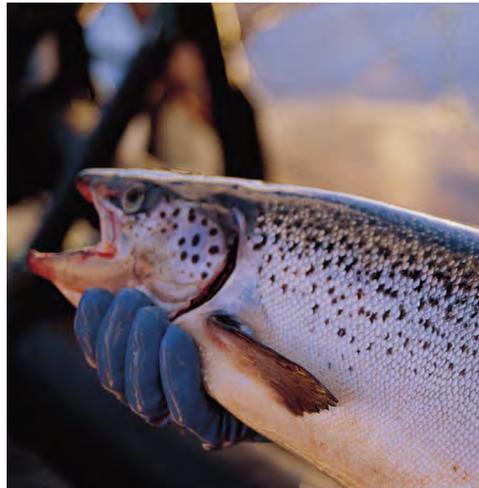


# Tasmanian Trade Strategy 2019-2025

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# Premier's foreword

With record exports and tourism growth it is clear that Tasmania has what the world wants.

Over the past year, our growth in exports has outstripped other Australian states and territories with Tasmania's exports of goods reaching a new high of \$3.8 billion in 2018. Markets are also increasingly turning to Tasmania for trade in services, including tourism and international education.

In 2018 Tasmania welcomed 1.3 million visitors who spent a record \$2.4 billion, up four per cent from the previous year. This was in addition to a 30 per cent increase in international student enrolments in 2018.

These figures show that Tasmania's star is on the rise and now is the opportune time to capitalise on this stardom. By taking a strategic, long-term approach, Tasmania can position our trade and industry to capture our competitive advantages.

Increasing trade equates to a stronger, growing economy, delivering more jobs and opportunities for Tasmanians. That's why we're delivering Tasmania's first trade strategy, which sets an ambitious target to grow our export trade to \$15 billion by the year 2050.

The Strategy provides the framework for the Tasmanian Government to work with industry on four key priorities: building trade in key sectors; showcasing Tasmania in priority markets; supporting trade logistics and market access; and building the export capabilities of Tasmanian businesses.

We will develop annual action plans for trade activities, both locally and abroad, to respond to changing market dynamics and capture opportunities as they arise.



The Tasmanian Government is committed to empowering business to take their products to the world. We will create further opportunities for our state, and build industry capability so that Tasmania continues to record growth in trade.

A handwritten signature in black ink, which reads "Will Hodgman".

**Will Hodgman MP**

Premier  
Minister for Trade  
Minister for Tourism, Hospitality and Events

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# Tasmania's first trade strategy

Driven by buoyant economic conditions and targeted promotion of the Tasmanian brand, our businesses are increasingly taking their products and services to the world. We excel across a range of sectors including advanced manufacturing, food and agribusiness, international education, resources and energy, science and technology, as well as tourism. About half of the state's products are sold either interstate or overseas and many of our service industries also rely on trade.

Trade is at the very heart of business activity. It generates employment, innovation, investment, specialisation and efficiencies that cannot be achieved serving a purely local market.

While Tasmania has already come a long way, there is still enormous potential to reap the benefits of increasing our presence on the world stage. To ensure Tasmania's international reputation stays front of mind, it is critical that we continue to strengthen engagement with domestic and international partners, promote our provenance, as well as our high-quality products and services to empower businesses to build their customer base.

The global context for Tasmania's first strategy is shaped by a number of mega-trends. These include the rise of Indo-Pacific economies, new global trade agreements, the global digital economy, consumer focus on health and environment, in addition to global demand for resources.

Key attributes that determine Tasmania's current global position include the importance of the Tasmanian brand, our island geography, freight and infrastructure, a skilled workforce, business competitiveness, foreign investment and cultural exchange.

The Tasmanian Trade Strategy 2019-2025 (the Strategy) sets a coordinated whole-of-government approach to work with business and partners to grow trade, both domestically and internationally. It sends a positive signal to the market and provides a consistent long-term framework for action. Importantly, it also incorporates the flexibility needed to allow the Government to respond quickly to industry trends, changing market conditions and emerging local or global issues.

The Strategy builds on many years of work by government and industry to build trade relationships and value chains, promote the Tasmanian brand and grow our export capability. It has a clear focus on building capability for small to medium-sized businesses, value adding to existing business activities, expanding our international influence, and providing the right conditions for all Tasmanian businesses to succeed.

It has been informed by extensive industry consultation, and detailed analysis of Tasmania's competitive strengths, existing government commitments and strategies, as well as assessment of the merits of potential priority markets.

While the Strategy sets out government priorities and initiatives for growing trade, business and industry have been instrumental in its development and will be critical partners in achieving its aims.

Tasmania's size and location means that collaboration, creativity and leadership are essential elements to reach world markets and respond to cost pressures.

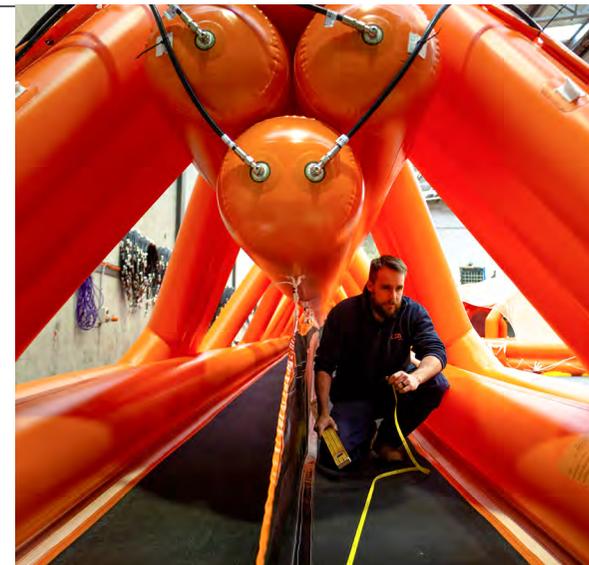
The purpose of this Strategy is to:

- address the key export growth barriers and impediments faced by industry in Tasmania
- support competitiveness
- assist business to develop skills and strategies for trade growth
- open doors and build international relationships
- drive economic growth and boost jobs for Tasmanians.

Tasmania is home to Australia's greatest assembly of Antarctic and Southern Ocean scientists.



Marine evacuation systems built in Tasmania service ferries and naval ships across the globe.



