with Australia being a signatory to a number of international agreements. The legislation is designed to encourage innovation and protect businesses that develop original IP in order to have a competitive advantage. It is recommended by the Australian Government that foreign investors and businesses conducting business in the Australian market be particularly aware of the protection of patents, trademarks, design and copyright, while also registering any domain names.

Patent protection

IP Australia defines a patent as: “a right granted for any device, substance, method or process that is new, inventive and useful”. According to Austrade, “an Australian patent provides a legal right to stop third parties from manufacturing, using and/or selling an invention in Australia”. It may also be used to license someone else to manufacture an invention on agreed terms. Australian patents are administered by the Patent Office of IP Australia and can be quite complex. For this reason, IP Australia strongly recommends consulting a qualified patent professional before applying for a patent.

Trademark protection

A trademark is outlined by IP Australia as: “a right that is granted for a letter, number, word, phrase, sound, smell, shape, logo, picture and/or aspect of packaging”. A registered trademark is legally enforceable and gives you exclusive rights to commercially use, license or sell it for the goods and services that it is registered under.

Design protection

IP Australia defines a design as: “the features of shape, configuration, pattern or ornamentation which give a product a unique appearance, and must be new and distinctive”. A design application can be filed containing one design, a single design in relation to many products, or multiple designs. Applications for registration of designs must be filed with the Designs Office of IP Australia. The Designs Office will assess whether the design meets legislative requirements.

Copyright protection

Australia is a signatory to a number of international conventions that deal with copyright. Copyright protection is free and automatic in Australia and protects the original expression of ideas, but not the ideas themselves. There are some exemptions in terms of what is covered and around the use of copyrighted material. For more information on copyright protection, including legislative requirements, consult the Australian Copyright Council: www.copyright.org.au.

IP Australia

For further information on intellectual property in Australia, to contact an IP specialist or register your IP, go to: www.ipaustralia.gov.au.

The Australian Consumer Law (ACL)

The ACL provides regulations on numerous areas including: unfair contract terms, consumer rights guarantees, product safety laws, unsolicited consumer agreements, lay-by agreements and penalties.

The full legislation, enforcement and implementation of the ACL can be accessed at: <http://consumerlaw.gov.au/the-australian-consumer-law/>.

Registering a domain name

A domain name is considered by Austrade to be “a unique internet site address that allows others to access your website”. Internet addresses ending in ‘.au’ are registered in Australia and are administered and regulated by the .au Domain Administration (auDA). Registering an .au domain involves consulting a registrar, while ensuring certain eligibility is met and the domain name is available. For a full list of approved registrars and further information on the registration process, go to: www.ada.org.au.

Anti-bribery laws

Bribery of foreign public officials or Australian public officials, and any conduct related to bribery, is strictly prohibited in Australia. The law applies to Australian companies, residents and citizens outside of Australia. The Commonwealth Criminal Code Act 1995 stipulates that it is a criminal offence to offer, promise or provide a benefit to another person when the benefit is not legitimately due to that person. This can be in the form of either a monetary or non-monetary benefit and also includes both direct and indirect offerings or promises. If deemed the person offering the benefit did so with the intention of influencing a foreign public official (or Australian public official) in order to retain, or retain and obtain business or a business advantage, it will be considered a criminal offence. Penalties for acts of bribery for individuals and companies include multimillion-dollar fines as well as imprisonment.

Privacy legislation

As discussed in Chapter 3, Australia has strict privacy laws to protect the rights of both consumers and businesses. The Privacy Act 1988 is the principal legislation that applies to all organisations in the Australian private sector. This Act oversees the handling of consumer information as well as tax file numbers, credit information and health information. The way such information is handled, disclosed, used and collected is regulated by this legislation, with more restrictive requirements for 'sensitive information'. Stricter requirements apply for the public sector. The Act imposes 13 Australian Privacy Principles (APPs) as a minimum standard for handling any personal information. Although the APPs are not prescriptive, each organisation needs to consider how the principles apply to its own situation. The principles cover:

- The open and transparent management of personal information including having a privacy policy
- An individual having the option of transacting anonymously or using a pseudonym where practicable
- The collection of solicited personal information and receipt of unsolicited personal information including giving notice about collection
- How personal information can be used and disclosed (including overseas)
- Maintaining the quality of personal information
- Keeping personal information secure
- The right of individuals to access and correct their personal information.

There are also separate APPs that deal with the use and disclosure of personal information for the purpose of direct marketing (APP 7), cross-border disclosure of personal information (APP 8) and the adoption, use and disclosure of government-related identifiers (APP 9).

Under this legislation, all businesses are required to have a privacy policy that is up to date, clearly expressed and available free of charge. Certain matters must be addressed within the policy including if information will be disclosed to other parties (including those overseas) and how an individual may access the information a business has collected on them, as well as complaint procedures. The collection of such information must also be disclosed to the individual either prior to collection or as soon as practically possible after collection. The legislation regulates the type of use and disclosure of the information, emphasising that businesses must take all reasonable steps to ensure collected personal information is correct, complete and current, while protecting the information from any misuse, unauthorised disclosure, modification or access. See the Office of the Australian Information Commissioner's website for detailed information on the legislation: www.oaic.gov.au/.



Competition, consumer and fair trading laws

If you decide to enter the Australian market by buying assets or shares of a company already in Australia, you need to be aware of the Competition and Consumer Act 2010. This law regulates the market to ensure that such mergers do not lead to the lessening of competition in the Australian market, in effect preventing a monopoly from occurring, while also protecting Australian consumers. Section 50 (3) of the Act outlines an extensive list of 'merger factors' considered when assessing the impact of a merger.

Such provisions are enforced by the Australian Competition and Consumer Commission (ACCC), which can request a Federal Court injunction to prevent any merger from proceeding. Any mergers not covered under this particular Act (including those not involving a corporation) may be subject to the Competition Code. This is enforced in all states and territories by the ACCC and applies to most businesses in Australia.

When selling goods and services in Australia, businesses need to follow the Australian Consumer Law (ACL) and each state and territory's Fair Trading Laws, which can be accessed at: www.business.gov.au/business-topics/selling-products-and-services/fair-trading/Pages/default.aspx.

Under the ACL, there are strict requirements for product safety and standards which are overseen by the ACCC. There are mandatory product-safety requirements which are segmented into the two following areas:

- Safety standards – goods must comply with particular performance, composition, contents, methods of manufacture or processing, design, construction, finish or packaging rules
- Information standards – prescribed information must be given to consumers when they purchase specified goods (for example labelling for cosmetics and tobacco products, and care labelling for clothing and textile products).

To ensure only safe products are marketed to the Australian market, the Australian Government requires any person or business that supplies or manufactures products to:

- Provide clear instructions for use, including warnings against possible misuse
- Be aware of and meet industry and mandatory standards
- Develop product recall plans and procedures including effective communication strategies to the public (for example advertising)
- Incorporate safety into product design
- Develop appropriate safety standards through product improvement
- Implement a quality assurance program which includes consumer feedback
- Respond quickly to safety concerns that arise.

To review information in regards to product safety and standards, go to: www.productsafety.gov.au.

Environmental legislation

Environmental protection is a responsibility and key focus of all levels of government in Australia. Legislation is jointly administered by local governments (councils), state governments (particularly focusing on business activities for which they manage licences and permits) and the Australian Government.

The Federal Environment Protection and Biodiversity Conservation (EPBC) Act, administered by the Australian Government Department of the Environment, covers the assessment and approval process of national environmental and cultural concerns. The Department also administers specific Acts that cover activities relating to:

- The sea
- Importing
- Heritage issues
- Hazardous waste
- Fuel quality.

How such legislation affects your business activities will depend on the nature of your business. It is, however, vital to review the Act or consult the Department to determine if you will need approval under the Act or any other relevant legislation. Further information, including a one-stop shop for environmental approvals, is available online at: www.environment.gov.au/epbc.

Land rights

Under the Foreign Acquisitions and Takeovers Act and Australia's Foreign Investment Policy, any acquisition of Australian real estate by foreign persons is subject to notification and approval requirements. Such notifications are required to be submitted to the Foreign Investment Review Board (FIRB) for approval by a delegate or the Australian Treasurer. Under the legislation, Australian real estate is divided into two categories:

- 'Australian rural land' – land that is exclusively and wholly used for agricultural purposes
- 'Australian urban land' – all other land, regardless of location.

In Australia, it is mandatory for foreign investors to seek approval from the FIRB before buying rural properties over \$15 million (on a cumulative basis). However, the \$15 million threshold does not apply to acquisitions by persons or entities from the United States, New Zealand, Singapore, Thailand or Chile as Australia's Free Trade Agreements with these countries allow for higher investment thresholds.

For urban land, there are extensive rules including those related to licences or leases longer than five years, interests, mortgages, and in some instances with ownership of one or more shares with corporations or units in some trusts, as well as arrangements to share profits. The table below lists the requirements for the varying types of interest or acquisition. Most simple applications are processed by the FIRB within 30 days. Consult a professional to find out what is required if you're considering purchasing or leasing land in Australia.

Purchasing residential real estate

Under Australia's foreign investment framework, foreign persons generally need to apply for foreign investment approval before purchasing residential real estate in Australia. The Government's policy is to channel foreign investment into new dwellings as this creates additional jobs in the construction industry and helps support economic growth. Foreign investment applications are therefore generally considered in light of the overarching principle that the proposed investment should increase Australia's housing stock (that is, be creating at least one new additional dwelling). Consistent with this aim, different factors apply depending on whether the type of property being acquired will increase the housing stock or whether it is an established dwelling. It is important that foreign investors understand and comply with Australia's foreign investment framework as strict criminal and civil penalties may apply for breaches of the law, including disposal orders. For further details on the regulations applicable to your circumstances, go to: <https://firb.gov.au/real-estate/>.

FIRB APPROVAL REQUIREMENTS

Type of interest or acquisition	Approval required
Developed commercial real estate	Yes (unless property value is less than \$55 million, or is heritage listed and valued under \$5 million)
Vacant land for commercial development	Yes, regardless of land value
Shares or units in a corporation or trust where 50% of total asset value is interest in urban land	Yes, regardless of value
New residential dwellings	Yes, regardless of value
Developed residential land	Not normally granted

FIRB APPLICATION FEES FOR RESIDENTIAL REAL ESTATE

Type of investment	Fee
Property valued \$1 million or less	\$5,000
Property valued over \$1 million	\$10,000 then \$10,000 increments per additional \$1 million in property value
New dwelling exemption certificates	\$25,000 upfront, with a reconciliation of properties sold to foreign person based on above rates

Source: FIRB, current as of 1 July 2017.

Planning approvals

If you are purchasing, leasing or already own land which you want to develop then you will more than likely have to seek planning approval. Each state and territory has its own system overseeing the administration of planning law, as well as the approval process for use and development of land. Different approval requirements will apply based on the zone where the land is located and what type of use is being sought. In addition, environmental legislation will have to be considered as in some cases community approval and feedback will be needed. There will also be additional layers of control and regulations as per the local council laws the land falls under. It is best to seek professional advice on what approval is needed for the land you are considering buying and/or developing. Ensure you have approval before purchasing or leasing the land as owning or having rights to use the land does not automatically give you rights to use it in the way you prefer.

