



ACT
Government

The Australian Capital Territory in the Asian Century

SUMMARY

The Australian Government's 'Australia in the Asian Century' White Paper has given added impetus to action the ACT government is taking to connect our economy with the booming economies of Asia. The government is working across seven key action areas to harness the opportunities of Asia's growth and use it to continue the growth and diversification of the ACT economy.

The seven key action areas are:

1. Asian language skills
2. Education exports
3. Sister city relationships
4. Business, trade and investment links
5. Direct aviation connections
6. The Global Connect program
7. Business and student networks

INTRODUCTION

It is clear that regional economies such as the ACT will increasingly contribute to Australia's engagement with the economies of Asia in coming decades. Those regions that foster close people and business ties, embrace cultural exchange and create the conditions to grow trade will be the regions that benefit most from the development of Asia's enormous economic potential. In many ways they will define Australian success in the global economy of the 21st century.

In this sense the Asian Century presents unprecedented opportunities for the ACT. As home to the best-educated workforce in Australia, a thriving university sector, one of Australia's most exciting IT sectors and our national cultural institutions, the ACT holds unique economic advantages. Building on these through closer ties with Asian universities, direct international flights, closer sister city relationships and closer business links are goals the ACT Government shares with the business community, and will be the focus of combined efforts in coming years.

This paper outlines government actions to create the conditions for the ACT to capitalise on the opportunities of the Asian Century, continuing the growth and diversification of the ACT economy.

UNDERSTANDING THE OPPORTUNITIES

Within a few years the combined countries of Asia will be the world's largest producers of goods and services and the largest consumers of them. This pattern of development has led to a worldwide trend of closer engagement with Asia in recent years. A presence in the growing markets of Asia has been a common factor in the success of companies and regional economies internationally. Evidence shows that success in these markets also leads to broader improvements in local economic performance, in particular:

- there is a positive relationship between international economic engagement and business, regional and national growth
- firms and industries internationally connected through exporting or investing in Asia have significantly higher levels of productivity than those that are domestically focussed
- broad international engagement can lead to better innovation and technology sharing, and greater investment and trade flows.

THE ACT'S COMPETITIVE ADVANTAGES

The ACT enters the Asian Century with important assets and relationships to build on. As the national capital, a regional economic hub, a vibrant and relatively young city, Canberra is an attractive place for investment, study, trade and cultural and political exchange.

The ACT's key advantages and industries include:

- proximity to Australian Government organisations, public sector administration and associated business and service markets
- a world-class public sector and business consulting sector, with significant reach into international business and government
- a dynamic and innovative business sector, with support for new ventures and business incubation through measures such as CollabIT and e-Gov Cluster
- research specialties and centres of excellence at the Australian National University, University of Canberra and Commonwealth Scientific and Industrial Research Organisation (CSIRO)
- an export-oriented tertiary education sector which is building capacity for growth
- a biotechnology capability that is recognised globally for its intellectual asset base and research expertise
- diplomatic missions and community
- Australia's defence and security industry
- digital technologies and ICT
- growing capability in the clean energy sector
- tourism
- creative industries.

ACT GOVERNMENT ACTIONS

The ACT Government will build on the advantages and frameworks already in place to foster closer ties with Asian countries and, in turn, greater economic opportunities. To deliver on this commitment, the government will focus on seven key action areas.

1. Asian language skills

To increase Asian language capability the ACT Government will:

- implement a new Asian Cross-Curriculum, priority in ACT schools
- institute the new Australian Curriculum, developed by the Australian Curriculum Assessment and Reporting Authority, in the key Asian languages of Chinese, Indonesian, Japanese and Korean
- expand Asian language learning for students in years 3 to 8, in accordance with the ACT's language policy
- support professional development and up-skilling of local teachers in Asian languages and cultures.

These initiatives will be implemented progressively on an ongoing basis from 2014.

2. Education exports

The ACT Government will work in partnership with Canberra's universities and business community to strengthen education ties with Asia through a new StudyCanberra program.

StudyCanberra has been allocated \$2.091 million over four years to promote Canberra as Australia's study destination of choice for local, national and international students, and will target the growing student populations of Asia.

StudyCanberra will help build on the growing international reputation of Canberra's universities and vibrant student community. It will capitalise on the substantial economic and social benefits brought by a large and diverse student population, contributing their skills and income to the economy, and their culture and energy to the community.

This is being supported by the ACT Vice Chancellors' Forum and an upcoming delegation to Beijing, to be led by the Chief Minister.

3. Sister city relationships

Canberra's sister city relationships have always been strong in symbolic and cultural terms, but hold untapped potential to support closer people and business ties. Canberra has sister city relationships with Beijing (China) and Nara (Japan) and a friendship city relationship with Dili (Timor-Leste).

The ACT Government will work to build on Canberra's sister city relationships to develop closer economic, business and cultural ties. This will include strengthening existing relationships with Beijing and Nara and exploring new possibilities with cities in south-eastern China, Singapore and India. The Chief Minister's upcoming delegation to China will facilitate closer ties with Beijing and important gains for both cities including:

- stronger cultural, business, and economic relationships at the city and national levels
- better connections in service industries such as education, tourism and ICT
- more academic and business exchanges
- stronger cultural networks between Canberra and Beijing, such as through the Australia-Chinese community organisation
- more bilateral investment between cities
- growth in high quality business, infrastructure, and technology collaborations.

4. Business, trade and investment links

The ACT Government will work closely with ACT business and industry groups to strengthen and expand business-to-business links between Canberra companies and their counterparts in key markets in Asia. These relationships, fostered by ACT industry and export associations and government grants, underpin the business and cultural exchange that builds understanding and trust.

The government will work towards establishing an 'Asia Connect' capability in partnership with the Canberra Business Council to build on development programs already available to exporters.

The ACT Government will continue its trade mission program to Asia over the next two to three years, with a focus on Singapore, China, India, Indonesia and Timor-Leste. This outreach will be pursued in association with the Department of Foreign Affairs and Trade and Austrade, and aligns with the national strategic agenda of the Australian Government.

5. Direct aviation connections

The \$420 million transformation of Canberra Airport has created the capacity for direct international flights to Canberra. The ACT Government will continue to work with Canberra Airport Group to attract direct connections from the global hub of Singapore and potentially other Asian cities.

While the majority of the ACT's overnight visitors are currently sourced domestically, the international market offers significant growth potential. International air access from Asia is likely to create new tourism opportunities for ACT businesses in both leisure and business travel.

6. The Global Connect program

Global Connect is an ACT Government program supporting the export and trade development of ACT businesses through a number of targeted initiatives:

- InvestACT
- Trade Connect
- the ACT Exporters' Network
- trade mission program development
- the Centre for Exporting Government Solutions
- the ACT International Student Ambassador Program.

The Government will ensure these initiatives continue to work with a strong orientation towards Asian markets.

7. Business and student networks

The ACT government will work to harness the opportunities of networks in both the business and student communities.

Business precincts and clusters concentrate commercial expertise, encourage collective excellence and make access easier for investment and export.

The government will also initiate more activity from the alumni of Canberra's universities under the Student Ambassador Program, in order to reach out to Asian students considering study in Canberra. As the best source of information for potential students, Student Ambassadors will create greater awareness of the benefits of living and studying in Canberra and will form an 'aftermarket' network which maintains the connection between former students and the Canberra community.