“South Australia’s trade challenge: Trebling exports by 2013”

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Minister for Industry, Trade and Regional Development

Trade Challenges for the Future Luncheon
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Acknowledgments:
- Hon Mark Vaile MP, Minister for Trade
- Mr Andrew Stoler, Executive Director, Institute for International Business, Economics & Law
- Export Council members
- Economic Development Board members

The Rann Labor Government came to office nearly two and a half years ago with a platform to build South Australia’s economy. Our aim was to create a path to prosperity that all South Australians could travel along.

We recognised that this economic growth could never be built by looking inwards.

We understood that the world economy is increasingly integrated; that globalisation – for both good and ill – is a given.
We also understood that South Australia’s own domestic market is too small to deliver the level and pace of growth required to keep up with the rest of Australia and, where possible, to surpass it.

Clearly, South Australia needs to be more serious about becoming part of the global economy, grasping the opportunities that arise and working cleverly to manage the inevitable challenges.

That is why growing South Australia’s trade and, in particular, its exports are key goals of the Government.

We have already made real progress in putting together a program to focus South Australian companies on exporting, to help them make their first sales, and then to help companies become sustainable exporters into the future.

The Government has set the bar high.

We have said we will work to treble the value of South Australia’s exports to $25 billion by 2013. And we will work with our Commonwealth colleagues to double the number of exporters by 2006.
Given the contraction in export growth over the past 18 months – due mainly to the
drought, the appreciating Australian dollar, the SARS epidemic, and international security
concerns – these goals look even more aspirational than when we first committed to them.

But the Government has no intention of pulling back. The statistics have merely confirmed
the need to be very focussed in how we help industry to grow exports.

The establishment of the Export Council in December 2003 will be critically important in
driving exports forward.

The Council is comprised of industry leaders across various sectors and is consulting
widely across the business community to determine what it needs and wants to expand
exports.

Already, the Government is receiving valuable advice from the Council about what are the
impediments to export, what markets should be targeted, and where our best opportunities
lie for South Australian products and services.

The Council is currently developing an Export Strategy for the State, with a strong
emphasis on helping industry sectors help themselves. The Government is looking to the
Council to deliver a strategy that is strong on do-ables, that is, strong on actions that both
government and industry can run with.

For its part, the Government has already addressed a number of impediments to trade
within the State. We brought the Adelaide-Darwin in under budget and under time. The
first freight train hit the tracks in January this year.

We landed a new $260 million international airport for Adelaide late last year, and
construction is now under way.

In April this year, I launched the Exporting South Australia website which incorporates a
database of South Australian exporting companies, an 11-step guide on how to export,
and all the up-to-date information and links you need to make that international sale.

On a national front, we are working on a daily basis with the Commonwealth Government
to make sure that South Australian products get better access to markets such as
Singapore, the United States, Thailand and China through free trade talks.

This said, the State Government agrees with the Council’s view that the responsibility for
exporting lies with industry first and foremost.

Nevertheless, the Government does have an important role to play in making the road to
exporting easier and in building the export capability of firms and industry sectors.

Which brings me to today’s announcement.

Today I take pleasure in launching a new $700,000 Market Access Program for South
Australian exporting companies.

The Market Access Program, or MAP, is a grants program targetted mainly at small and
medium enterprises.
Through MAP, these companies will be able to apply for grants for export-related incoming and outgoing missions and to build their export know-how and capability.

MAP fills an important gap.

MAP helps those companies that may be too small to qualify for Austrade’s Export Market Development Grants scheme.

The South Australian economy is comprised primarily of small and medium companies. In my role as Minister for Industry and Trade, I have spoken to many businesses that are keen to export but don’t have the resources to go it alone.

The South Australian Government will meet these companies’ commitment to export on a dollar for dollar basis, up to $5,000 for eligible activities relating to an outgoing mission or up to $1,000 to bring in potential buyers from overseas.

We will also match expenditure on activities that build companies’ export potential, such as targeted trade seminars.

And in line with our view – and the Export Council’s view – that industry must lead the way to export, MAP will encourage industry associations to identify and manage trade missions on behalf of their companies so that, when a mission happens, it has the full backing of the industry.

There will be four application rounds per year, with the first round opening immediately and closing on 15 September this year.

The new Office of Trade, which sits within my portfolio, will be a first point of contact on the scheme. Brochures and MAP guidelines are available here today, and I encourage you to read these and visit the Exporting South Australia website on www.exportsa.sa.gov.au for more information.

The path to our prosperity lies by way of exports. The Government of South Australia will work with industry to make that happen.

It is my hope that this new initiative will help put your business on the MAP – and, indeed, put South Australia itself more vividly on the world map.