Native Title Act

The Native Title Act (1993) recognises that some Indigenous Australians have rights to land and water based on their traditional laws and customs. This particularly applies to land in states and territories with extensive Aboriginal communities such as in the Northern Territory, Western Australia and Queensland (as well in the other states and territories where certain conditions are met). Generally, native titles are in remote or rural locations, not urban areas. The titles cannot be granted by Governments, but are recognised under the Federal Court. Minerals, gas and petroleum cannot be awarded a native title. Land that falls under the Act cannot be sold or purchased like other land or property in Australia. The National Native Title Tribunal was established as an independent government agency to respond to requests for negotiating agreements, information about native title, mediation services, and access to Tribunal research and land information, including mapping and other geospatial services. It is also the body to consult if enquiring to use or lease land with a native title. Further information is available at: www.nntt.gov.au.

5.2 TRADE REGULATIONS AND TARIFFS

As Australia is an island, biosecurity and preserving the unique environment and high-quality agricultural land is important to the Australian Government. For this reason, there are extensive regulations and restrictions that apply for goods imported into Australia. Tariffs also vary across product type, and if a free trade agreement (FTA) applies. The key trade regulations and tariffs are listed below. However, there is a significant amount of further information to consider when importing or exporting from Australia. For further information, refer to Austrade (www.austrade.gov.au) or the Department of Immigration and Border Protection (DIBP – which includes Customs) at: www.border.gov.au.





















Tariff classification

A Customs tariff is a government levy on goods entering a country. All goods imported into Australia require classification under the Customs Tariff Act 1995. The international Harmonized Commodity Description and Coding System is the six-digit classification on which the Combined Australian Customs Tariff and Statistical Nomenclature and the Australian Harmonized Export Commodity Classification are based. The Harmonized System (HS) is a broad classification system of approximately 5,000 six-digit headings which are used for classifying goods involved in international trade. It has been adopted as the basis for describing and classifying goods for Customs purposes by most trading nations.

Overview of Australia's FTAs with Asia

It is important that foreign investors are aware of tariffs affecting the export of goods from Australia. The following table outlines existing tariffs across key goods being exported from Australia into foreign markets.

CURRENT TARIFFS FOR MAJOR AUSTRALIAN EXPORTS

	 CHINA	 JAPAN	 KOREA	 MALAYSIA	 SINGAPORE	 THAILAND
BEEF 	0% by 2024	Reduced to 19.5-23.5% over 15-18 years	0% by 2028	0%	0%	0%
SHEEP MEAT 	0% by 2023	0%	0% by 2023	0%	0%	0%
PORK 	0% by 2019	Country specific quota	0% by 2028	0%	0%	0%
SEAFOOD** 	0% by 2019	0% by 2024	0% (tuna & rock lobster)	0%	0%	0%
PROCESSED FOODS** 	0% by 2019	Varies but 0% for many by 2024	Varies	0%	0%	0%
GRAIN 	0% by 2019	0% by 2024	0%	0%	0%	0%
DAIRY* BUTTER & CHEESE 	0% by 2024	0% for cheese, milk protein concentrates, lactose & casein	0% by 2033	0%	0%	0% by 2020
WINE 	0% by 2019	0% by 2021	0%	Favourable treatment	0%	0%
GRAPES 	0% by 2019	Preferential access	0% by 2018	0%	0%	0%
WOOL 	0% within quota	0%	0%	0%	0%	0%
COTTON 	0% by 2019	0%	0%	0%	0%	0%
AUTOMOTIVE** 	0% by 2019 on some items	0% for parts	0%	0%	0%	0%
PHARMACEUTICAL 	0% by 2019	0%	0%	0%	0%	0%
SUGAR 	50%	0%	0% (raw) 0% (refined) by 2032	0%	0%	Tariff & quota free access by 2020

Source: Department of Foreign Affairs and Trade, 2016

Notes: Some tariffs were already 0% prior to FTA implementation.

*For some FTAs, 'Dairy' refers to butter and cheeses, not milk.

** Definitions may differ.

AANZFTA HAS ENTERED INTO FORCE FOR THE FOLLOWING COUNTRIES, WITH INDONESIA EXPECTED TO SOON.



AUSTRALIA



BRUNEI



CAMBODIA



MALAYSIA



MYANMAR



NEW ZEALAND



PHILIPPINES



SINGAPORE



THAILAND



VIETNAM



LAOS

Importers need to self-assess the imported goods to establish what classification applies, but the DIBP offers various resources to assist. This includes a free-of-charge tariff advice service on intended imported goods and assistance on a one-off basis. Note that importers have a legal obligation to correctly assess their goods. Penalties may apply for providing misleading or incorrect information to the Department.

DIBP encourages importers to use the services of a licensed customs broker if they are unsure of how to classify their goods. Customs brokers charge for the services they provide. To find a customs broker, search online or with an Australian business directory such as Yellow Pages. All official Australian customs brokers are licensed by the Department.

Tariffs, as well as import regulations, are frequently revised and subject to change without notice. Therefore, it is strongly recommended that businesses reconfirm these before exporting or importing goods to Australia. For the latest information and current tariff classification, go to: www.border.gov.au/Busi/Tari/Curr. You can also subscribe to the DIBP website to receive the latest information about relevant regulations and tariffs.

Free trade agreements (FTAs)

Australia currently has several FTAs in force with many countries in Asia as well as other significant economies including the United States, Chile and New Zealand. It also is currently negotiating FTAs with other countries, as well as comprehensive economic partnership agreements (CEPAs).

The FTAs in the Asia region include the ASEAN, Australia and New Zealand FTA (AANZFTA), China-Australia FTA (ChAFTA), Korea-Australia FTA (KAFTA), Malaysia-Australia FTA (MAFTA), Singapore-Australia FTA (SAFTA), and Thailand-Australia FTA (TAFTA). An Australia-Hong Kong FTA is currently being negotiated. There is also the Japan-Australia Economic Partnership Agreement (JAEPA). Currently, CEPAs with regional economies are under negotiation, including the Indonesia-Australia CEPA and the Australia-India Comprehensive Economic Cooperation Agreement (CECA).

The various FTAs encompass a variety of initiatives with reduction of tariffs and quotas for the import and export of goods between Australia and the partnering country. They also include specific regulations and access to markets for services between the relevant economies and the reduction of red tape and simpler processing in regards to customs, investment procedures and banking. To access more information on a specific FTA consult the Australian Department of Foreign Affairs and Trade's (DFAT) dedicated FTA website at: <http://dfat.gov.au/trade/agreements/pages/trade-agreements.aspx>.

Rules of origin (ROO)

An FTA's preferential rules of origin (ROO) are agreed criteria used to ensure that only goods originating in either Australia or the other country in the FTA enjoy duty preferences. Preferential ROO are required to prevent trans-shipment, whereby goods from a third party are redirected through either country with the FTA to avoid the payment of import tariffs. For this reason, most goods require a certificate of origin (COO) to receive the benefits of the FTA. Who is authorised to prepare the COO will depend on the FTA. For example, it might have to be an authorised body such as an Australian Chamber of Commerce (charges will apply), or via self-certification. The length of time a COO remains valid also varies between FTAs, with some required to be recertified yearly or biannually. For up-to-date information, a list of applicable tariffs, COO requirements, and an example of a COO for each of the FTAs, please see DFAT's dedicated webpages at: <http://dfat.gov.au/trade/agreements/pages/trade-agreements.aspx>.

FTA resources

Various resources exist that provide more detailed information about FTAs. Many will require the HS Code or keywords when searching for particular tariff rates. The resources include:

- DFAT's Free Trade Agreement Portal, which provides information on all the FTAs Australia has in place: <https://ftaportal.dfat.gov.au/>.
- The Export Council of Australia's FTA Tool, which navigates the basics of Australia's FTAs by allowing businesses to search by country and industry to identify tariffs etc. This tool is mainly focused on assisting Australian exporters, rather than businesses importing into Australia: www.ftatool.com.au.
- You can also find basic information and highlights of benefits of the FTAs on DFAT's website, with the FTAs' text also available for download at: <http://dfat.gov.au/trade/agreements/pages/trade-agreements.aspx>.

Import regulations

All goods imported into and exported from Australia need to be cleared through the border, with differing procedures in place depending on the type of goods and their value. Costs may also be involved including clearance fees, customs duties, Goods and Services Tax (GST) and other applicable taxes. For information beyond what is provided below, go to the DIBP website.

The Australian Government restricts and prohibits certain items from being imported into Australia. Bringing drugs, steroids, weapons, firearms and protected wildlife into Australia is strictly prohibited unless the correct permit/

licence is obtained (if applicable). The list of restricted imported goods is extensive and ranges from tobacco to toys, asbestos to dog collars, chemicals to wool packs. Additional registration is required for any goods that contain industrial chemicals, such as cosmetics, solvents, adhesives, plastics, inks, printing and photocopying chemicals, paints, household cleaning products and toiletries. There are also special conditions that apply for imports to the Indian Ocean territories. If your goods also fall under quarantine regulations, the Australian Quarantine and Inspection Service (AQIS) will need to inspect and possibly treat them. To establish if your goods may be imported and to apply for an import permit for a particular item, go to the Biosecurity Import Conditions System (BICON) at: www.agriculture.gov.au/import/online-services/bicon.

Enforcement of Australian import regulations and protection of Australia's borders is conducted by the Australian Border Force of the Department of Immigration and Border Protection: www.border.gov.au. Previously, the applicable department was known as 'Customs'. The Border Force is in charge of managing the movement of people and goods across Australia and works closely with various Government departments including (but not limited to) Defence, Australian Federal Police and the Department of Agriculture and Water Resources, which specifically focuses on biosecurity risks and the prevention of pests entering Australia.

It is important to note that the correct preparation and completion of the customs clearance procedures are critical when trading with Australia, as heavy penalties may be applied if the correct procedures are not adhered to. As discussed earlier, it is possible to engage a qualified customs clearance broker to help navigate the regulations and documentation when trading goods with Australia.

Extensive conditions apply to importing any type of food or animal product due to Australia's strict food safety requirements. Refer to the Department of Agriculture and Water Resources' page on importing food at <http://www.agriculture.gov.au/import/goods/food> as well as the bi-national government agency for food standards – Food Standards Australia New Zealand: www.foodstandards.gov.au.

Import declarations

In most instances, goods worth more than \$1,000 arriving into Australia will require an import declaration statement to be completed. The information in this statement determines the applicable charges, taxes and GST, and any concessions. This is generally completed by either a licensed customs broker or by the importer and presented at a DIBP counter or alternatively online via the Integrated Cargo System (ICS) with a digital certificate: <https://www.ccf.customs.gov.au/>.

The principal import declaration forms required are:

- **Form B374 Import Declaration (N10) Post:** for goods entering Australia via post
- **Form B650 Import Declaration (N10):** for goods entering Australia via air cargo, sea cargo, post or commercial goods carried by you.

For import declarations presented over the counter, several documents will be required. These include commercial documents such as invoices, permits or approvals, bill of lading or air waybill, evidence of identity, and any other relevant documents. Note that any documentation relevant to import declaration needs to be kept for five years.

Indirect taxes

Australia imposes Goods and Services Tax (GST), Wine Equalisation Tax and Luxury Car Tax on:

- Goods produced in Australia
- Imported goods.

DIBP administers these taxes on imported goods while the Australian Taxation Office (ATO) administers them on goods produced in Australia. The DIBP is therefore not responsible for GST on exported goods – this is overseen by the ATO.