## Trade Strategy at a glance

To grow Tasmania's trade to \$15 billion by the year 2050	
<b>Build trade in key sectors</b>	<ul style="list-style-type: none"> <li>• Sector-specific trade events and visits</li> <li>• Promotional materials and events</li> <li>• Trade advocates</li> </ul>
<b>Showcase Tasmania in priority markets</b>	<ul style="list-style-type: none"> <li>• In-market presence</li> <li>• Coordinated missions and delegations</li> <li>• Trade website</li> </ul>
<b>Support trade logistics and market access</b>	<ul style="list-style-type: none"> <li>• Market access coordinator</li> <li>• Logistics advisory service</li> <li>• Supply chain program</li> </ul>
<b>Build export capabilities of Tasmanian businesses</b>	<ul style="list-style-type: none"> <li>• Accelerating trade grant program</li> <li>• Trade skills development and brand toolkit</li> <li>• Cluster support and mentoring</li> </ul>

KPIs
An increase in the number of businesses provided with a service and / or support.
An improvement in brand awareness in targeted markets.
At least 80 per cent of businesses satisfied with the quality of services provided.
An increase in the value of products or services sold by Tasmanian businesses to the domestic or international market, where these businesses have been supported through the Strategy.

Key sectors
Advanced manufacturing
Food and agribusiness
International education
Resources and energy
Science and technology
Tourism

Priority markets		
<b>Broad engagement</b>	<ul style="list-style-type: none"> <li>• China and Hong Kong SAR</li> <li>• United States of America</li> </ul>	<ul style="list-style-type: none"> <li>• Japan</li> <li>• Singapore</li> <li>• Malaysia</li> <li>• Domestic</li> </ul>
<b>Focused engagement</b>	<ul style="list-style-type: none"> <li>• Indian subcontinent</li> <li>• Taiwan</li> <li>• New Zealand</li> </ul>	<ul style="list-style-type: none"> <li>• United Kingdom</li> <li>• Other ASEAN</li> <li>• South Korea</li> <li>• European Union</li> <li>• Latin America</li> </ul>

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# Tasmania's trade economy

The Tasmanian trade economy has always been heavily influenced by fluctuations in the global trade environment. In the last 140 years – since Tasmania's exports first outgrew imports – Tasmania's domestic and international trade has continued to grow steadily. While some of this success can be attributed to favourable market conditions, the Tasmanian brand, promotion of Tasmanian products and services to our key export markets, and enabling industry to adapt to market trends, have played a significant role in influencing our success.

## The global context

Globalisation, with its associated benefits in respect to trade, investment and skilled migration, has substantially increased the prosperity of many countries and a significant proportion of the world's population in recent decades. As highlighted in the Australian Government's Foreign Policy White Paper, emerging and developing economies across the Indo-Pacific region in particular will continue to be important contributors to global growth and trade opportunities in the coming years. Tasmanian producers stand to benefit due to the large share of exports directed to these key markets.

Nevertheless, the global trade environment is complex and subject to change. Commodities will continue to be vulnerable to price fluctuations due to changes in supply and demand, financial markets and the broader global economic environment.

There are also key risks associated with rising international protectionism within key economies, as some governments take action to withdraw from a global market in order to reduce the effects of overseas competition, migration and technological change. This type of action can have a negative impact on the global trade environment more broadly, including our ability to help grow Tasmanian exports.

Trade is also affected by global shifts or megatrends which are increasingly changing behaviours and business practices across the world. Megatrends present challenges for all economies as governments and businesses attempt to adapt to new conditions and social preferences. However, in some cases these trends also present important opportunities for Tasmania and may provide the tailwinds to advance our trade aspirations. Some key examples are outlined overleaf.



Our fertile soils and abundant water resources are ideal for vegetable and fruit production.

Tasmanian whisky is globally acclaimed.



We dominate the market for the export of live wild caught abalone.



Tasmanian farmers supply close to 40 per cent of global medicinal opiates.



Tasmanian beef is prized in the US and Asian markets.

# Tasmania's trade economy

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## The rise of Indo-Pacific economies

The pace and scale of industrial and urban expansion across Asia, led by China and India in recent decades, has had a significant impact on the production and trade of goods and services, boosting the living standards of hundreds of millions of people as a result. Within the next 15 years, four of the world's five biggest economies in purchasing power parity terms are likely to be in Asia. Asian economic growth, urbanisation and an expanding middle class projected to reach 3.5 billion by 2030, will also sustain or increase demand for minerals and energy, premium agricultural products, along with services such as education and tourism.

While Tasmania's trade with Asian economies grows, we continue to enjoy productive economic relationships with longstanding partners including the United States and New Zealand.

## Global trade agreements

While open trade arrangements are essential to supporting the growth and continuation of positive economic conditions for Tasmania, a movement towards protectionism within some key economies has emerged as a key risk for Tasmania and Australia as a whole.

Acknowledging that these conditions and circumstances are beyond the direct control of any single government, Australian Government policy is characterised by advocacy for a more seamless trading environment, with a long-term vision for a region-wide free trade area that includes all major economies. However, in recent years most gains come from bilateral trading agreements that Australia has secured.

Tasmania's trade interests are currently supported by a number of free trade agreements (FTAs), with arrangements in place to continue to achieve positive gains at the Commonwealth level through federal intergovernmental negotiations. The Tasmanian Government will continue to work closely with the Australian Government to ensure that our interests are represented.

## Digital economy

Economic success for economies and businesses is intrinsically linked to the ability to embrace and actively participate in the digital revolution. The speed of advancements in digitisation, connectivity, robotics, automation and artificial intelligence, as well as the continued evolution of cybersecurity risks, demonstrates the importance of adaptability to maintain competitiveness. Current trends also demonstrate the importance of upskilling the current and future workforce while planning for the changing nature of work.

At the same time, digital technologies have opened up significant prospects for global growth. As an island state, Tasmania is more connected than ever before. The rise of the application economy and enabling platforms has created an accessible marketplace, providing the foundation for a new wave of start-up success.

## Consumer focus on health and environment

Changes in climatic conditions, environmental degradation, loss of agricultural land through urbanisation, water security and biosecurity issues present major challenges for many countries in the production of high-quality agricultural products and resources. In response, there is now a growing market demand within key economies for high-quality, clean produce and sustainable practices from import origin, as well as traceability assurance.

At the consumer level, demand for products and services which support healthy lifestyles and intrinsic values has become synonymous with a growing global consumer class. Consumers increasingly favour products that are nutritious, sustainable, subject to less processing and that contain fewer artificial ingredients.

These trends lead to much of the current success associated with the strength of the Tasmanian brand and present significant trade growth opportunities for Tasmania as a producer of high quality, safe food, agricultural products and renewable energy.





## Tasmania's trade economy

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### Global demand for resources

Steady annual global economic growth for the foreseeable future, along with significant infrastructure growth in emerging economies, and the transition to the new technology economy are expected to drive continued demand for mineral resources. Combined with the current state of cyclical buoyancy in the resources sector, this should attract further investment and development in Tasmania's mining and mineral processing sectors over the long term.

