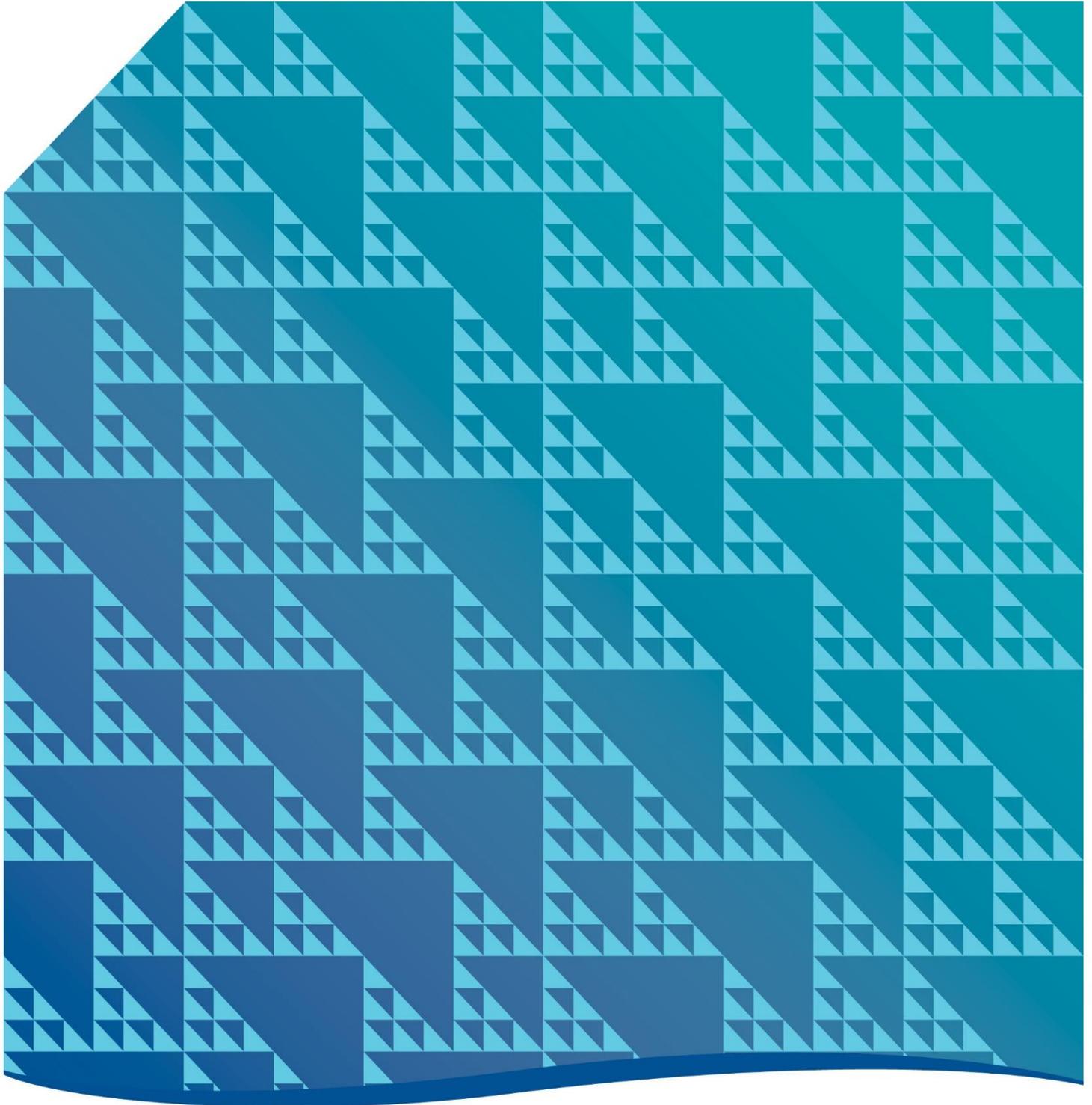


Tasmanian Trade Strategy 2019-2025 DRAFT



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Tasmania's first trade strategy

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; and
- drive economic growth and boost jobs for Tasmanians.

The Strategy provides a coordinated whole-of-government approach to trade with 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. The Strategy features 12 initiatives spread across four key priority areas which have been informed by extensive industry consultation, and detailed analysis of Tasmania's competitive strengths, existing government commitments and strategies, and assessment of the merits of potential priority markets.

Priorities to boost trade performance

The global context for Tasmania's first strategy features 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 and 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 Priorities and Initiatives seek to leverage and influence Tasmania's future trading position to benefit from opportunities, and mitigate risks, presenting themselves through global mega-trends. Working together, the Tasmanian Government will make available a package of targeted support to industry throughout their market growth lifecycle.