GST is payable on imported goods unless the goods are covered by an exemption (see: [www.border.gov.au/Busi/Duty/Indi/Brokers/GST-Exemptions-\(non-taxable-importations\)](http://www.border.gov.au/Busi/Duty/Indi/Brokers/GST-Exemptions-(non-taxable-importations)) for further information). The A New Tax System (Goods and Services Tax) Act 1999 (the GST Act) states that the importer shall pay GST at the same time and in the same manner as customs duty is paid. This means the item cannot be cleared to enter Australia until all the required charges, including GST, are paid. It also provides that the rate of GST applicable on taxable importations is 10 per cent of the value of the taxable importation. The value of the taxable importation is the sum of:

- The customs value (CV) of the imported goods
- Any duty payable
- The amount paid or payable to transport the goods to Australia and to insure the goods for that transport (T&I)
- Any Wine Equalisation Tax (WET) payable, if applicable.

Goods that are entered for warehousing are not liable for GST until such time as they are cleared from the warehouse for 'home consumption' ('home consumption' means that the goods enter into the commerce of Australia). GST can be deferred on imports by certain importers; consult the DIBP website for further information.

Importing into Australia – what you need to know

- No duties, taxes or charges are applicable for goods worth less than \$1,000.
- For goods worth more than \$1,000, an Import Declaration Form will need to be completed and duties, taxes and charges will need to be paid.
- Some goods, regardless of value, will require you to pay duties and taxes. Examples of these include tobacco and alcohol.
- Goods worth less than \$1,000 imported via air or sea cargo must have a Self-Assessed Clearance Declaration (SAC), generally done by the freight forwarder or cargo company.
- Goods worth less than \$1,000 arriving by post do not require a SAC.
- Certain goods require special permits or are not allowed to be brought into Australia.
- The use of a customs broker is encouraged, especially for first-time or infrequent importers.
- To access key forms for conducting trade with Australia, including those related to importing, exporting, and digital certificate forms, go to: www.border.gov.au/Busi/Carg/Form.
- For more information on prohibited and restricted goods entering Australia, consult: www.border.gov.au/Busi/Impo/Proh.

Luxury Car Tax has to be paid on all imported luxury cars unless an exemption applies (for example, emergency vehicles, cars fitted for disabled people seated in wheelchairs, and some commercial vehicles). A 'luxury car' is deemed in the Australian financial year 2016-17 to be worth more than \$64,132. Further information on exemptions can be found at: <https://www.border.gov.au/Busi/Duty/Indi/Brokers/Luxury-car-tax-exemptions>.

Wine Equalisation Tax (wine tax) is applicable for all imported wine unless covered by an exemption. Information on such exemptions can be found at: <https://www.border.gov.au/Busi/Duty/Indi/Brokers/Wine-Equalisation-tax-exemptions>.

Export regulations

If exporting from Australia, it is best to either consult the relevant Government departments such as Austrade or the Department of Agriculture and Water Resources, or consider contacting a professional exporting service for guidance (charges may apply). The required procedures are detailed and can be complex for someone who has not exported from Australia previously. The following information will help you work out where to start gathering information.

Different Government departments oversee different goods being exported. Overall, restricted and prohibited goods for exportation include those related to restricted chemicals such as asbestos and radioactive material, and those related to animal or plant byproducts, such as cat fur and human tissue. For the list of such goods and the Export Control Manual that outlines in detail prohibited and restricted items including the relevant procedures and codes, go to: www.border.gov.au/Busi/Expo/Proh.

The Australian Government makes it clear that total prohibition applies to the export of protected wildlife, some heritage items, selected weapons and other dangerous goods. Goods which are conditionally prohibited from export may not be exported unless all necessary export permits are obtained from the relevant agency. Note that goods may not be exported, or loaded on a ship or aircraft for export, unless they have been entered for export (some exemptions apply) and the DIBP has given approval to export by means of a 'cleared' Export Declaration Number (EDN). Ships or aircraft may not depart from Australia unless the Department has issued a Certificate of Clearance. A certificate will not be issued unless all Commonwealth requirements concerning the ship or aircraft and its cargo have been met.

The Department of Agriculture and Water Resources restricts and manages the exportation of the following goods from Australia:

- Dairy products
- Eggs and egg products
- Fish and fish products
- Fresh fruit and vegetables
- Grains and seeds
- Hay and straw
- Live animals
- Meat and meat products
- Organic produce
- Plants and plant products.

Exporters of these products in Australia need to follow strict guidelines including being registered to undertake the operations related to these goods. For further information, go to: www.agriculture.gov.au/export/from-australia.

If you are considering exporting agricultural products from Australia to another country and would like to know that country's specific import requirements, consult the Manual of Importing Country Requirements page at: <http://micor.agriculture.gov.au/Pages/default.aspx/>.

Labelling requirements

Goods imported into Australia must meet the labelling requirements of the Commerce (Trade Descriptions) Act 1905 and the Commerce (Imports) Regulations 1940 (CI Regulations). Certain goods must be correctly labelled with a trade description before they can be imported. Not all goods require labelling. The relevant requirements apply no matter how the goods arrived into Australia, be it through e-commerce and post, air or sea. Note that the Australian Government is currently undertaking a review of CI Regulations and further details will be provided on the DIBP website once the review is complete.

The DIBP states that trade description markings must meet the following requirements:

- Be in English
- Be in prominent and legible characters
- Be on the main label or brand attached to the goods, in a prominent position and in a way that is as permanent as practicable
- Include the name of the country where the goods were made or produced
- Include a true description about the goods.

'True description' is not defined in the legislation so is taken to be anything that is true and accurate about the goods. Goods with a false trade description are prohibited from being imported or exported. A false trade description is one that is likely to mislead about the goods' key characteristics. Examples include the weight, origin, manufacturer, preparation and contents. Goods that are imported that do not meet the requirements of the Act and/or the CI Regulations may be seized and forfeited.

Specific labelling requirements apply for importing certain classifications of goods. The DIBP provides various factsheets on such classifications including those related to alcohol, surfboards, watches and leather items. For further information go to: www.border.gov.au/Busi/Impo/Labe. In regards to food labelling, refer to the Department of Agriculture and Water Resources as well as the national body, Food Standards Australia New Zealand, at: www.foodstandards.gov.au/consumer/labelling/Pages/default.aspx.

For exported goods from Australia, there are no set DIBP labelling requirements, but the country the goods are destined for may have its own requirements for imported goods. There may also be other legislation in place within Australia (not administered by the DIBP) that sets out requirements concerning the labelling of goods for export. It is the exporter's responsibility to know what these requirements are and ensure that any labelling applied to goods intended for export is not false or misleading.

5.3 TAX AND ACCOUNTING

The Australian tax rates and requirements are subject to change each Australian financial year, so it is vital that you consult a tax professional in regards to your individual circumstances. The following information is simply an overview of Australia's complex tax system. For your specific requirements, please consult the ATO website for professional advice: www.ato.gov.au.

QUICK TAX FACTS

Tax year	For individuals and corporations – 1 July to 30 June
Tax authority	Australian Tax Office (ATO)
Currency	AUD
Language	English

CORPORATE INCOME TAX

Corporate residence	A company is a resident of Australia for income tax purposes if it is incorporated in Australia or, if not incorporated in Australia, it carries on business in Australia and either its central management and control are in Australia or its voting power is controlled by shareholders who are residents of Australia.
Taxable income	Companies that are residents of Australia are subject to Australian income tax on their worldwide income. Non-resident companies are generally subject to Australian income tax on Australian-sourced income only. However, where a company is resident in a country with which Australia has concluded a double taxation agreement (DTA – otherwise known as a tax treaty, which Australia has with almost 50 countries), Australia's right to tax business profits is generally limited to profits attributable to a permanent establishment in Australia.
Filing (corporations)	Generally, tax returns must be completed annually. Due dates are 15 January for medium to large organisations (annual turnover above \$2 million) and 28 February for other organisations. Extensions for filing may be granted by the ATO in certain circumstances. Consolidated returns are permitted for wholly owned groups. Penalties and interest may be imposed for late filings or inaccurate statements.
Tax rates	Before 1 July 2015, the taxable rate was a flat 30 per cent. After 1 July 2016 it is 30 per cent for all excluding small businesses (turnover less than \$2 million), which have a rate of 27.5 per cent applied.
Goods and Services Tax (GST)	10 per cent.
GST registration	Entities must register for GST if their turnover equals or is above the yearly threshold. Resident and non-resident entities below the threshold may choose to register for GST. Current threshold is \$150,000 for not for profits and \$75,000 for all other entities.
GST filing and payment	GST obligations must be accounted for on Business Activity Statements (BAS) at the completion of each tax period. BAS are to be submitted monthly for entities with an annual turnover equal to or more than \$20 million; those with less commonly choose to submit BAS quarterly, with small businesses voluntarily registered for GST permitted to submit their BAS annually.
Taxation of dividends	To avoid double taxation of dividends, Australia operates under a full imputation system. This encompasses the shareholders' tax liability paid at the corporate level. Therefore any dividends paid out of a company's profits which have been subject to corporate tax are 'franked', allowing the individual to claim an offset for the corporate tax paid.
Capital gains tax	30 per cent corporate rate for net capital gains derived by companies.
Losses	May be offset only against capital gains.
Surtax	None.
Alternative minimum tax	None.
Withholding tax (WHT):	<ul style="list-style-type: none"> • Dividends: Varies on situation. When not 'franked', can be subject to 30 per cent WHT. • Interest: 10 per cent WHT when paid by an Australian company to a foreign resident. • Royalties: 30 per cent WHT unless a tax treaty applies. • Branch remittance tax: None.
Stamp duty	Differs among states and territories and generally ranges up to seven per cent for transfer of real property and business property.
Capital duty	None.

Payroll tax	States and territories impose a tax on employers' payroll. The rates vary across the states and territories. For New South Wales, the rate from 1 July 2017 is 5.45 per cent with an annual exemption threshold of \$750,000. In Victoria, the rate from 1 July 2017 is 4.85 per cent, and the annual exemption threshold is \$575,00 (this will be gradually increased to \$650,000 by 2019-20).
Local municipal taxes	Local taxes enforced by local governments (including those associated with water, sewerage, and drainage charges), are levied based on the unimproved capital value of land and include a charge for usage.
Insurance tax	Taxes on insurance premiums are imposed by states and may be considerable.
Petroleum Resource Rent Tax (PRRT)	Currently applies to all petroleum projects in Australian offshore areas, and all Australian onshore and offshore oil and gas projects other than production licences derived from the Joint Petroleum Development Area in the Timor Sea. The rate applied to taxable profits is 40 per cent.
Fringe Benefits Tax (FBT)	Employers are required to pay FBT on the value of fringe benefits for employees. These may include motor vehicles and school fees. The rate will drop from 49 per cent to 47 per cent from 31 March 2018. FBT is generally deductible for income tax purposes.
Social security payments	Known as 'superannuation payments' (pension fund), employers are required to contribute on behalf of their employees a minimum 9.5 per cent of the employees' 'ordinary time earnings'. This is up to a maximum of \$49,434 per quarter (subject to change). From 1 July 2021, the rate will increase from 9.5 per cent to 10 per cent and will progressively increase to 12 per cent from 1 July 2025. Thin capitalisation rules and transfer pricing rules also apply. Consult a tax professional for the applicable requirements for your company.