The global demand for raw materials for use in the electronics and renewable energy industries will also provide further opportunity for Tasmania. Similarly, other in-demand commodities such as zinc, iron ore (magnetite), tin, and copper are mined in Tasmania from the mineral rich terrain.

The global demand for wood products has rallied in recent years, with demand for building timbers and pulpwood rising internationally. New markets are also emerging in the biomass energy generation market, further increasing the overall global demand for timber products and increasing forest values.

Tasmania is uniquely positioned to help lead Australia towards cleaner sources of energy. Tasmania has a natural competitive advantage in renewable energy, with its proven hydro and wind resources and emerging ocean, geothermal and biomass resources. Tasmania also has significant existing renewable energy research, industry and government knowledge and capabilities.

Photo (left): Approximately 90 per cent of Tasmania's energy is derived from clean renewable sources.



Tasmania has a long history of exporting zinc, copper, magnetite and other ores.



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# Tasmania's global position

The world is becoming increasingly aware of Tasmania's unique offerings. The state is renowned for its premium products and services, including advanced manufacturing, food and agricultural products, key resources including minerals and forest products, technical and professional services, education institutions, and tourism experiences. The Tasmanian brand sets the state apart, reinforced by a range of investment across key supporting areas, including foreign and domestic investment, skilled workforce development, freight and infrastructure, as well as business competitiveness.

## Tasmania's brand

The Tasmanian brand is a core differentiator for Tasmania's value-added products and services and will only become stronger over time. Successful Tasmanian brand stewardship and promotion will continue to influence opportunities for individual businesses and entire sectors over the next decade and beyond.

The Tasmania brand is expressed differently in different sectors. Brand is determined by many factors, most importantly the experience people have when they receive a Tasmanian product or service, visit Tasmania or interact with Tasmanians. It can be enhanced through soft power, promotional activities and relationship building led by business or government.

The Tasmanian Government recognises the importance of brand to Tasmanian business. The new Brand Tasmania Authority, unique in scope in the world will have the resources to take Tasmania's brand to the next level and reach its objectives to:

- ensure that a Tasmanian Brand, which differentiates and enhances Tasmania's appeal as well as its national and international competitiveness, is developed, maintained, protected and promoted;
- ensure that Tasmania's image and reputation locally, nationally and internationally are strengthened;
- ensure that the Tasmanian Brand is nurtured, enhanced and promoted as a key asset of the Tasmanian community.

## Island geography

Tasmania's geography is a key element in its success and serves as a major competitive advantage in key sectors.

As an island, Tasmania has a clear biosecurity advantage with relative freedom from pests and diseases. It is also the perfect location for a number of pilot research and monitoring programs. The state enjoys excellent cool climate growing conditions, affordable land, and provides counter-seasonal production to the northern hemisphere. Collectively this supports farmers, producers and a strong fishing and aquaculture industry.

## Tasmania's global position

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The island is also rich in natural resources such as minerals and has plentiful supplies of clean water, which not only provide renewable hydroelectric energy but also deliver abundant water to drive growth in agriculture and industry.

Tasmania's geographic location means it is a natural maritime epicentre and gateway to East Antarctica. Of the five recognised Antarctic gateways around the world, Hobart is unique in its depth, breadth and combination of infrastructure, world class Antarctic scientific expertise and logistical support services.

With a small population, there is strong collaboration between government, university and business in Tasmania.

### Freight and infrastructure

Tasmania's freight system and supporting infrastructure underpin business and economic growth in the state. They are key enablers in realising the outcomes of the Government's investment in sectors such as agriculture and advanced manufacturing. They are also critical to Tasmanian businesses retaining existing markets, accessing new markets and expanding market share.

As an island state, access across Bass Strait is critical to Tasmanian businesses. The Government has developed a number of targeted plans to enhance the effectiveness of freight and logistics, including the Tasmanian Integrated Freight Strategy. The Government supports an increased role for air freight, particularly in meeting export demand for high-value, time sensitive products. We are working with service providers to facilitate direct freight services between Tasmania and key domestic and international destinations. Tasmanian businesses also benefit from the Australian Government-funded Tasmanian Freight Equalisation Scheme, which reduces freight rates for eligible shippers.

Infrastructure Tasmania provides a state-wide approach to the planning and delivery of infrastructure in Tasmania including rail, major roads, energy, ports, water and sewage. The 10-year Infrastructure Pipeline 2018 outlines \$13.9 billion in planned expenditure. It includes key economic infrastructure such as roads, rail, energy, water and sewerage, irrigation, stormwater, ports, airports and communications. This infrastructure investment is critical to ensuring essential services can be delivered whilst creating jobs and leveraging additional private sector investment.

### Skilled workforce

Exporters need to attract and retain a skilled workforce in order to be globally competitive and achieve growth. For some successful businesses, servicing demand rather than generating it is among their biggest challenges.

The Tasmanian Government through Enterprise Centres Tasmania and Business Tasmania provides one-on-one support and practical tools for small businesses throughout their lifecycle. Skills Tasmania provides support, advice, industry-focused workforce development plans and funding to deliver quality vocational training to meet the needs of Tasmanians and our industries. TasTAFE is the leading vocational training provider in the state and is funded to provide student pathways, apprenticeships and traineeships across a significant range of sectors.

The Government has a partnership agreement with the University of Tasmania which includes key trade related objectives. The aim is to attract more local and international students, align higher education with current and future workforce needs while delivering research projects that build innovation capacity for new industries.

The Tasmanian Government's business and skilled migration program helps attract people to live, work and invest in Tasmania, targeting key areas of skills need.

## Business competitiveness

The Tasmanian Government is committed to cutting red tape and making Tasmania one of the best places in Australia to do business. Small businesses are disproportionately impacted by red tape, hindering their growth and preventing them getting on with their jobs.

The Tasmanian Government also understands that reducing the impact of payroll tax on small and medium sized businesses will encourage them to employ more people and invest more. Businesses will see substantial savings in their payroll tax liability as a result of competitive and higher threshold payroll tax introduced from July 2018.

## Investment

There is a virtuous cycle between trade and investment. International investors play a key role in helping to open markets and facilitate trade. Likewise, strong trade performance attracts the attention of investors.

Targeted foreign investment adds significant value to the Tasmanian economy. It grows employment and transfers technology and knowledge to improve our competitiveness while upholding Tasmania's reputation for premium goods and services. Tasmania has a long history of foreign direct investment and many industries have grown significantly through investment from abroad. Tasmania has a strong value proposition in many industries. Our tourism, agribusiness, and renewable energy sectors in particular continue to attract considerable interest from overseas investors.

