Mrs Jan Kronberg MLC  
Chair  
Outer Suburban Interface Services and Development Committee  
Parliament House  
Spring Street  
EAST MELBOURNE VIC 3002

Dear Mrs Kronberg

Thank you for your letter dated 31 October 2011 regarding the Parliament of Victoria’s Inquiry into Growing the Suburbs: Infrastructure and Business Development in Outer Suburban Melbourne.

Global engagement through trade and investment generates jobs, economic growth and prosperity for Australia. The Australian Government is strongly committed to providing Australian businesses, especially small and medium sized businesses, with the help they need to take their products and services to the world.

Austrade, as the Australian Government’s international trade, education and investment promotion agency, provides a range of services to Australian businesses. Of particular relevance is the TradeStart program which provides local services in 31 locations around Australia, including five in Victoria, of which three are in suburban Melbourne. TradeStart services are delivered in partnership with industry organisations. I have attached an outline of TradeStart for your information.

I would also draw your attention to the Prime Minister’s Taskforce on Manufacturing which will develop a vision for the future of Australia’s manufacturing industry. The Taskforce will help local firms as they adapt to changes in our economy and the changing international environment, including the rise of Asia. I am a member of this Taskforce and I encourage you to write to the Taskforce with your findings on local manufacturing capacity and export development opportunities in outer suburban Melbourne.

Thank you for bringing the inquiry to my attention and I look forward to reading the report.

Yours sincerely

Craig Emerson
TRADESTART OVERVIEW

The Hon Dr Craig Emerson MP, Minister for Trade, announced in May 2011 a series of reforms to the Australian Trade Commission (Austrade). Further details of the reforms can be found in the publication, ‘Reform of the Australian Trade Commission’, which is available from Austrade’s website austrade.gov.au/reform.

These reforms, to be phased in over the coming twelve months, are designed to ensure that Austrade delivers services where they can be of the greatest value to Australian companies doing business internationally. This includes a focus on identifying and delivering quality opportunities from Austrade’s extensive international network to Victorian and Australian firms.

Specifically, TradeStart is an Australian Government initiative that delivers Austrade’s trade, investment and international education services through local public sector and industry organisations throughout Australia.

The TradeStart Program:

- promotes exporting, international business and the Australian Government’s trade agenda
- works co-operatively with other relevant agencies to maximise the international business success of TradeStart clients
- represents Austrade and provides access to the full range of its services for both existing and potential Austrade clients.

The TradeStart partners – in Victoria are the Australian Industry Group in North Melbourne, West Melbourne and Southeast Melbourne and the Australian Institute of Export in Bendigo/Mildura, and Geelong/Ballarat - work with the Austrade Melbourne and national office to ensure that businesses in Victoria have access to the help they need to compete in international markets. Underpinning this is the use of technology to provide information and advice to companies anywhere in Australia.

A significant proportion of the clients assisted by the TradeStart Advisers in outer suburban Melbourne are in the broader manufacturing sector. This includes firms involved in food and beverage manufacturing, automotive components, precision tooling, pumps and valves, electrical and water product manufacturing. The regions’ clients have successfully exported to key Asian markets such as Singapore, Japan, China, and Hong Kong, as well as North America and Europe.

The TradeStart Advisers assist export capable firms with export market selection, identification of partners and in-market appointment programs and referral to other service providers to assist with export skill development and professional services as appropriate. For example, TradeStart Advisers have assisted firms in suburban Melbourne:

- select the right markets for export of energy efficient lighting products and prepare for business in China – TradeStart assisted this company to prepare for a Trade Exhibition in China, which according to Frost and Sullivan, was the fastest developing market for energy efficient lighting in 2010, accounting for 53.3 per cent of the global market with a size of $133 million
- develop a distributor agreement, assist with dispute resolution, and to help prepare for two trade exhibitions relating to veterinary products into China
- explore export finance solutions, understand the South Asia marketplace, and develop an approach to export of bulk handing equipment
- develop an understanding of opportunities and market entry strategies into Russia for a food manufacturing firm. Austrade/Tradestart informed the company that the market for similar products increased by two per cent by volume and eight per cent by value in 2010. However the feedback also revealed high levels of domestic competition and low prices for similar products, which resulted in the company deciding to focus on Asian markets where sales have since been achieved.

Additionally, Austrade is identifying quality and contestable manufacturing trade opportunities from its extensive international network and proactively advising capable firms of these opportunities.

Further information may be obtained from Mr Steve Rank, Manager, Austrade Partnerships on 02 9392 2896 or steve.rank@austrade.gov.au.