INDIVIDUAL (PERSONAL) INCOME TAX

Taxpayer classification	Generally, resident taxpayers (Australian residents and temporary residents) are taxed on their worldwide income with an offset for foreign tax paid on foreign income up to the Australian tax payable rates. Foreign residents of Australia are taxable only on their Australian-sourced income. If you are unsure if you are an Australian resident for tax purposes, go to: https://www.ato.gov.au/individuals/international-tax-for-individuals/work-out-your-tax-residency/ to determine your status.
Taxable personal income	Includes income from a business one owns, employment, certain capital gains and other forms of income including dividends, interest and rental income. Refer to the ATO for detailed information on tax payable on capital gains.
Tax rates	Income below \$18,200 is subject to a tax-free threshold for resident taxpayers, with progressive rates up to 45 per cent applicable beyond this threshold.
Filing and payment (individuals)	An income tax return must be submitted by 31 October of the financial year ending 30 June of that calendar year. This is a requirement for each resident individual taxpayer whose income is more than \$18,200 and foreign residents who derive Australian-source income and gains.
Capital duty	None.
Capital acquisitions tax	None.
Inheritance/estate tax	None.
Net wealth/net worth tax	None.
Stamp duty	Varies between states and territories and generally ranges up to seven per cent for transfer of real property and business property.
Medicare	This is Australia's universal health program. A two per cent levy is payable on taxable income to fund the national program. A further levy surcharge of up to 1.5 per cent may be charged to individuals who do not have private health insurance and have an income above a certain threshold (changes annually).
Deductions and allowances	Various allowances, rebates and deductibles are allowed for resident taxpayers (and some only for Australian permanent residents and citizens such as those for dependants). These depend on the nature of the item, for example charitable deductions, expenses of capital or business expenses.

Accounting, financial reporting and bookkeeping in Australia

Various financial reporting and record keeping (bookkeeping) requirements exist in Australia and will differ based on your type of business.

- Australia uses the Australian Accounting Standards prepared by the Australian Accounting Standards Board (AASB) and which meet the requirements of the International Financial Reporting Standards (IFRS). These legislative requirements apply to all corporations, as well as general-purpose financial reports of both private and public-sector reporting entities. For further information on the most up-to-date standards, go to: <http://www.aasb.gov.au/Pronouncements/Current-standards.aspx>.
- ASIC requires most companies operating in Australia to submit financial reports (some exemptions apply). Generally, this is to be done within three months after the end of the financial year. ASIC's guide to financial reporting can be viewed at: www.asic.gov.au/regulatory-resources/financial-reporting-and-audit/preparers-of-financial-reports/financial-reports/.
- Australian Securities Exchange (ASX) listed companies are all bound by periodic and continuous disclosure rules as per the requirements of Listing Rules. Current reporting requirements can be viewed at: www.asx.com.au/regulation/rules/asx-listing-rules.htm.
- A Business Activity Statement (BAS) is required to be submitted to the ATO by businesses and some individuals. The BAS is personalised to each business and individual and can be lodged either electronically, by mail or in person. Depending on the arrangement with the ATO for instalments, a BAS may be due annually, quarterly or monthly. Further information is available at: www.business.gov.au/info/run/tax/reporting-activity-statements.
- Keep in mind that Australian tax law requires all business records to be securely kept for five years, otherwise penalties will apply. Records can be kept either electronically or manually with the ATO recommending using software that enables you to report electronically to the ATO. You'll also need to ensure that the information your 'invoices' are required to contain is met. Whether to refer to your invoices as 'Tax Invoice' or 'Invoice' will depend on whether or not your business is registered for GST.

Financial reports

ASIC requires that companies operating in Australia submit financial reports where:

- There are substantial sums of money involved
- The general public has invested funds with the company, or
- The company exists for charitable purposes only and is not intended to make a profit.

Section 292 of the Corporations Act 2001 (Corporations Act) requires the following entities to prepare financial reports:

- All disclosing entities
- Public companies
- Companies limited by guarantee (except small companies limited by guarantee)
- All large proprietary companies
- All registered schemes
- Small proprietary companies that are foreign-controlled
- Small proprietary companies or small companies limited by guarantee that are directed to prepare financial reports
- Small proprietary companies subject to a shareholder direction under s293 of the Corporations Act
- Small companies limited by guarantee subject to a shareholder direction under s294a of the Corporations Act.

Section 601CK of the Corporations Act requires registered foreign companies to lodge balance sheets, profit and loss statements, cash flow statements and other documents with ASIC. You should seek professional advice if you are unsure of your company's financial reporting obligations. For further information on how to lodge your financial reports (and the various forms that apply) and definitions of the outlined companies above, go to: www.asic.gov.au/regulatory-resources/financial-reporting-and-audit/preparers-of-financial-reports/financial-reports/.

Fair Work Australia

The governing body overseeing employment law and industrial relations in Australia is the Fair Work Ombudsman. The Fair Work Commission (FWC) is the principal regulator.

Further information can be obtained at:
www.fairwork.gov.au.

5.4 EMPLOYMENT RELATIONS AND LAW

Australia's labour market efficiency is ranked by the World Economic Forum as 36th out of 140 economies on its Global Competiveness Index. This high placement is based on Australia having detailed employment legislation and other obligations imposed on employers and employees. If you're intending to establish a business in Australia, you need to understand the legislation as it is a requirement of all businesses operating in Australia to follow these legal requirements. These include minimum employment terms and conditions, employer obligations in regards to withholding tax from pay (as discussed earlier), workplace health and safety, anti-discrimination policies, and workers' compensation.

The Fair Work Act 2009

Australia's primary legislation for employment is the Fair Work Act 2009, which was created to ensure all workers are treated fairly. It sets out 10 National Employment Standards (NES) that apply to all permanent employees with very few exceptions. These include the following (for full-time employees; part-time workers receive pro rata benefits):

- 38 working hours per week
- 20 days of annual leave per year
- 52 weeks of unpaid parental leave
- Long service leave
- 10 personal leave days per year, including sick leave and carer's leave
- Community service leave
- Public holidays
- Minimum notice period on termination and redundancy pay
- The right to request flexible working arrangements
- The right to be provided with a Fair Work Information Statement.

Employment

Employment for workers in Australia is generally under either a 'modern award', an 'enterprise agreement' or a contract between an employer and employee. These all cover the NES requirements.

Modern awards are industry or occupation-based, and apply to employers and employees who perform work covered by the award. For example, the General Industry Retail Award 2010 applies to those working in retail. However, managers or higher-income employees may not be covered by a modern award even if one applies to the industry in which they work. To review the applicable reward for your business, go to: www.fairwork.gov.au/awards-and-agreements/awards.



An **enterprise agreement** is an agreement between a group of employees and the employer which is negotiated between the two parties, generally through a trade union. Approximately 20 per cent of Australia's workforce are members of unions but union membership varies across industries, with some, such as health and teaching, being more heavily unionised than others. An employer cannot refuse to bargain with a trade union. The enterprise agreement permits both the employer and employee to disregard the applicable modern award's standard provisions and implement other requirements. The FWC has to approve this based on the principle that the employees will be better off under this agreement than under the applicable modern award.

An **employment contract** governs only the employment of one individual. This can be either a written or verbal agreement between an employer and employee, but it is best to have it in writing to minimise any disputes during the period of employment. The contract cannot exclude NES requirements and if a modern award is applicable, cannot provide less favourable conditions than the award. Generally, employers include terms in the contract to protect their business such as those related to IP and confidential matters.

Termination of employment

The Fair Work Ombudsman accepts that employment can end for many different reasons. An employee may resign or can be dismissed (fired/sacked). However, it is important to follow the rules about dismissal, notice and final pay, no matter how employment ceases. The Fair Work Act 2009 is the legislation enforcing fair dismissal of employees. There is also the Small Business Fair Dismissal Code for the ending

of an employee's employment by small businesses, which may not be able to comply with the same requirements as corporations. Notice and owed salary is required when dismissing employees, with the length of notice depending on the employee's length of employment.

There are instances when termination of an employee can be unlawful. These include when termination is due to:

- A person's race, colour, sex, sexual preference, age, physical or mental disability, marital status, family or carer's responsibilities, pregnancy, religion, political opinion, national extraction or social origin (some exceptions apply, such as where it's based on the inherent requirements of the job)
- Temporary absence from work because of illness or injury
- Trade union membership or non-membership
- Participation in trade union activities outside working hours or, with the employer's consent, during working hours
- Seeking office as, or acting as, a representative of employees
- Being absent from work during maternity leave or other parental leave
- Temporary absence from work to engage in a voluntary emergency management activity
- Filing a complaint or participating in proceedings against an employer.

Any unlawful termination complaints may be investigated by the Fair Work Ombudsman. To review the conditions for termination of employment (including for redundancy, bankruptcy and liquidation) and the Small Business Fair Dismissal Code, go to: www.fairwork.gov.au/ending-employment.

Workplace health and safety (WHS)

Australia has detailed and well-enforced workplace health and safety laws (formerly referred to as occupational health and safety – OH&S). All employers, officers, management and boards of directors need to comply with the Work Health and Safety (WHS) legislation. The legislation was introduced nationally on 1 January 2012 to align the various state and territory OH&S laws. Today, all states have their own legislation and have the responsibility to enforce and regulate it, but all except Victoria and Western Australia base their legislation on the Australian WHS Act. This law requires all employers and people undertaking business to provide a work environment that has:

- Safe premises
- Safe machinery and materials
- Safe systems of work
- Information, instruction, training and supervision
- A suitable working environment and facilities.

Safe Work Australia (SWA) is the national body in charge of developing work health and safety and workers' compensation policy, with Comcare assisting with national education, assurance and enforcement of WHS legislation. To learn about each state's law, go to SWA's website: www.safeworkaustralia.gov.au/sites/SWA/.

Workers' compensation (Work cover)

All employers are legally required to have and maintain appropriate workers' compensation insurance to cover employees from any work-related illness or injury that may occur. This needs to include covering employees' wages while they are not fit for work as well as any costs related to medical expenses and rehabilitation. The Fair Work Ombudsman provides information on the individual state and territory workers' compensation regulators at: www.fairwork.gov.au/leave/workers-compensation.

In Australia, all employers must make a payment on at least a quarterly basis (more frequently is common) into a pension plan for their employees – known in Australia as a superannuation fund. Employees can choose a particular fund, but the employer also has to have a default fund for those employees who do not choose their own preferred fund. The minimum employer contribution is 9.5 per cent of an employee's 'ordinary time earnings' which encompasses any bonuses received from ordinary hours of work and their regular remuneration. Employees can also make voluntary contributions to their superannuation with the maximum contribution base capped by the legislation. This changes every financial year as a result of indexing.

Australian anti-discrimination laws

The Australian Human Rights Commission oversees the following anti-discrimination acts that Australia abides by:

- Age Discrimination Act 2004
- Australian Human Rights Commission Act 1986
- Disability Discrimination Act 1992
- Racial Discrimination Act 1975
- Sex Discrimination Act 1984.

Each state and territory incorporates these into their legislation, commonly known as an Anti-discrimination Act, Discrimination Act or Equal Opportunity Act.

Anti-discrimination

Australian national and state laws cover equal employment opportunity and anti-discrimination in the workplace. These require businesses to create and maintain a workplace free from discrimination and harassment. These are related to both the human rights laws and anti-discrimination laws Australia abides by. These include not discriminating against a person no matter their age, gender, sexual preference, disability or any basic human right as outlined by the Australian Human Rights Commission Act 1986. Various resources are offered by government agencies, including the Fair Work Ombudsman and the Australian Human Rights Commission. Further information can be found at: www.humanrights.gov.au.

Visas

Visa requirements for Australia are subject to change and vary depending on the person's skill, nationality and the position they will hold in Australia. The presence of a free trade agreement and the kind of skilled labour Australia is seeking will also have an impact. Australian citizens and permanent residents, as well as New Zealand citizens and residents who hold a current New Zealand resident return visa, do not require visas for working in Australia. Regardless of the employee's citizenship, all employers need to comply with relevant Australian employment and labour laws (for example WH&S and Fair Work Act).