The Office of the Coordinator-General is Tasmania's principal entity dedicated to investment attraction and works across the globe to bring investment into the state. Many of the Trade Strategy's initiatives will involve the Coordinator-General to leverage the benefits of joint trade and investment promotion.

## Cultural exchange

The Tasmanian Government supports and facilitates a number of cultural exchange opportunities which help to foster international relations through directly linking members of the community with their overseas counterparts. Projects that encourage direct people-to-people connections have the capacity to build cultural understanding between Tasmania and the rest of the world, which is an important adjunct to the government's wider international trade aims and objectives.



The Tasmanian Symphony Orchestra has toured numerous countries and welcomes cultural exchanges.



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# Priorities to boost trade performance

The Strategy sets out 12 initiatives across four key priority areas.

The Priorities and Initiatives seek to leverage and influence Tasmania's future trading position to benefit from opportunities and mitigate risks presented through global mega-trends.

Businesses have varying needs for government support, depending on their stage of export development. Working together with industry, the Tasmanian Government will make available a package of initiatives targeted to business throughout their market growth lifecycle.



Photo (left): We are renowned for the manufacture of high-speed light weight catamaran ferries.

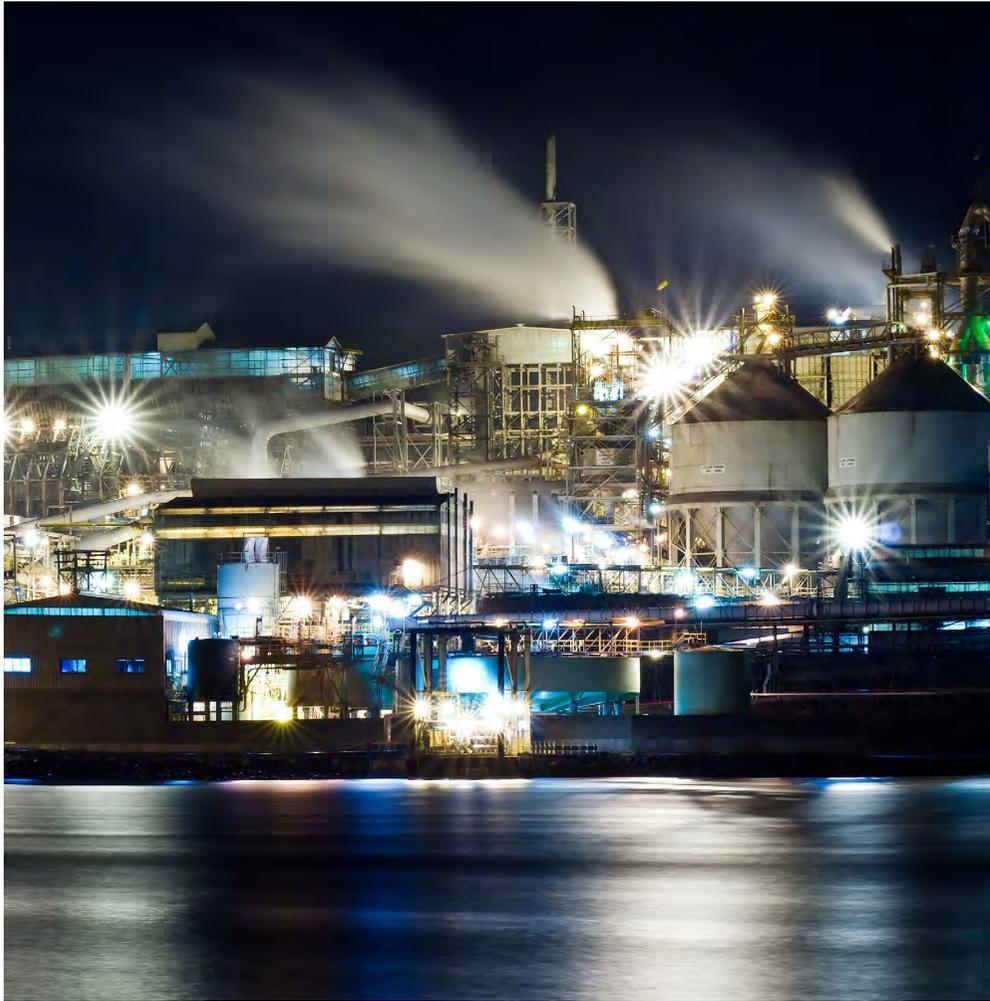
The pristine waters surrounding our island produce exceptional seafood.

## Priority 1: Build trade in key sectors

Tasmania exhibits global competitive strengths across a range of diverse sectors. Each of the key sectors outlined in the Strategy has unique attributes and requires a different approach to trade development. As such, each key sector will be supported by its own annual action plan developed in partnership with industry. Each key sector is supported by its own specialised unit within Government. Importantly, this whole-of-government trade strategy allows us to exploit synergies and cross-promotional opportunities across sectors.



We are international leaders in agricultural, maritime, aquaculture and genetic science.

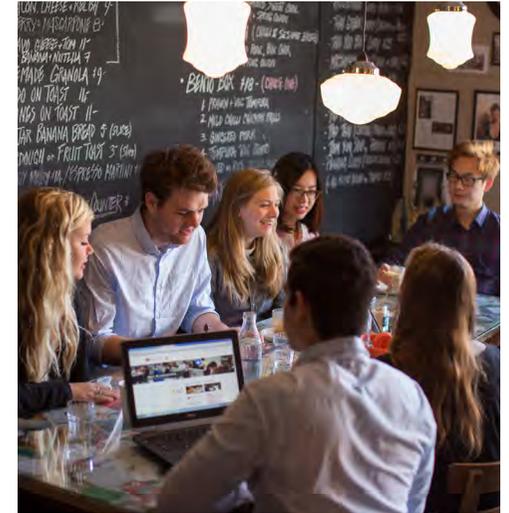


Tasmania is home to one of the world's most efficient zinc producers.

The state's award winning distilled spirits have seen significant export growth.



Tasmania produces vibrant cool climate wines with a global reputation for premium sparkling and pinot noir.



Tasmania provides an exceptional education experience with friendly and welcoming communities.

## Priority 1: Build trade in key sectors

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### Advanced manufacturing

Tasmania is home to a broad and innovative manufacturing sector. Our businesses are known for their adoption of continuous improvement, enhanced skills, new technologies, design and systems integration in order to drive innovation and growth throughout the value chain.



With an increased focus on defence industry both in Australia and internationally, significant opportunities exist for Tasmanian advanced manufacturing businesses to become suppliers to the defence sector. Tasmania's Defence Advocate and Defence Industry Advisory Committee encourage and facilitate local businesses to secure significant defence supply contracts.