Priority 1: Build trade in key sectors

Tasmania exhibits competitive strengths across a range of sectors. These sectors present major opportunities for Tasmanian businesses and the State.

Advanced Manufacturing

Tasmania is home to an innovative manufacturing sector with businesses using continuous improvement, enhanced skills, new technologies, design and systems integration, in order to drive innovation and growth throughout the value chain. With the increased focus on defence both in Australia and internationally, significant opportunities exist for Tasmanian advanced manufacturing businesses to become suppliers to the defence sector.

Food and Agribusiness

Tasmania produces safe, high-quality food that is increasingly in demand from consumers. Fertile soil, relative freedom from pests and diseases and Tasmania's counter-seasonality to the northern hemisphere provides a significant strategic advantage in food production and agriculture. The Tasmanian food and agribusiness sector excels in 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, wine, spirits, beer and honey. The success of the agrifood sector is underpinned by business capability and natural endowments, leveraged by government investment into irrigation schemes, research and extension, and numerous programs and activities including trade and brand development, investment attraction and targeted industry capability development. The Tasmanian Government has a 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 in what is another example of reinforcing the integrity of the Tasmanian brand.

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 renowned scientists, researchers, chefs and artists as well as 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 supported by welcoming communities, a high degree of personal safety, stunning natural environment, a reputation for high quality products and services and close access to international transport linkages.

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 3 000 people, and with over \$2 billion exported annually, 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, high-grade silica and tungsten.

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

Approximately 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 sector is thriving with 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. 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. One Science and Technology cluster that has already achieved unique global significance and will continue to advance is the Tasmanian Antarctic Gateway.

Tasmania also has many established and start-up technology and service companies that are experiencing success in international markets. These are broader than information and communication technology, incorporating also technology and service businesses with a reach into advanced manufacturing, food, 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 population growth, and they support cultural endeavours, the arts and creative industries. Tasmania is firmly on track to achieve its target of 1.5 million visitors per year.

Priority 1 initiatives

1.1 Sector-specific trade events and visits

The Tasmanian Government will focus support 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.

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 production value and market-specific Tasmanian branded promotional products. 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.

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 and 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, work with us to help promote Tasmania's capabilities to the world and raise 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.

Priority 2: Showcase Tasmania in priority markets

While trade development activity is best targeted to markets most relevant to particular sectors, products and services, there are also benefits in focusing on markets that have broad potential for Tasmanian business across a range of sectors to leverage 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 Tasmanian Government has identified six initial markets for broad strategic engagement where we will build greater trade links and brand presence, including China/Hong Kong, Japan, Malaysia, Singapore, USA and the Australian domestic market. These markets have strong potential for success across multiple sectors and 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.

This includes the Australian domestic market, which is important for many businesses given its proximity, strong brand recognition, and ease of doing business. It often serves as a starting point for businesses to grow before attempting to export internationally.

Focused engagement strategic markets

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

The Strategy provides sufficient flexibility to be responsive to new opportunities and emerging markets, including through a mid-term review in 2021.

Priority 2 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 overseas to international markets, showcasing their business capabilities and connecting them with international buyers, distributors, trading partners and business leaders in key strategic markets. 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 underpin 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 Export directory

Key buyers and importers will have the opportunity to search for Tasmanian businesses and products through a one stop shop trade directory that includes sector and market search functions. This directory will be available by 2020 on a new trade website – trade.tas.gov.au which will be launched as part of the Trade Strategy. The trade website will also include sector specific case studies, capability statements, trade news and export statistics, as well as information for Tasmanian businesses that are exporting or selling.

Priority 3: Support trade logistics and market access

Access to markets is critical to export success, and improving market access is vital for supporting vibrant and competitive sectors. Impediments to market access include tariff and non-tariff barriers such as certification, import regulations, labelling, and supply chain efficiency and effectiveness. The Tasmanian Government will provide advisory services on technical market access and logistics, and deliver a supply chain program, which will complement the existing Tasmanian Integrated Freight Strategy and infrastructure investment actions.

Priority 3 initiatives

3.1 Market access coordinator

A market access coordinator will provide information to DFAT and Department of Agriculture, Resources and Water (DAWR) on Tasmanian market access priorities, to inform and liaise with DAWR on technical issues that affect Tasmanian exporters, and to provide information and advice to businesses on market access 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 DAWR to find solutions to market access barriers for Tasmanian businesses.

3.2 Logistics Advisory Service

A Logistics Advisory Service will support 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 assist Tasmanian businesses to improve long-term competitiveness and viability through freight and logistics improvements and to promote collaboration across businesses and industry sectors to support broader supply chain improvements. The Service will draw on existing capabilities across government including in Infrastructure Tasmania, Tourism Tasmania (Air Access), State Growth and the Office of the Coordinator-General as well as 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.