For short-term business visits, the Australian short-term business visa allows people to enter Australia for up to three months. This visa may be applied for online (for some countries' citizens) or at the local Australian Embassy. For longer stays there are generally two options – the individual can apply for a visa themselves or is sponsored by a company on a Temporary Skills Shortage visa. Other subclass visas

may also apply, depending on the position. This requires the individual to provide evidence of an offer of employment, have sufficient funds to cover costs related to elements such as accommodation, repatriation and termination of employment, and be of good health and good character (criminal history may be reviewed). Companies hiring overseas workers generally need to provide evidence that there is no Australian resident or citizen who is suitably able and qualified to be employed in the job offered. For further information, consult DIBP's website: www.border.gov.au/.

5.5 FINANCIAL PRACTICES

The Australian financial system has grown significantly over the past 20 to 30 years. It primarily consists of financial intermediaries which include banks, non-bank deposit-taking institutions and financial institutions (including funds management). The system also includes financial markets such as exchanges (such as the Australian Stock Exchange – ASX) and over-the-counter markets.

The Reserve Bank of Australia is the regulatory agency and central bank that is responsible for the stability of the Australian financial system. The economy also has four major domestic banks – ANZ, Westpac, the National Australia Bank (NAB), and the Commonwealth Bank of Australia (CBA). These provide extensive services to Australian individuals and businesses operating in Australia, across the nation, and with a strong presence in the Asia-Pacific region. There are also a number of smaller banks, credit unions and deposit-taking institutions operating in regional areas, some with a national presence. Several foreign-owned banks have established operations in major Australian cities to access their overseas client base and capture Australian clientele.

Foreign exchange controls

Many foreign banks also engage in the Australian debt markets and debt capital markets, with Australia having almost no foreign exchange controls. This means both Australian currency and foreign currency may be freely sent out of Australia and brought in, subject to certain criteria. This includes the requirement to report cash transfers in or out of Australia equal to or more than \$10,000, as well as suspicious transactions and activity, no matter the amount.

Access to finance

Unlike other countries, Australian banks can finance foreign businesses and non-Australian residents. The criteria they may apply to assessing a loan application or potential business venture will depend on the bank and also the loan amount requested. There are restrictions and prohibitions on certain payments or other dealings with parties identified to have an association with terrorism or other criminal activities. In certain instances, special approval may be required by the Department of Foreign Affairs and Trade before dealings may occur. This may also be applicable for any country or organisation where United Nations or autonomous Australian sanctions apply.

Temporary Working Visas

In April 2017 the Australian Government announced the abolition of the Temporary Worker (Skilled) visa (subclass 457 visa), which will be replaced with Temporary Skill Shortage (TSS) visa. Changes have been implemented gradually since April 2017, with the full range of changes taking effect from March 2018.

When fully implemented from March 2018, the TSS will be divided into two streams, a **Short-Term stream** (valid for two years) and a **Medium-Term stream** (valid for four years). Each of these streams will have different occupation lists which will be updated regularly. Employers in regional Australia will have access to expanded occupation lists.

Both streams will be subject to the following criteria:

- **Work experience:** at least two years relevant work experience.
- **Labour market testing:** mandatory except where international obligations apply.
- **Minimum market salary rate:** Employers must pay the Australian market salary rate and meet the Temporary Skilled Migration Income Threshold (\$53,900 as of 18 April 2017).
- **Character:** Penal clearance certificates must be provided.
- **Workforce:** A non-discriminatory workforce test to ensure employers are not actively discriminating against Australian workers.
- **Training requirement:** Employers nominating a worker for a TSS visa will have to pay a contribution to the Skilling Australians Fund. The contribution will be:
 - payable in full at the time the worker is nominated
 - \$1200 per year or part year for small businesses and \$1800 per year for other businesses.

More information on changes to temporary working visas can be found on the Department of Immigration and Border Protection website at <https://www.border.gov.au/Trav/Work/457-abolition-replacement>

Bank accounts

Sole traders operating in Australia are not required to have a business bank account – a personal one can be used with business expenses noted. However, if registered as a partnership, trust or a company, a business bank account is required for tax purposes. To determine which type of business account is suitable for you, speak to your bank or financial adviser/accountant. Bank fees may differ significantly between banks and for different products.

Setting up a bank account in Australia requires photographic identification and non-photographic identification as well as additional documentation for non-personal accounts. Depending on the nature of the business, this may include a trust deed or a partnership agreement. All signatories who are authorised to operate the account will also need to provide identification.

Note that all records have to be kept for five years. The ATO strongly recommends that you establish thorough bookkeeping systems, either manually or electronically. You are not required to provide a TFN or ABN when establishing a bank account. If no ABN or TFN is provided then the bank will deduct tax from interest earned.

Transaction banking

In Australia, there are several key elements to consider when reviewing your transactional banking procedures. These include using appropriate banking products such as the following:

- Business accounts (accessible by cheque, ATM, EFTPOS, phone or internet banking)
- Bpay (online bill paying)
- Overdraft and other limit facilities
- Cheque book
- Payroll processing.

Your accountant can discuss these further with you and help you use them appropriately.





Riverina Oils and BioEnergy

D. D. Saxena, Managing Director

When D.D. Saxena set about planning a world-class oilseed crushing and refining plant for the New South Wales' Riverina district, he was well aware of the significant potential Australia's agrifood industry could offer Asian investors. However, such investments aren't always without challenges and Saxena had little hint of the approval process that would delay the project. It is important for investors to know Australia has highly developed institutions with robust processes around FDI and be prepared to meet the associated requirements.

After receiving development approval in October 2008, as a "project of state significance", the process was delayed at the state planning department for modified approval. It finally got the green light to begin construction in November 2011, three years later and with the plans virtually unchanged, but the delay added \$30 to \$40 million to the cost. Saxena, founder and Managing Director of Riverina Oils and BioEnergy (ROBE), says a cause of the delay was a "process-driven" rather than "outcome-driven" attitude.

"The process of approval is very onerous and people coming from overseas may find it daunting and challenging," he says. Saxena, Indian born and now a citizen of Australia, secured finance from Indian banks, and suggests that overseas investors and business people take on a local strategic partner. "The rules of the game are the same for everybody but people coming here have to understand what the process is and how you can accelerate and how you can work through it. The opportunity exists but it's not a walk in the park."

Saxena recommends investors bring their bankers along with them if they are proposing a greenfield project. Nobody wanted to know us because they said 'you are a new project, you are a new entrant, you've got no runs on the board'."

The Riverina plant opened in 2013, and now crushes 600 tonnes a day of certified non-GM canola from

local farms into refined vegetable oil and vegetable protein meal. ROBE supplies canola oil to Australian food manufacturers and exports to the US, India, Southeast Asia and New Zealand. ROBE's \$150 million investment is one of the largest value-added food/agri processing projects in Australia in the last five to seven years.

Saxena stresses that trading into and out of Australia is streamlined and "very easy", and that acquiring an existing asset is more likely to attract bank funding. "But putting forward a new greenfield project can be very challenging".

On the positive side, he says the financial risks of doing business in Australia are "obviously" far lower than elsewhere. "It's a more trusting environment, the legal process is very effective, and you're on a level playing field whether you're a foreigner or not. The processes – legal, institutional and accounting – are all very established and very transparent.

"Also, this is a low-volume but a high-margin market. The market is small, but if you are able to create a product which has application and a competitive edge, the margins in Australia are good."

Saxena says the real opportunities for Asian investors in Australia are in exporting back to Asia. He believes value added food and agriculture is the "second pillar" after mining in Australia. However, a local mindset of exporting commodities rather than value-added products is deeply embedded.

"The opportunities will be there if people have market access back to Asia, and the opportunities are here because the raw materials are here," he says. "Globally the world will need more protein and the world will need more beef, will drink more milk, will look for healthier and safer products.

"Where is the growth? In our neighbourhood, in India, China, Thailand, the Philippines. Demand is growing for better and higher-value products and Australia is very well placed, but we lack entrepreneurship. But Asians are very entrepreneurial, they'll figure it out and find a way."



A close-up, blurred photograph of a kangaroo's paw, showing the texture of its fur and the shape of its toes. The image is positioned on the left side of the page, partially overlapping the orange background.

6. Visiting Australia

Spending time on the ground is an essential part of being well-informed when looking to invest in - or launch a - business in Australia. In order to help prepare for your visit, this chapter will review all the relevant information you need to know about when travelling to - and within - Australia.

6.1 PRACTICAL INFORMATION

The principal unit of currency is the Australian dollar (AUD). Major foreign currencies can be exchanged for AUD by banks and authorised money changers at airports and in all major cities. Visa and Mastercard are widely accepted at most Australian retailers while American Express, Diners Club and JCB are only accepted at larger stores and restaurants. Be aware that at some restaurants and shops, credit cards may not be accepted for small transactions below \$10 or \$20, or may incur a small fee. Other small shops and restaurants may only accept cash so it is advisable to carry a small amount with you. ATMs are easily accessible and can be found on almost every main street in cities and smaller towns. Many ATMs also accept foreign credit and charge cards for cash withdrawals.

All ATMs in Australia have English instructions, with many offering the choice of alternative languages. Australian and overseas bank branches within the Central Business Districts (CBDs) of Australia's major cities are increasingly beginning to hire bilingual customer service staff. Mandarin is the most common language found, but there may be Japanese, Hindi and Vietnamese-speaking staff available in particular locales.

The Australian currency is the Australian dollar (AUD)



The symbol for the Australian dollar is \$



1 dollar = 100 cents



Dollars come in the following notes: \$5, \$10, \$20, \$50, \$100



Coins are available in the following: 5c, 10c, 20c, 50c, \$1, \$2

Communications and connectivity

Mobile phone network coverage in Australia is very good in most metropolitan areas. However, in rural farming areas it can be somewhat patchy. Telstra is Australia's largest telecommunications provider (telco), with Optus being second, followed by Vodafone and Virgin Mobile.

It is possible to get both pre-paid and post-paid mobile phone services in Australia. In the past, a mobile phone purchased on a post-paid contract at an Australian retailer would only be compatible with a SIM card from that telco and not with any others, either local or international. This is changing, however, and most phones purchased in Australia now are compatible with SIM cards from any telco. A pre-paid SIM card can be purchased at all telco retailers, which can be found in most shopping areas as well as in the CBD of Australia's major cities. They can also be purchased at some convenience stores, including 7-Eleven. If you are using your own mobile phone, keep in mind that Australia has quite a distinctly shaped power plug, similar to that used in New Zealand, China and a few other countries. Make sure you carry an adapter as not all hotels will stock these.

Any person buying a pre-paid or post-paid SIM card must provide identification in the form of a passport or birth certificate. If no passport or other acceptable form of Australian-issued identification is available, you can use a combination of at least two cards and documents, including an ATM card or credit card, a bank passbook, or a landline telephone bill. The purchaser must also fill in an official government form (which the retailer will provide). Anyone with five or more pre-paid mobile accounts in their name will be required to show additional identification.

Australian landline numbers have eight digits, preceded by a two-digit area code. The Australian country code is +61. When calling Australian numbers from outside Australia, leave out the 0 from the area code or from the mobile number. For instance, when calling an Australian mobile (04xx xxx xxx) from overseas, you would dial +61 4xx xxx xxx. Similarly, if calling a Sydney landline (02 xxxx xxxx) from overseas, you would dial +61 2 xxxx xxxx.

Australia's cellular data networks support both 3G and 4G and mobile phones can be used in most underground locations in larger cities, including some subway systems.