Advanced manufacturing contributes disproportionately to overall Tasmanian exports. It supports supply chains reaching throughout regional areas of Tasmania and underpins thousands of jobs in other sectors, including services. As a sector, advanced manufacturing is recognised as one of the most innovation-intensive part of our economy. No other sector utilises as much innovation, technology, robotics and other advanced knowledge.

### Food and agribusiness

Tasmania produces safe, high-quality and delicious food. Fertile soil and relative freedom from pests and diseases, as well as Tasmania's counter-seasonality to the northern hemisphere provide a significant strategic advantage in food production and agriculture.



The Tasmanian food and agribusiness sector excels across a diverse range of product categories, many aimed at premium niche markets both nationally and overseas.

Tasmania is renowned for products such as dairy, red meat, aquaculture and wild fisheries, fruit and vegetables, biopharmaceuticals, wine, spirits, beer and honey. The successes of the agrifood sector are driven by business capability and natural endowments. Tasmania's temperate maritime climate provides a comparative advantage in a changing climate, particularly in industries such as viticulture, aquaculture and dairy farming. These strengths have been leveraged by government investment into irrigation schemes, research and extension, trade and brand promotion and investment attraction.

One key Tasmanian attribute is the moratorium on commercial release of genetically modified organisms into the Tasmanian environment. The law in Tasmania also prohibits animals being fed any growth promotants or hormones, which is important to customers in many of our markets.

### International education

Tasmania is a destination of choice for both international and interstate students across all education sectors. Students have the opportunity to learn from internationally recognised scientists, researchers, chefs and artists, among many more industry professionals. Tasmania prides itself on delivering educational programs of the highest quality. The University of Tasmania has a reputation for research and teaching excellence and is ranked in the top two per cent of universities worldwide.

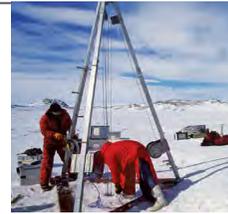


Tasmania also offers international students an outstanding lifestyle that includes welcoming communities, a high degree of personal safety, stunning natural environment, and a reputation for high-quality products and services, as well as access to international transport linkages.

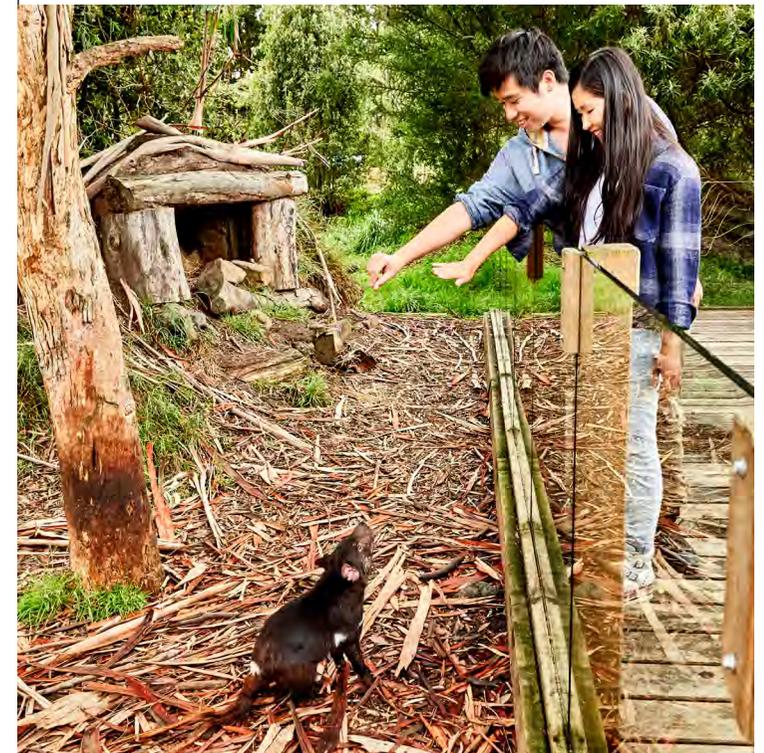
Tasmania's specialty timbers are ideal for high end furniture production.



Tasmania's position as a gateway to Antarctica is worth \$180 million to the state's economy.



Visitors to our island spent \$2.4 billion staying over 10 million nights.



We produce and export diverse minerals and processed metals.

Science and technology is thriving in Tasmania with multiple private sector businesses and established institutions.

Tasmania produces and exports sustainable forestry products.

## Priority 1: Build trade in key sectors

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### Resources and energy

#### *Mining*

Tasmania has a rich mining history in one of the most diversely mineralised places in the world. Tasmanian mines and processing facilities employ more than 3000 people. With over \$2 billion exported annually, mining and mineral processing accounts for over half the value of the state's merchandise exports. Tasmania's modern mining sector is well diversified, exporting ores and concentrates of iron, copper, lead, zinc, tin, bauxite, high-grade silica and tungsten. Aluminium and zinc are our number one and two largest exporting commodities by value.



#### *Forest products*

Tasmania has a strong, innovative forest industry that sells woodchips, logs, paper and value-added forest products such as pharmaceuticals, food additives, clothing, industrial chemicals and bioenergy pellets to the world. Global demand for Tasmania's wood and paper products has more than doubled since 2014.

#### *Energy*

Tasmania has a target to produce 100 per cent of its energy from renewable sources by 2022. Already, around 90 per cent of Tasmania's power comes from renewable sources, providing electricity users with market advantage in a world increasingly focused on sustainability. Tasmania's expertise in renewable energy generation is also sought after by international markets, with commercial partnerships underway in the Indian subcontinent, South East Asia and the South Pacific among others.

### Science and technology

Tasmania's science and technology community is thriving. Many internationally renowned institutions such as the University of Tasmania's Menzies Institute for Medical Research, Institute for Marine and Antarctic Studies (IMAS), Australian Research Council Centres of Excellence in Ore Deposits and Australian Maritime College are located here. Key national research bodies located in Tasmania include Australian Antarctic Division, and Commonwealth Scientific and Industrial Research Organisation, addressing challenges of local and global significance. The Tasmanian Antarctic Gateway is one example of a Science and Technology cluster that has already achieved unique global significance and will continue to grow our export dollars and numbers of internationally acclaimed scientists to Tasmania.



As the most internet-connected jurisdiction in Australia, Tasmania also has many established and start-up technology and service companies, which are experiencing success in international markets. These are broader than information and communication technology, also incorporating technology and service businesses with a reach into advanced manufacturing, food and agribusiness, consulting, engineering and other sectors.