Priority 4: Build the capabilities of small and medium-sized 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 and through the initiatives outlined below will work closely with Austrade, TradeStart, the University of Tasmania and industry associations to deliver a coordinated program of support.

Priority 4 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, assisting 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 a complex process, so we will develop trade and brand resources, training and support activities for small and medium sized exporters to help businesses pursue and continue their trade journey. Support packages will include a toolkit that will be made available on a new trade web portal and will incorporate fact sheets, how to guides and case studies, information about mentoring, and 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. Clusters and networks are recognised as integral to trade success and an innovative method to increase competitive advantage. 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, including collective freight opportunities and sharing of knowledge, equipment and infrastructure.

The Tasmanian Government will facilitate introductions and connections with experts and successful trading businesses at training workshops and events, with the aim to create informal mentoring opportunities for Tasmanian businesses seeking market growth.

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Delivery and performance

Tasmanian trade oriented industries span a number of ministerial portfolios, including State Growth, Tourism, Hospitality and Events, Arts, Advanced Manufacturing and Defence, Primary Industries, Resources, Science and Technology, and Education. As Minister for Trade, the Premier will lead a coordinated trade development approach, with the support of other Tasmanian Government Ministers as required.

An interagency Trade Advisory Group will be established to guide implementation of the Strategy through development of annual action plans as detailed below.

The key performance indicators to be measured across the life of the Strategy are:

- an increase year on year in the number of businesses provided with a service and / or support
- an increase year on year in brand awareness in the marketplace
- 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.

Trade scorecards will be created to be used as a framework to monitor trade changes in key sectors and provide exporters with valuable and easy to access market intelligence.

Annual action plans

Annual action plans will be developed each year to provide a flexible, but tailored approach to activities in accordance with overarching strategic priorities. Action plans will detail a full calendar of coordinated trade and sector specific activities, including dates for domestic and international events, skills and capabilities workshops, and grant programs.

Annual action plans will also include reporting and analysis of performance for the previous year, including outcomes from trade missions, buyer visits and associated activities. Trade score cards will provide a snapshot of total and key sector trade performance.

Evaluation and review

State Growth will lead a comprehensive evaluation of the Strategy in 2021 to consider the effectiveness of the existing goals and initiatives.

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 – when 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 supporting industry to adapt to market trends, has played a significant role in influencing our success.

The global context

Globalisation and the 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.¹ 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 support our trade aspirations. Some key examples are our outlined below.

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.² 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 expanding middle classes projected to reach 3.5 billion by 2030, will also sustain or increase demand for minerals and energy, premium agricultural products, and services such as education and tourism.

¹ Australian Government, Australian Foreign Policy White Paper, 2017, <https://www.fpwhitepaper.gov.au/>

² Australian Government, Australian Foreign Policy White Paper, 2017, <https://www.fpwhitepaper.gov.au/>

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 support for a more seamless trading environment, with a long-term vision for a region-wide free trade area that includes all major economies.³ 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 support 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.⁴ 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, and 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. There is now a growing 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 are increasingly favouring products that are nutritious, sustainable, subject to less processing and that contain fewer artificial ingredients.

³ Australian Government, Australian Foreign Policy White Paper, 2017, <https://www.fpwhitepaper.gov.au/>

⁴ Deloitte Access Economics, Australia's Digital Pulse Driving Australia's International ICT Competitiveness and Digital Growth 2018, <https://www.acs.org.au/content/dam/acs/acs-publications/aadp2018.pdf>

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

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 underpin continued demand for mineral resources. Combined with the current state of cyclical buoyancy in the resources sector, this should provide further investment opportunity 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 been rebounding 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.

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, supported by a range of investment across key supporting areas, including foreign and domestic investment, skilled workforce development, freight and infrastructure, and 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 and 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,⁵ 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 and national and international competitiveness, is developed, maintained, protected and promoted; and
- ensure that Tasmania's image and reputation locally, nationally and internationally are strengthened; and
- 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.

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.

⁵ Australian Government, Australian Foreign Policy White Paper, 2017, <https://www.fpwhitepaper.gov.au/>

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 and close proximity, there are strong collaborations 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, and are critical to Tasmanian businesses retaining and accessing new markets and expanding market share.

As an island State, access across Bass Strait is critical to Tasmanian businesses. State Growth 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 support 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 that aim to attract more local and international students, align higher education with current and future workforce needs and deliver research projects that build innovation capacity for new industries.

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. Businesses with wage bills between \$1.25 million and \$2 million will see savings up to \$15 750 per year, which represents up to a 34 per cent tax cut.

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, grows employment, transfers technology and knowledge to improve our competitiveness, and upholds 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 attract investment into the State. Many of the trade 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.



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