TELEPHONE AREA CODES

Area code	Region	State or territory	Capital city
02	Central East	New South Wales, Australian Capital Territory	Sydney, Canberra
03	South East	Victoria, Tasmania	Melbourne, Hobart
04	Mobile/Cell	Australia-wide	
07	North East	Queensland	Brisbane
08	Central and West	Western Australia, South Australia, Northern Territory	Perth, Adelaide and Darwin

Parts of regional New South Wales may also use 08 and 03 area codes. Parts of regional Victoria may use the 02 area code.

6.2 VISAS

Australia does not issue visas on arrival, so you will need to get one before travelling there, regardless of the purpose of your trip. It does, however, have reciprocal visa arrangements with some countries, allowing visitors from these countries to enter for a short stay on an eVisitor (subclass 651) visa. Holders of this visa are allowed to engage in business activities as long as they do not work for or provide services to a business or organisation and they do not sell goods to the public. Business activities that you may engage in on an eVisitor visa include exploring and making enquiries about business or employment opportunities, negotiating and signing a business contract, and participating in an official government-to-government visit as well as in conferences, trade fairs or seminars, on the condition that the organisers are not paying you to participate. If your reasons for travelling to Australia change as you become further engaged in business activity there, make sure you continue to obtain the most appropriate visa for your purpose of travel.

An eVisitor visa application can be made online on the Australia Government's Department of Immigration and Border Protection website at: www.border.gov.au. You must be outside Australia when you lodge an application for an eVisitor visa. You do not need to visit an immigration office and because the visa is electronic, you will not receive a stamp or label in your passport. You should apply for your visa early to leave enough time for it to be processed before you travel. You should also ensure that your passport is valid for at least six months from the date of your arrival in Australia.

The website of the Department of Immigration and Border Protection contains detailed visa information as well as a useful visa search tool so you can look for the most appropriate visa for your travel to Australia. The processing of visa applications, other than those completed online, may take longer depending on the consulate or embassy at which the application is lodged.

6.3 TRAVEL

Air travel

Australia has several international airports and numerous domestic airports, all varying in size and standard. Most international visitors enter Australia via the principal hubs in each state. Arrival and departure taxes for Australia's international airports are included in the cost of airline tickets.

The following is a list of the major airports in the capital city of each of Australia's states and territories. There are dozens of other smaller, regional airports in the country, most of which are serviced by the four key domestic airlines in Australia: Qantas, Virgin Australia, Jetstar and Tiger Airways.

Canberra Airport (Australian Capital Territory) is located approximately 15 minutes from Canberra's city centre and is accessible by taxi or via the Airport Express shuttle bus, which runs from 8am to 7pm on weekdays and from 9.15am to 6.30pm on weekends. Singapore Airlines recently announced it would be the first international airline to operate regularly scheduled international flights between Canberra and Singapore, and Canberra and Wellington. On Monday mornings, Canberra airport can be quite busy with domestic flights. Airport officials managing the taxi rank will often request that passengers share taxis with others who are travelling to the same suburb from the airport. More information can be found at: www.canberraairport.com.au.

Perth Airport (Western Australia) is Western Australia's main domestic and international airport. The international terminal (T1) and newest domestic terminal (T2) are located 17 kilometres from the city, while the older domestic terminals (T3 and T4) are located 12 kilometres from the city. Perth Airport's CONNECT shuttle is a bus service that operates between T3 and five landmarks in Perth, from which public transport or taxis are easily accessible. A free terminal transfer bus operates between T1, T2 and T3, 24 hours a day, all year round. T4 is a short walk from the CONNECT bus stop. Tickets cost \$15 per passenger each way and can be purchased from the driver on the day of travel. The journey from the airport to the first of the five stops (East Perth train station) takes 15 minutes, while the full journey to the final stop takes just over 30 minutes. The airport can also be accessed by different bus routes from many Perth landmarks, including routes 380, 37 and 40. More information can be found at: www.perthairport.com.au.



Tullamarine Airport or Melbourne Airport (Victoria) is in the northern suburb of Tullamarine. In non-peak hour traffic, the airport is a 30-minute drive from the Melbourne CBD but in peak hour, the journey can take as long as an hour. SkyBus is an express bus service connecting the airport to the CBD, which runs every 10 minutes and stops at three of Tullamarine's four terminals, T1, T3 and T4. International passengers needing to travel to and from T2 may board or alight the SkyBus at T3, a few steps from the T2 exit. The SkyBus stops at Southern Cross train station in the CBD, from where passengers can walk or take a tram through the city, catch a metropolitan train to any suburb or catch a V/Line train to any country town in Victoria. More information can be found at: www.melbournearport.com.au.

Kingsford Smith Airport or Sydney Airport (New South Wales) is approximately 10 kilometres from the city centre. The trip can take anywhere between 15 and 30 minutes in regular traffic or longer in heavy traffic. Airport Link is a train service that stops at the two domestic terminals (T2 and T3), as well as at the northern end of the international terminal (T1). It runs approximately every 10 minutes and takes passengers into the Sydney CBD within 15 minutes. Airport Link tickets cost \$5.80 per person each way. More information can be found at: www.sydneyairport.com.au.

Darwin International Airport (Northern Territory) is located 13 kilometres, or a 15-minute drive, from the CBD. The Darwin Airport Shuttle is a bus service to the airport that stops at all city accommodation locations and operates 24 hours a day, to meet all domestic and international flights. Passengers can book online for discount group rates and return fares or on arrival at the airport. Tickets cost \$18 per person each way, with reduced prices for two or more tickets. More information can be found at: www.darwinairport.com.au.

Adelaide Airport (South Australia) is only six kilometres from the city centre. It is accessible by taxi and is only a short drive from the city. Adelaide Metro also offers an express bus service between the airport and the city, JetExpress. JetBus is an alternative way of accessing the airport by public transport. It stops at a number of stops through Glenelg and West Beach, on the way to the city. More information can be found at: www.adelaideairport.com.au.

Brisbane Airport (Queensland) is a 20-minute drive to Brisbane city. It is easily accessible by taxi, bus or train. Con-x-ion Airport Transfers provides a door-to-door coach service from the airport to Brisbane and does the same from the airports in the Gold Coast and the Sunshine Coast. The Airtrain offers train services that run between Brisbane Airport, Brisbane city and the Gold Coast. The service runs from 5am to 10pm on weekdays and from 6am on weekends, departing every 15 minutes during peak hour. More information can be found at: www.bne.com.au.

Hobart Airport (Tasmania) is located 17 kilometres from Hobart's city centre. Both international and domestic flights depart and arrive at the one terminal. Qantas, Jetstar, Tiger Airways and Virgin Australia operate flights to and from Hobart, mainly to Melbourne and Sydney, with a small number of flights to Brisbane. Technically, no international flights are scheduled out of Hobart and overseas travellers commonly stop in Melbourne on their way to and from the city. The airport is most easily accessible by car or taxi. There is also a convenient shuttle bus service, the Redline Airporter, that operates between the airport and the city centre, dropping passengers off at their accommodation in the city. These buses usually leave the airport approximately 15 minutes after each flight's arrival and each trip costs \$16. More information can be found at: www.hobartairport.com.au.

Domestic flights: Qantas, Virgin Australia, Jetstar and Tiger Airways offer numerous domestic flights to Australia's urban and regional airports. The latter two airlines are budget airlines while the former are full service ones. The busiest routes are between Australia's major cities. For instance, Virgin Australia and Qantas offer flights between Sydney and Melbourne almost every 30 minutes between 6am and 10pm. It is worth noting that domestic air travel within Australia can be relatively costly, compared to that in many other countries in the region. However, there is no high-speed rail linking the major cities and the travel distance often makes driving too time-consuming if your trip to Australia is only a short one.

Taxis

Metered taxis are plentiful in Australian cities but can be a relatively expensive mode of transport, compared to buses, trains and trams. Traffic in larger cities, such as Sydney or Melbourne, can also be heavy in certain areas, which makes taxis a costly and slow way to travel in peak hour.

When catching a taxi at an Australian airport, always go to the official taxi rank outside the terminal (follow the signs) and never engage with anyone offering cheaper taxi fares. It could be helpful to have your hotel address (or destination) written down in English to show to your taxi driver. Hotels will often have this information at the bottom of their reservation confirmation email or letter. If they don't, ask them to send it to you. Almost all taxis in Australian cities have GPS maps so even if the driver is unfamiliar with the area, he or she should be able to find your destination.

Taxi rates vary from one city to another and are generally higher in regional cities. The meter usually starts at between \$2.90 and \$5 and increases at a rate of between \$1.60 and \$3 per kilometre travelled, depending on the city and whether it is a peak or off-peak period of travel. Waiting time or time spent stopped in traffic is also charged, but at a lower rate. All taxis should have a meter that automatically calculates the fare and any surcharges that apply are usually found on a display on one of the passenger windows or on the back of the front seat of the taxi.

To drive in Australia, you must have an Australian or international driver's licence. Australian cars are right-hand drive and travel on the left side of the road. Although driving in Australia is reasonably straightforward, parking in most state capital cities can be quite expensive. Hiring a car in Sydney and Melbourne is also much more expensive than it is in smaller cities such as Darwin or Hobart.

Public transport

Most of Australia's major cities have well-developed train systems that service metropolitan areas and major rural towns. Each city's system is operated by different companies and in most cities, tickets for public transport can be bought at convenience stores or major stations, such as the ones in the CBD. Hobart and Darwin do not have metropolitan train networks and rely on buses alone. In Melbourne, in addition to buses and trains, trams service the CBD as well as most metropolitan suburbs within 10 kilometres of the city centre. Only buses and trains service suburbs beyond this inner-city area. Brisbane, Perth and Sydney

Useful smartphone apps to use in Australia*



goCatch – Taxi booking app that uses GPS to alert nearby taxis to your location. You can input a tip offer to secure a taxi quickly.



Uber – The world's fastest growing online transportation network, most known for its Taxi service. Reliable, cashless and cheap – Uber is offered in 66 countries around the world including Australia.



Google Translate – A handy way of communicating with someone if you are not fluent in one another's languages.



ABC – The official app of the Australian Broadcasting Commission (ABC), it provides up to date information of Australian news and weather with features such as television and radio news streaming and widgets. Other associated apps in different languages include '澳洲佳 Australia Plus' (Mandarin) and 'Australia Plus Indonesia' (Bahasa Indonesia).



TravelSafe Australia – Developed by the Australian Government, this multilingual app is for visitors to Australia. It provides information about disasters and advice on what to do, how to find nearby resources and links to further safety information.



Google Maps – A useful app to help you navigate your way around the Australian city/town you're visiting. Contains up to date maps with features showing current traffic congestion.



TripAdvisor – can be used internationally to access a collection of advice and reviews on such services as flights, accommodation and restaurants. It also has the useful feature "Near me now" which identifies restaurants and activities near an address or your location.



Various Public Transportation Apps – Most capital cities have apps that list public transport maps, timetables, journey planners and up to date information about delays and maintenance. If you're going to be using public transport while you're in Australia, it is best to download the app associated with the city you are travelling to. Apps include PTV (Victoria), Translink (Brisbane), Adelaide Metro (Adelaide), TfNSW (Sydney), Transperth (Perth), and Metro Tas (Hobart).

*All listed apps are free and available for iOS and Android devices.

also have ferry services on their water ways (rivers and ocean). These run regularly throughout the day and into the night with timetables available on public transport websites and apps.

Buses, ferries, trains and trams are all convenient modes of transport in Australia's state capitals. Most operators have a website or mobile phone app to help you plan your journey and to check whether a service is running on time. Since each city's transport is managed by different operators, it is necessary to download the apps that are specific to the cities you are travelling to.