### Tourism

Tasmania has a thriving tourism sector based around our natural heritage, cultural and creative industry assets. The breadth of features and experiences within a small geographical area have cemented the state's reputation as a must-see destination. More visitors spending in our communities stimulates the creation of new businesses. They sustain existing businesses, create jobs and stimulate population growth, while supporting cultural endeavours, the arts and creative industries. Tasmania is firmly on track to achieve its target of 1.5 million visitors per year by 2020.





TasTAFE is the largest vocational education and training provider in Tasmania.



Modern facilities complement our world class education offering.



The University of Tasmania is in the top two per cent of universities world wide.



## Priority 1: Build trade in key sectors

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### Initiatives

#### 1.1 Sector-specific trade events and visits

The Tasmanian Government will focus assistance on our high growth sectors, where we have globally recognised products and expertise. We will deliver an integrated suite of services across sector strategies and marketing plans. We will also look for opportunities to partner with appropriate organisations or initiatives which will allow us to maximise our outcomes and increase our return on investment. Matching Tasmanian business with appropriate international buyers is vital to success of the trade strategy. Our committed team of trade and sector-specific specialists will work closely with Austrade, the Department of Foreign Affairs and Trade (DFAT) and other organisations to provide this important service for Tasmanian businesses.



Tasmania has dedicated in-market presence in China and Hong Kong SAR.

#### 1.2 Promotional materials and activities

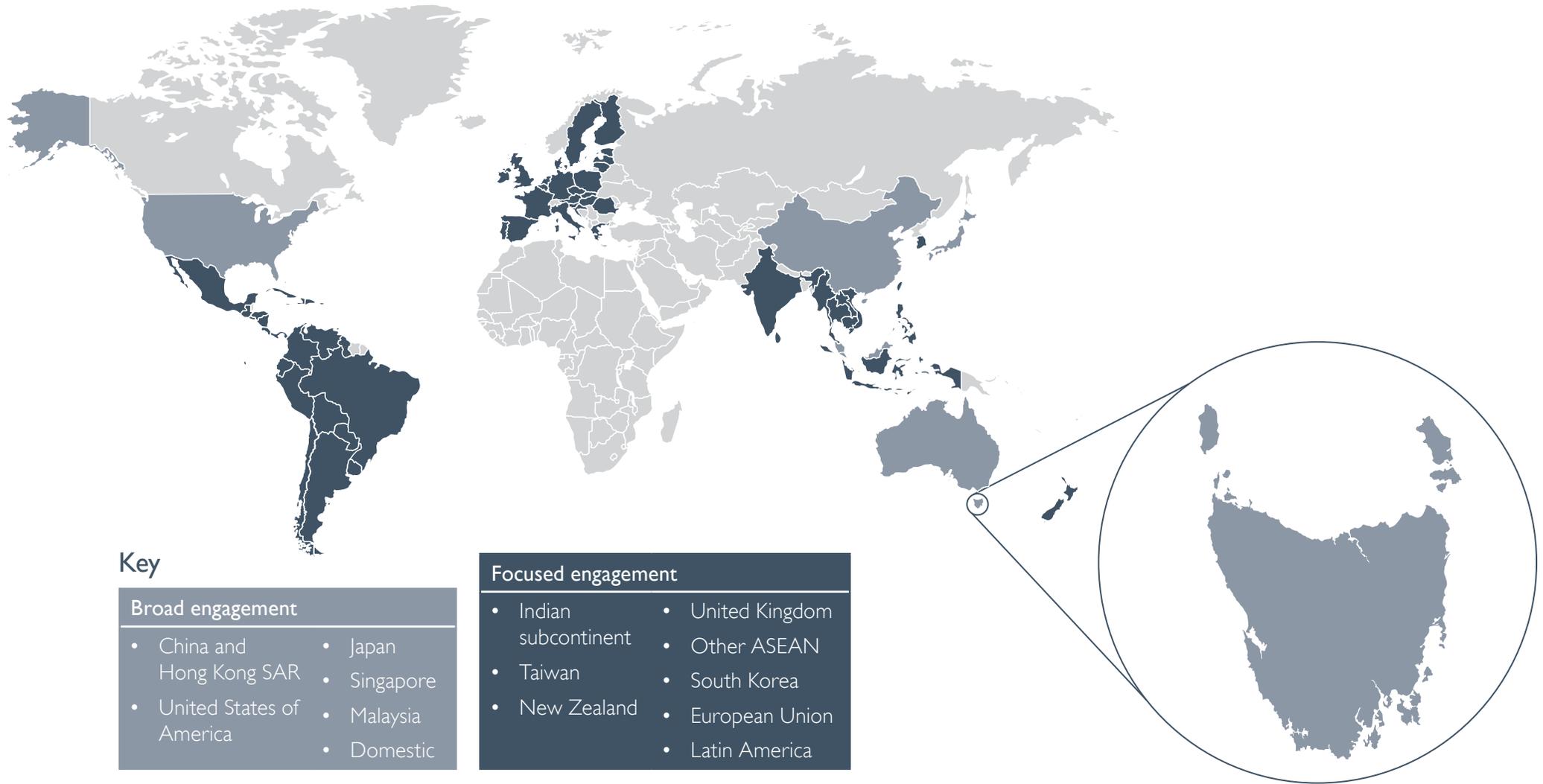
The Tasmanian Government will invest more in targeted country and sector-specific promotional materials such as videos, brochures, online content and presentations for business and government to use during trade activities. We recognise that premium product and services should be promoted with high-quality, market-specific, Tasmanian-branded promotional materials. We will work closely with the newly established Brand Tasmania Authority to ensure that we have a cohesive message and can share resources such as digital images and videography.

We will build on the Tasmanian Export Awards, which recognise Tasmanian businesses for their international success and contribution to Tasmania's prosperity.

#### 1.3 Trade advocates

The Tasmanian brand has a strong reputation for quality. We want to build on this reputation to encourage customer groups to better recognise and demand key products, services and capabilities in the state. The Tasmanian Government will consider trade advocates to champion our state and work with us to help promote Tasmania's capabilities to the world, while raising the profile of Tasmania among key decision makers and purchasers internationally. Examples could include internationally renowned leaders, entrepreneurs and innovators who can advocate effectively on behalf of entire sectors.

# Tasmanian markets for engagement



## Key

- Broad engagement**
- China and Hong Kong SAR
  - Japan
  - United States of America
  - Singapore
  - Malaysia
  - Domestic

- Focused engagement**
- Indian subcontinent
  - Taiwan
  - New Zealand
  - United Kingdom
  - Other ASEAN
  - South Korea
  - European Union
  - Latin America

## Priority 2: Showcase Tasmania in priority markets

While trade development activity is best targeted to markets most relevant to particular sectors, there are also benefits in focusing on markets that have broad potential for Tasmanian business across a range of sectors. This will assist in leveraging cross-promotion, place branding and relationship networks.