Most states and territories have rail networks that connect the capital city to regional towns and cities. The public transport websites of each state will spell this out in greater detail. Various private bus companies also run comprehensive services between rural and urban areas in all the states and territories with information available online.

Australia does not have a rail line that connects all of the country's state capitals to each other. The most direct way to travel between cities in Australia is by air. The Rail Australia website (www.railaustralia.com.au) does, however, have information on a number of different services that connect regional cities and some major ones. Some of these journeys, especially from the west to east coast, can take up to three days, which makes flying much more efficient for business travel.

6.4 VISITING CAPITAL CITIES

The Australian hotel industry caters to a variety of price and budget levels. It is dominated by international hotel chains, but there are also smaller boutique and budget hotels or serviced apartments. Websites such as www.booking.com, www.expedia.com or www.hotels.com are useful for comparing the constantly changing rates in Australia's cities. Reviews offered on these websites and maps can also be helpful in selecting the accommodation that will most suit your needs.

Most hotels belonging to international chains, as well as some of the larger boutique hotels, will offer meeting and conference facilities. On average, accommodation in Australia costs between \$150 and \$500 each night. Most hotels offer wi-fi, free or otherwise. Australian businesses are generally happy to meet with foreign clients and contacts in their own offices. There is little obligation to host a meeting in your hotel if you are visiting from overseas. More informal discussions commonly take place in cafés over coffee, so access to meeting facilities is not crucial.

Perth

Most corporate head offices, including those of mining and resources firms, are located in the Perth CBD, which is also where most international hotel chains offer their Perth accommodation. It is reasonably easy to walk around the city of Perth, although the weather can get quite hot and humid. A network of free shuttle buses, known as CAT buses, service many major destinations in Perth. They offer a convenient way of getting from your accommodation to various parts of the city.

Melbourne

The majority of corporate offices in Melbourne are located in the CBD or in Southbank, which is accessible by taxi, tram or a number of pedestrian bridges over the Yarra River. There are numerous hotels available to suit a range of budgets in the CBD and in Southbank. The CBD can be quite congested on weekdays and often taking a tram within the Free Tram Zone of the CBD can be much quicker and cheaper than taking a taxi from one meeting to another. In fact, most locations within the CBD are only about a 15-minute walk from each other. Some younger businesses and start-ups can be located in inner-city suburbs, such as Richmond, Collingwood and Abbotsford, all of which are easily accessible from the CBD by taxi or tram.

Sydney

Sydney's CBD is much larger and covers a wider area than Australia's other major capital cities. Most corporate offices are located within the CBD itself, with others in Pyrmont, on the other side of Darling Harbour to the CBD. The city offers a range of hotel options, all of which can be reasonably expensive so it is best to book well in advance of your trip to secure a reasonable rate. Buses, taxis and trains are the easiest ways to get around the city. However, many streets in Sydney are one-way streets, causing travel times to be very long when traffic is bad.

Darwin

Darwin is one of Australia's smallest cities, both in size (112 square kilometres) and population (just under 150,000). It has undergone almost an entire rebuild twice, once following bombing in World War II and later in 1974, following Cyclone Tracy. As a result, most of the city is relatively modern, compared to the significant proportion of colonial architecture found in other capital cities. Darwin is seen as something of a gateway city to Australia as it is closer to the capitals of five other nations (those of Timor-Leste, Papua New Guinea, Indonesia, Brunei and Palau) than it is to its own capital, Canberra. The CBD is where most corporate businesses are based, with more industrial areas located along the Stuart Highway towards Palmerston. Most locations are easily accessible from almost any hotel in the city centre.

Adelaide

Adelaide city is set out in a grid pattern of wide streets and terraces, and five large public squares with Victoria Square in the centre of the city, and Hindmarsh, Light, Hurtle and Whitmore Squares in the centres of each of the four quadrants of the Adelaide city centre. The population is slightly over 1 million, which makes it Australia's fifth largest city.

Brisbane

The city of Brisbane is approximately 770 square kilometres and is home to just over 2.3 million people. It is best to stay in the CBD if your meetings in Brisbane are mainly at offices within the CBD or Southbank, which is connected to the city by both pedestrian and vehicular bridges. Most major office towers in the city centre are within walking distance of each other so you may be able to fit up to five or six meetings into a day if they are within the city. Fortitude Valley, which lies just to the northeast of the CBD, is home to Brisbane's nightlife and entertainment venues, as well as a number of large retailers.



Hobart

Hobart is the capital city of Tasmania, located at the southern end of the island. Most businesses are found in the city centre or in Salamanca. Of course, many agribusinesses may be located elsewhere in regional and rural parts of the state so if visiting those, you would need to find basic accommodation in these areas (motels are common throughout regional Australia). For meetings in Hobart itself, Salamanca offers a number of small hotels and has a vibrant foreshore with numerous dining and entertainment options. It is only a short walk to most office buildings in the CBD.

Business dining and entertaining

Dining out and entertaining is not as critical to doing business in Australia as it is in some other countries and cultures. Generally, business meetings that take place outside of the office occur over breakfast or lunch. Having said that, Australians tend to be conscious of the business cultures of their overseas contacts or partners and often aim to adapt to these. For instance, if meeting with a contact who is used to building business relationships over dinner, the Australian businessperson is likely to arrange a dinner for this purpose. This would normally occur in a restaurant – it is very uncommon for Australian businesspeople to invite business contacts to their homes. If you are hosting the breakfast, lunch or dinner meeting, most hotels will be able to recommend an appropriate venue and make a booking for you.

Most city centres, as well as the inner-city suburbs mentioned above, have a wide array of dining and entertainment options. As discussed earlier in this guide, Australia is a highly multicultural country with well-established diasporas from around the world. This has contributed to a richly diverse restaurant scene offering myriad cuisines in most cities.

Tipping

Tipping is not strictly practised but is becoming more common, particularly at restaurants and bars. In better, more formal restaurants, tipping is becoming more expected. For simple meals, the rule of thumb is 10 per cent. On larger bills, smaller tip ratios are common. In less formal restaurants and bars, where you are often required to pay the bill at the counter, instead of it being brought to your table, tipping jars are commonly available. Tipping in hotels is generally not expected. At high-end hotels, staff members are encouraged not to collect individual tips. Tipping taxi drivers is also not necessary. Part of the reason for the lack of a tipping culture is that wages are generally high in Australia, particularly in hospitality and service roles, and especially compared to the US or most of Asia. Australian service is also generally more relaxed than in many other countries, even in high-end hotels. It is worth noting that if you are used to very high levels of service, the more relaxed Australian way can sometimes be mistaken for rudeness, which of course is almost always unintended.

6.5 HEALTH AND WELLBEING

Most of the following information on health and welfare in Australia has been provided by the Australian Government as general advice. Visitors to Australia should always consult their own government's foreign affairs website for advice about travelling to Australia and any health and safety concerns to be aware of.

Vaccinations

You do not need specific vaccinations to visit Australia, however should ensure that you are up to date on routine vaccines such as measles-mumps-rubella (MMR), diphtheria-tetanus-pertussis, varicella (chickenpox), polio and if possible, a flu shot. It is helpful to make an appointment with your local doctor at least eight weeks before your scheduled travel to Australia. He or she should be able to advise if there are any vaccines you need in order to travel as well as provide advice, particularly if you have an existing medical condition. The World Health Organisation (WHO) provides information for travellers and the DFAT health page also provides useful information for travellers on staying healthy. If you are arriving from a country with risk of yellow fever (mainly countries in parts of Africa and South America), Australian customs and immigration will require proof that you have received a yellow fever vaccination.

Health insurance

Before visiting Australia, it is advisable to buy health insurance for your period of travel, in case you require any emergency medical attention. The Australian Government has signed Reciprocal Health Care Agreements (RHCA) with some countries which provide citizens with some subsidised health services while they are in Australia. Medical services in Australia can be costly, often making health insurance a far more cost-effective solution if you do end up requiring medical treatment before you return to your home country.

Medical facilities

Medical facilities providing a high standard of treatment can be found in all of Australia's capital and regional cities. However, in remote and rural areas, facilities can be very limited or unavailable. In the event of a serious illness or accident, medical evacuation may be necessary.

Travel health concerns

There are no major travel health concerns in Australia. One aspect of Australian life many travellers can be underprepared for is the harsh effect of the sun. It is important to wear sunscreen of at least SPF30 at all times, particularly if you plan to be outdoors for extended periods. Those travelling to remote or rural areas, where there is little in the way of shade from buildings and trees, need to be very mindful of sun protection. Severe sunburn and heat stroke can result from Australia's very high UV exposure.

Always treat Australians with respect and stay alert. The Australian Government advises all travellers to exercise normal safety precautions when in Australia and to use common sense and look out for suspicious behaviour, as you would in your home country. It is also wise to monitor the media and other sources for changes to local travelling



Australia has a single number for emergencies



POLICE

000



AMBULANCE

000



FIRE

000

Call 112 or 106 in an emergency if there is no mobile/cell phone signal.

conditions. Always remember that when you are travelling in rural or remote Australia, it is critical to travel in a group and not alone. Towns can sometimes be hundreds of kilometres apart, particularly in central and northern Australia, and mobile phone signals can be weak or non-existent.

Civil unrest/political tension: Violent protests and demonstrations are rare in Australia. International events, political developments in the region and local events can trigger demonstrations in Australia, although the greatest inconveniences are often just the disruptions to public transport and roads.

It is wise to avoid areas where protests are scheduled, even though these are usually surrounded by a heavy police presence. Travellers should remain vigilant and monitor the local news and media sources to keep abreast of the latest developments.

Terrorism: Terrorism is a threat in Australia, as it is throughout the world. Australian security services have warned all locals and travellers that attacks may occur. In the past, terrorists have targeted areas of high foot traffic, such as city centres, yet these areas are unavoidable.

Major secular and religious holidays and periods of religious significance could provide terrorist groups an opportunity or pretext to stage an attack. You should also be vigilant in the period surrounding days of national significance, such as Australia Day (26 January).

The Australian Government has in the past issued public alerts about possible terrorist attacks. You should take such warnings seriously and avoid any areas identified as a possible target for attack.

Crime: As in many other countries around the world, women should take particular care in Australia, including in major cities and tourist destinations, especially when travelling alone. Avoid walking in less populated and unlit areas, including city streets, laneways and beaches. A normal amount of vigilance should be practised to protect yourself against thieves, pickpockets and other criminals. There have also been reports of travellers being assaulted and robbed when leaving venues alone late at night, particularly when intoxicated.

Scams: Most of the scams in Australia target locals and are based on identity theft, data breaches and fraud. Be extremely wary of requests to carry goods out of Australia, especially if they do not relate to your business dealings and if you have not checked them personally, as they may be concealing narcotics. If you are the victim of petty crime or a scam, you should report it immediately to the local police. Even though they may not be able to retrieve your money or goods, they can issue you with an official loss report for insurance purposes. For further information on how to reduce your risks from various types of scams, visit the Australian Competition and Consumer Commission's Scamwatch website at www.scamwatch.gov.au.

Local laws and penalties for crimes

Legal processes in Australia are reasonably efficient, depending on the case and the jurisdiction in which it is brought. If you find yourself in legal trouble, it is best to seek help from the local consular office of your home country. Australia does not have the death penalty but it does have very strict sentencing laws against physical crimes. Penalties for drug offences are also severe and include mandatory sentencing.

Legal issues to be aware of:

- In Australia, you should carry some form of personal identification with you at all times or you may be taken in for questioning.
- In some places, it is illegal to take pictures of certain buildings, such as inside certain areas of airports, near prisons, and at military bases.
- You may be deported or arrested and imprisoned for breaking local laws. Being a foreign citizen does not enable you to avoid prosecution if you have broken local laws in Australia.
- There are strict laws against driving under intoxication (drugs and/or alcohol).
- Most countries have laws that extend beyond their borders. You may engage in an activity that is legal in Australia yet still be prosecuted for it when you return to your home country, if it is illegal there.

Customs

Australian customs authorities enforce very strict rules and laws regarding the importation of any agricultural and wood products, including packaged and fresh foods, wood carvings or other implements and even soil on the bottom of your shoes. There are also very strict quarantine standards for these products as well as for animals and pets. The Australian Government's Department of Agriculture and Water Resources website (www.agriculture.gov.au) has more information on what can be brought into the country. Note that rules vary between states and territories within Australia and that what is allowed into one state may not be allowed into another.

Climate and clothing

Australia is a large country with a varied climate. Melbourne, Canberra and Hobart are cold in the winter and hot in summer. Perth, Brisbane and Sydney have much milder winters, while Darwin is hot and humid all year round. Dress to the local conditions and remember that regional and rural areas are often a few degrees colder or hotter than urban areas. Sun protection in the form of sunscreen or a hat is critical in summer and helpful all year round. Australia is not a very conservative country and in warmer cities, people are used to wearing shorts or short dresses and skirts for most occasions, other than formal events or business meetings. You will find Australians generally have a casual attitude to dressing and to interacting with others.

Public holidays in Australia

There are some public holidays in Australia that are celebrated nationally on the same date, and others that are either only applicable to one state or occur on different dates in different states. Many Australian corporate offices shut down over the Christmas and New Year period for approximately 10 days to 2 weeks. Always check ahead of time with the contacts you are planning to meet to ensure that your travel is not wasted.

Public holiday	2017	2018	2019
ALL STATES			
New Year's Day	Jan 1	Jan 1	Jan 1
Australia Day	Jan 26	Jan 26	Jan 28
Good Friday	Apr 14	Mar 30	Apr 19
Easter Saturday	Apr 15	Mar 31	Apr 20
Easter Monday	Apr 17	Apr 2	Apr 22
Anzac Day	Apr 25	Apr 25	Apr 25
Christmas Day	Dec 25	Dec 25	Dec 25
Boxing Day	Dec 26	Dec 26	Dec 26
Christmas Day substitute holiday	-	-	
AUSTRALIAN CAPITAL TERRITORY			
Canberra Day	Mar 13	Mar 12	Mar 11
Queen's Birthday	Jun 12	Jun 11	Jun 10
Family and Community Day	Sep 25	Sep 24	Sep 30
Labour Day	Oct 2	Oct 1	Oct 7
QUEENSLAND			
May Day (Labour Day)	May 1	May 7	May 1
Royal National Agricultural Show Day (Ekka Holiday)	Aug 16	Aug 15	Aug 14
Queen's Birthday	Oct 2	Oct 1	Oct 7
NEW SOUTH WALES			
Queen's Birthday	Jun 12	Jun 11	Jun 10
Labour Day	Oct 2	Oct 1	Oct 7
NORTHERN TERRITORY			
May Day (Labour Day)	May 1	May 7	May 6
Queen's Birthday	Jun 12	Jun 11	Jun 10
Picnic Day	Aug 7	Aug 6	Aug 5
SOUTH AUSTRALIA			
Adelaide Cup	Mar 13	Mar 12	Mar 10
Queen's Birthday	Jun 12	Jun 11	Jun 10
Labour Day	Oct 2	Oct 1	Oct 7
Christmas Eve	Dec 24	Dec 24	Dec 24 (from 7pm onwards)
Proclamation Day	Dec 26-27	Dec 26	Dec 26
New Year's Eve	Dec 31 (from 7pm)	Dec 31 (from 7pm)	Dec 31 (from 7pm onwards)

Public holiday	2017	2018	2019
TASMANIA			
Royal Hobart Regatta	Feb 13 (Southern Tasmania only)	Feb 12 (Southern Tasmania only)	Feb 11 (Southern Tasmania only)
Eight Hours (Labour) Day	Mar 13	Mar 12	Mar 11
Easter Tuesday (public service only)	Apr 18	Apr 3	Apr 23
Queen's Birthday	Jun 12	Jun 11	Jun 10
Recreation Day	Nov 6	Nov 5	Nov 4 (Northern Tasmania only)
VICTORIA			
Labour Day	Mar 13	Mar 12	Mar 11
Saturday before Easter Sunday	Apr 15	Mar 31	Apr 20
Queen's Birthday	Jun 13		Jun 10
AFL Grand Final Eve	Sep 29	TBC	TBC
Melbourne Cup	Nov 7	Nov 6	Nov 5
WESTERN AUSTRALIA			
Labour Day	Mar 6	Mar 5	Mar 4
Western Australia Day	Jun 5	Jun 4	Jun 3
Queen's Birthday	Sep 25	Sep 24	Sep 30



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7. Learn more: resources and contacts

After reviewing this Business Investment Guide's summary of the various elements of conducting business and investing in Australia, your next step likely entails contacting the Australian Trade Commission and/or the state and territory governments to gather more specific information related to your area of interest. This chapter lists the key government departments to contact for further information as well as the various sources referred to in the making of this guide. Some of these sources can be useful to consult during your research process as they may provide a more in depth overview on certain topics. Earlier chapters also list various resources that you may find helpful.

Key contacts

Australian Trade Commission (Austrade)

Tel (calling within Australia): 13 28 78

Website: www.austrade.gov.au/

Overseas offices' details: www.austrade.gov.au/Contact/offices

Invest Canberra

Tel: +61 6207 5111

Web: www.investcanberra.com

InvestNT

Tel: +61 8 8999 5091

Web: www.investnt.com.au

Invest Victoria

Tel: +61 3 9651 8100

Web: www.invest.vic.gov.au/

NSW Department of Industry

Tel: +61 2 9338 6600

Web: www.industry.nsw.gov.au/invest-in-nsw

SA Department of State Development

Tel: +61 8 8303 2432

Web: www.statedevelopment.sa.gov.au/investment/trade

Tasmania Department of State Growth – Office of the Coordinator-General

Tel: +61 3 6777 2786

Web: www.cg.tas.gov.au/

Trade and Investment Queensland (TIQ)

Tel: +61 7 3514 3147

Web: www.tiq.qld.gov.au

WA Department of State Development

Tel: +61 8 9222 0555

Web: www.dsd.wa.gov.au/

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Australian Government Departments:

Attorney-General's Department

Australian Accounting Standards Board (AASB)

Australian Bureau of Statistics

Australian Competition and Consumer Commission (ACCC)

Australian Electoral Commission

Australia Post

Australian Securities and Investment Commission (ASIC)

Australian Taxation Office

Australian Trade Commission (Austrade)

Australian War Memorial

Bureau of Infrastructure, Transport and Regional Economics

Bureau of Meteorology

Commonwealth Scientific and Industrial Research Organisation (CSIRO)

Department of Agriculture and Water Resources

Department of Communications and the Arts

Department of Defence

Department of Education and Training

Department of Employment

Department of the Environment

Department of Foreign Affairs and Trade

Department of Immigration and Border Protection

Department of Industry, Innovation and Science

Department of Infrastructure and Regional Development

Export Finance and Insurance Corporation

Fairwork Ombudsman

Foreign Investment Review Board (FIRB)

Geoscience Australia

IP Australia

National Native Title Tribunal

Office of the Australian Information Commissioner

Office of Northern Australia

Office of the Official Secretary to the Governor-General

Parliamentary Education Office

Parliament of Australia

Reserve Bank of Australia

Safe Work Australia

Tourism Australia

The Treasury

Australian Capital Territory Government Department and Agencies:

Chief Minister, Treasury and Economic Development Directorate
Innovation, Trade and Investment
Land Development Agency
VisitCanberra

New South Wales Government Department and Agencies:

Arts NSW
Department of Education
Department of Industry
Department of Primary Industries
Destination NSW
Office of Communities Aboriginal Affairs
Office of Environment and Heritage
Roads and Maritime Services

Northern Territory Government Department and Agencies:

City of Darwin
Department of Business
Department of Local Government and Community Services
Department of Mines and Energy
Department of Primary Industry and Fisheries
Department of Treasury and Finance
Office of Asian Engagement, Trade and Investment
Tourism NT

Queensland Government Department and Agencies:

Department of Aboriginal and Torres Strait Islander Partnerships
Department of Agriculture and Fisheries
Department of Natural Resources and Mines
Department of State Development
Office of the Queensland Chief Scientist
Tourism and Events Queensland
Trade and Investment Queensland

South Australian Government Department and Agencies:

Department of Premier and Cabinet
Department of Primary Industries and Regions
Department of State Development
Department of Treasury and Finance
Local Government Association of South Australia
South Australian Tourism Commission

Tasmanian Government Department and Agencies:

Department of Premier and Cabinet
Department of Primary Industries, Parks, Water and Environment
Department of State Growth
Mineral Resources Tasmania
Office of the Coordinator-General
Tourism Tasmania

Victorian Government Department and Agencies:

Department of Economic Development, Jobs, Transport and Resources
Department of Environment, Land, Water and Planning
Invest Victoria
State Library of Victoria
Tourism Victoria

Western Australian Government Department and Agencies:

City of Perth
Department of Aboriginal Affairs
Department of Agriculture and Food
Department of Culture and the Arts
Department of Local Government and Communities
Department of Mines and Petroleum
Department of Parks and Wildlife
Department of Regional Development
Department of State Development
State Library of WA
Tourism WA

Other:

Adelaide Airport
Allens Linklater
Australia Day National Network
Australia's North West Tourism
Australian Chamber of Commerce and Industry
Australian Computer Society
Australian Copyright Council
Australian Human Rights Commission
Australian Indigenous HealthInfoNet
Australian Industry Group
Australian Institute of Company Directors
Australian Institute of Interpreters and Translators (AUSIT)
Australian Securities Exchange (ASX)
Boarderfree
Brisbane Airport Corporation
Business Council of Australia
Canberra Airport (Capital Airport Group)
Colliers
Content Marketing Institute
Darwin Airport (Airport Development Group)
Deloitte
Direct Selling Association of Australia
Diversity Council of Australia
DHL
EMarketer
Export Council of Australia
Fitch
Forbes
Franchise Council of Australia
Global Innovation Index
Griffith University
Heidrick & Struggles
History Council of Western Australia
Hobart International Airport
Ibis World
International Monetary Fund (IMF)
Investment Company Institute
KPMG
Local Government Association Tasmania
Local Government NSW
Milken Institute
Moody's
Melbourne Airport (Australia Pacific Airports)
National Accreditation Authority for Translators and Interpreters (NAATI)
National Farmers' Association
National Trust of Australia
New South Wales Wine Industry Association

Nielsen
Organisation for Economic Cooperation and Development (OECD)
Oxford Metrica
PayPal
Perpetual Australia
Perth Airport
Ports Australia
PwC
Rail Australia
Roy Morgan
Skytrax
Smith Travel Research
St George Bank
Standard and Poor
Sydney Airport
The Economist
The Heritage Foundation
Transparency International
United Nations (UN)
University of Melbourne
University of New South Wales
University of Tasmania
UK Government Foreign and Commonwealth Office
World Airports Awards
World Bank
World Economic Forum
World Trade Organisation (WTO)
Z/Yen Group

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