It is up to each business to determine its optimal mix of domestic and international markets to pursue. However, Government too needs to have a long-term strategic focus for collaborative effort where there is likely to be maximum impact.

The Australian domestic market is important for many businesses given its proximity, strong brand recognition, and ease of doing business. The domestic market offers businesses growth opportunities as key markets along Australia's eastern seaboard experience high levels of population growth.

There is also less risk associated with global market shocks and disruptions. It often serves as a starting point for businesses to grow before attempting to export internationally. For food and agribusiness in particular, 76 per cent of output supplies the domestic market.

In addition to the Australian domestic market, the Tasmanian Government has identified five international markets for broad strategic engagement where we will build greater trade links and brand presence through to 2025. These are China and Hong Kong SAR, the USA, Japan, Singapore and Malaysia. Extensive analysis shows these markets have strong potential for success across multiple sectors. They have been determined on the basis of a range of indicators including share of trade, people linkages, employment intensity, investment, and ease of doing business.

The Tasmanian Government will continue to support industry in sector-specific engagement in other key markets such as the Indian subcontinent, Taiwan, New Zealand, United Kingdom, Indonesia, Thailand, Vietnam, South Korea, the European Union and Latin America.

The Strategy is flexible enough to be responsive to new opportunities and emerging markets, including through a mid-term review in 2021.

Table I – Key market opportunities by sector

Sectors	Indian subcontinent	Taiwan	New Zealand	United Kingdom	Other ASEAN	South Korea	EU	Latin America
Advanced manufacturing			✓	✓	✓		✓	
Food and agribusiness		✓	✓	✓	✓	✓	✓	
International education	✓	✓			✓	✓	✓	✓
Resources and energy	✓	✓			✓			
Science and technology			✓	✓		✓	✓	
Tourism	✓		✓	✓			✓	



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## Priority 2: Showcase Tasmania in priority markets

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### Initiatives

#### 2.1 In-market presence

The Tasmanian Government currently provides in-market presence for trade development in China and Hong Kong SAR through a business development manager (BDM). The BDM provides market advice, facilitates introductions and connections, supports Tasmanian businesses and industry associations at trade shows and events, and promotes Tasmania as a trade opportunity. Greater in-market presence will be considered in other key strategic markets identified in this Strategy.

#### 2.2 Coordinated missions and delegations

The Tasmanian Government will actively coordinate cross-sectoral, international trade missions. Our outbound missions will take Tasmanian businesses and organisations to key overseas markets, showcasing their business capabilities and connecting them with international buyers, distributors, trading partners and business leaders.

In many of our markets, the presence of the Premier or relevant Minister signals that we are serious about doing business, giving confidence to prospective buyers. Ministerial leadership of a mission can help secure intergovernmental meetings that in turn can lead to positive, formal cooperative agreements that facilitate future trade deals at the business to business level.

Throughout each year we will welcome inbound government and industry delegates seeking trade opportunities in Tasmania. Inbound delegations help to raise awareness of the range and quality of products that Tasmanian businesses produce and allow us to build strategic alliances with important markets.

#### 2.3 Trade website

A one-stop shop trade website (<http://www.trade.tas.gov.au>) will be developed and will include sector-specific case studies and capability statements, as well as the opportunity for buyers and importers to connect with Tasmanian businesses and products. The website will include trade news and export statistics with information for Tasmanian businesses that are exporting or selling.

We will also explore the opportunity to create a Tasmanian export directory in both online and soft copy format. This directory would be created in collaboration with organisations that manage existing directories, such as Brand Tasmania's food and beverage directory and the Tasmanian Manufacturing directory managed by the Tasmanian Minerals and Energy Council.



Our dairy producers support numerous commercial and artisanal cheese brands.



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## Priority 3: Support trade logistics and market access

Access to markets is critical to export success and competitiveness. Impediments to market access include tariff and non-tariff barriers such as certification, import regulations and labelling, along with supply chain efficiency and effectiveness. The Tasmanian Government will provide advisory services on technical market access and logistics, while delivering a supply chain program which will complement the existing Tasmanian Integrated Freight Strategy, aviation and access development, and infrastructure investment actions.

### Initiatives

#### 3.1 Market Access Coordinator

The Market Access Coordinator will advocate to Australian Government agencies for Tasmanian market access priorities and solutions to technical issues that affect Tasmanian exporters. The coordinator will provide information and advice to businesses on matters such as labelling requirements, packaging, and the latest market access news. The Market Access Coordinator will work closely with industry associations, research and development corporations, Austrade, DFAT and Department of Agriculture and Water Resources (DAWR) to find solutions to market-access barriers encountered by Tasmanian businesses.

Photo (left): Tasmania's north west is the centre for globally competitive heavy vehicle production.

#### 3.2 Logistics Advisory Service

A Logistics Advisory Service will assist Tasmanian freight and logistics users to optimise freight and logistics services, develop new freight channels and identify potential cost saving initiatives. The objectives of the Service are to help Tasmanian businesses to improve long-term competitiveness and viability through freight and logistics improvements, as well as promote collaboration across businesses and industry sectors to support broader supply chain improvements. The Service will draw on existing capabilities across government including Infrastructure Tasmania, Tourism Tasmania (Air Access), Department of State Growth and the Office of the Coordinator-General, plus private sector specialists.

#### 3.3 Supply chain program

The Tasmanian Government will work with AusIndustry and Enterprise Centres Tasmania to offer small and medium-sized enterprises (SMEs) practical ways to strengthen their supply chain and improve access to new markets. The program will drive business growth and competitiveness by facilitating access to supply chain opportunities in growth sectors.

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International freight connections have been enhanced through new shipping, including the nation's largest Australia-flagged cargo vessel.



## Priority 4: Build export capabilities of Tasmanian businesses

The Strategy sets a clear commitment to build the skills and capabilities of new and existing Tasmanian trading businesses to foster a productive, resilient and competitive business community. The Tasmanian Government actively supports the growth and international expansion of exporters

because they contribute significantly to Tasmania's economic development. Through the initiatives outlined below, government will work closely with Austrade, TradeStart, the University of Tasmania and industry associations to deliver a coordinated program to build export capability.

Businesses have varying needs for government support, depending on their stage of export development. Working together with industry, the Tasmanian Government will make available a package of initiatives targeted to business throughout their market growth lifecycle.

Stage of trade growth	Description	Examples of support provided	
<b>Expansion</b>	Businesses that are already actively trading locally and have a business plan, marketing plan and products available for sale	<ul style="list-style-type: none"> <li>• Domestic market workshops</li> <li>• Domestic trade shows</li> </ul>	<ul style="list-style-type: none"> <li>• Trade show readiness workshops</li> <li>• International market familiarisation delegations</li> </ul>
<b>Growth</b>	Businesses beginning to sell to domestic and international markets	<ul style="list-style-type: none"> <li>• Market intelligence workshops</li> <li>• International market access workshops</li> <li>• Trade advice</li> </ul>	<ul style="list-style-type: none"> <li>• Cluster support and mentoring</li> <li>• Trade skills development and brand toolkit</li> </ul>
<b>Maturity</b>	Businesses that have started trading with domestic and international markets and are investigating further opportunities	<ul style="list-style-type: none"> <li>• International e-commerce workshops</li> </ul>	<ul style="list-style-type: none"> <li>• In-market presence</li> <li>• International trade shows</li> </ul>
<b>Established</b>	Businesses with established domestic and international trade, seeking to maintain relationships, reduce costs and streamline value chains	<ul style="list-style-type: none"> <li>• International trade missions</li> <li>• Inbound buyer visits</li> </ul>	<ul style="list-style-type: none"> <li>• Export awards</li> <li>• Market access coordinator</li> </ul>
<b>All businesses</b>	Many of the initiatives under the Strategy will benefit all exporting businesses, regardless of their stage of trade growth	<ul style="list-style-type: none"> <li>• Accelerating trade grant program</li> <li>• Supply chain program</li> </ul>	<ul style="list-style-type: none"> <li>• Logistics advisory service</li> </ul>

# Initiatives

## 4.1 Accelerating Trade grant program

The Accelerating Trade grant program will help Tasmanian businesses to collaborate, expand their presence and introduce Tasmanian products and services to the world. Funding will be made available to businesses on a co-contribution basis to support market research and business-matching services, promotional activities and materials, attendance at domestic and international trade shows and events. They will also assist with in-bound buyer visits to Tasmania, study tours, travel to undertake marketing activities, supply chain efficiency improvements and cluster development.

## 4.2 Trade skills development and brand toolkit

The Tasmanian Government understands that trade can be complex, so we will develop trade and brand resources, training and activities for small and medium sized exporters to help businesses pursue and continue their trade journey. Packages will include a toolkit that will be made available on the trade website. The toolkit will incorporate fact sheets, how-to guides, case studies, information about mentoring, along with a calendar of training opportunities and events.

## 4.3 Cluster support and mentoring

The practice of bringing together a group of businesses in a specific industry sector or geographic region as a cluster is gaining recognition internationally as a driver for economic growth. Well-connected and trusting clusters and networks are recognised as integral to trade success and an innovative method to increase competitive advantage. Tasmanian businesspeople are already recognised for their collaboration.

Tasmania has attracted international praise for the effectiveness of cluster groups such as the Tasmanian Polar Network and Tasmanian Maritime Network.

The Tasmanian Government will facilitate the development of emerging clusters, networks and precincts by encouraging businesses in key sectors to build on their competitive advantage and develop solutions to trade challenges. These include collective freight opportunities, as well as sharing of knowledge, equipment and infrastructure.

Through training workshops and events, the Tasmanian Government will facilitate connections between experts and successful trading businesses, with the aim to create informal mentoring opportunities.



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We create multi-award winning applications used across the globe.

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# Appendix 1:

## Complementary strategies and plans

Growing the level of coordination on trade support activities both within the Tasmanian Government as well as with partners is critical to avoid duplication and increase trade success.

We acknowledge the important role of the Australian Government, committees, councils, education and research institutions, industry

associations, peak bodies and regional organisations in trade and have developed a strategy that aims to support their plans.

In addition to the Trade Strategy 2019-2025, the Tasmanian Government delivers a number of existing complementary strategies and plans that are linked to trade.

Strategy	Detail	Lead
Access 2020	A five-year air and sea access strategy.	Tourism Tasmania
Advanced manufacturing action plan	A five-year plan working towards a globally competitive manufacturing sector.	Business and Trade Tasmania
Agrifood plan	Provides an update on the initiatives we are delivering to sustainably grow the agriculture and food sectors in Tasmania, including seafood.	Department of Primary Industries, Parks, Water and Environment
Business growth strategy	Ensuring government policies are aligned with business and industry goals and targets.	Business and Trade Tasmania
Cultural and creative industries strategy	A plan to grow jobs and investment in the cultural economy.	Arts Tasmania
Defence industries strategy	A strategy that aligns with the Australian Government's defence export strategy.	Business and Trade Tasmania
Global education growth strategy	Aims to market Tasmania as an international education destination in both international and domestic markets.	Business and Trade Tasmania

Strategy	Detail	Lead
<b>Infrastructure investment plan</b>	Focuses on building Tasmania's future, and consolidating infrastructure planning in a way that will underpin the long-term prosperity and sustainability of the state.	Infrastructure Tasmania
<b>Mineral Exploration Investment Attraction Plan</b>	A plan for the promotion of mining and exploration in Tasmania.	Mineral Resources Tasmania
<b>Population growth strategy</b>	The Tasmanian Government has set a target to grow Tasmania's population to 650 000 by 2050.	Department of State Growth
<b>Science and technology strategy</b>	The Tasmanian Government is currently developing a Science and Technology Strategy and Workforce Development Plan for the ICT industry.	Business and Trade Tasmania
<b>Strategic growth plan for Tasmanian forests, fine timber and wood fibre industry</b>	A \$4 million plan for the Tasmanian Forests, Fine Timber and Wood Fibre Industry.	Sustainable Timbers Tasmania
<b>Tasmanian Antarctic gateway strategy</b>	The Tasmanian Government's approach to capitalising on its connections with Antarctica.	Business and Trade Tasmania
<b>Tasmanian energy strategy</b>	The strategy has an overarching vision of restoring Tasmania's energy advantage through making energy work for people, reducing the cost of delivering energy and positioning Tasmania for the future.	Office of Energy Policy
<b>Tasmanian integrated freight strategy</b>	Supporting competition and service choice, efficient freight gateways, land freight connections and a single, integrated freight system.	Infrastructure Tasmania
<b>T21 visitor economy strategy</b>	The T21 strategy sets a goal to grow annual visitor numbers to Tasmania to 1.5 million by 2020. More importantly, by doing so it aims to generate visitor expenditure of around \$2.5 billion a year, encourage more regional dispersal and create more tourism jobs.	Tourism Tasmania

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