



COMMITTED TO IMPROVING THE STATE OF QUEENSLAND

SUMMARY REPORT

Queensland Policy Leaders Series

Enhancing Queensland's Links with Asia

Wednesday 22 May 2019

7.30am - 9.00am

Customs House, 399 Queen St

Moderator

Gary Koh, Partner, Gadens

Panellists

Penny Burt, Group CEO, Asialink

Maggie Chen, Head of Chinese Tourism, The Star Entertainment Group

Lance Hockridge, Independent Director, Huawei Australia

Paul Martyn, Chief Executive Officer, Trade & Investment Queensland

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Breakfast Summary

The predominant theme from the 2019 Queensland Futures Institute's *Enhancing Queensland's Links with Asia* breakfast, focused on the importance of Queensland's deeper connection and understanding of Asia's cultural and transactional markets. This improved awareness and appreciation of Asia's customs and business practices will strengthen the development of more authentic and targeted service offerings, and the growth of bilateral long-term relationships with countries across the region. Enhanced service offerings need to be focussed on Queensland's current top industries including tourism, education and resources, as well as diversifying into new emerging industries ensuring we are positioned to capitalise on future growth markets.

The discussion centred on ensuring our business interactions across Asia expand beyond a short-term transactional approach, to build mutually beneficial, long-term relationships. Queensland industry must develop and expand its terms of engagement to both retain existing and capture new opportunities with Asian industry groups in a highly competitive market.

There was a strong emphasis on the need for Queensland to innovate and invest heavily in new and emerging technologies to remain competitive in building our business partnerships across all Asian markets. Queensland industries must leverage their existing strengths, while adapting a more engaged holistic approach to evolve and grow market demand across more of Asia, taking full advantage of bilateral opportunities and developing valuable long-term relationships in the region.

Key comments by panellists

Penny Burt, Group CEO, Asialink

- Asia is an untapped opportunity for Australia relative to its other trade and investment partners.
- There must be more effort to engage with the region not only in business but also diplomacy, art, culture and education. This can be achieved through sharing of knowledge and services, capability and an understanding of Asia's markets and cultures, and better connection by building lasting relationships.
- Australia is heavily reliant on China as an export partner, representing double the trade of the next four export markets: Japan, South Korea, United States. and India. There must be more effort to diversify trade in the region, particularly with countries in Southeast Asia such as Indonesia and Vietnam.
- Queensland can also focus on building a service-oriented offering to the region, building capability and an understanding of Asian markets as well as fostering relationships with the region.
- The focus on a digital economy is important in providing value to the economy as new industries develop. While Australian exports are heavily primary industries, technological innovation could transform this sector in the future
- Local government also plays a role in enabling local and regional businesses to take advantage of this technological innovation and transformation.
- It is important to build a global mindset and intercultural competency in order to take full advantage of the opportunities in Asia. The Brisbane City Council recently developed a successful pilot to bring international students into local businesses through internships that helped business and the students.
- A focus on Asian language learning in Queensland schools could also foster better connections with the region in the future.

Maggie Chen, Head of Chinese Tourism, The Star Entertainment Group

- It is important to recognise the complexity of the Asian market and its different segments, particularly for tourism.
- Recent investment and initiatives in Queensland, particularly in infrastructure, are driving an increase in tourism.
- Chinese tourists are attracted to comprehensive tourism experiences, from experiences that inspire and engage with them to ones that provide them with high level of convenience, such as ones facilitated by innovations such as mobile payments.
- The visa processing time for tourist visitor visa is taking too long (this one is for free and independent travellers, FITs), whereas the Approved Destination Status (ADS) Visa takes shorter time. This may send a wrong message to the Chinese travel agents that ADS group travels are encouraged more than FITs are.
- Australian industry must enhance its service offerings to Asian consumer demand through digital transformation and innovation.



Lance Hockridge, Independent Director, Huawei Australia

- It is important to remember the size, nuance and complexity of the Asian market and its economic importance as well as the opportunities it offers.
- The technological innovation around China's economy is an opportunity that should not be underestimated. As such, it is critical to form lasting relationships which highlight the bilateral value proposition in doing business.
- Queensland governments and businesses can take full advantage of doing business with Asia not only through transactions but through forming long-term, productive relationships.
- Business is concerned with risk management. It is critical that Australia works through security concerns with Chinese companies, as the opportunity and value of doing so is much larger than not doing business at all.
- The rate of change of technological innovation must not be underestimated if business is to position itself to capture the most benefit from Asia in the future.

Paul Martyn, Chief Executive Officer, Trade & Investment Queensland

- Trade and investment with China in particular offers a number of growth and transformation opportunities for the Queensland economy.
- We need to both grow our core economic strengths as well as encouraging transformation through new industries, technologies, firms and start-ups.
- Skilled migration and Queensland's international education sector are key to developing relationships between Queensland and Asia. A key opportunity stemming from this is leveraging talent and employment opportunities of international students by connecting them with local business.
- Queensland's strong energy sector also offers a unique opportunity for sharing knowledge and services with Asia, particularly around new and renewable energies.

Questions

If there was one thing that you could do from a government perspective to improve Queensland's links with Asia, what would that be?

- In focusing on building a long-term relationship, make the most of engagements such as trade missions to build a narrative around Queensland's trade and investment offering.
- Improving the Visa process to encourage independent tourism, rather than tour groups, would also provide value and build relationships with the region.

What is the one big game changer you see from either a domestic level or an international level that could impact (negatively or positively) Queensland's links with Asia?

- Technological innovation and its impacts on Queensland's industry, as well as the associated risks around cyber security and privacy must be understood to make the most of opportunities and position the State well for trade and investment in the region.

What opportunities does Queensland have with its export services – either enhancing existing export services or developing new services?

- Queensland's strengths in education and tourism are a drawcard, not only as an export, but also in building lasting relationships with travellers and students.
- Cultivating opportunities for new developments around providing a better tourism experience and employment opportunities for international students.

How can we attract more international students and what can be done to enhance more indirect benefits from the existing international students?

- Opportunities which centre on employability of international students locally, provide benefits for local businesses and in building lasting relationships with the region.
- The Brisbane City Council international student internship pilot was a successful example of beneficial engagement with international students.

What can we learn from Asian countries engaging with each other to benefit our engagement with the region?

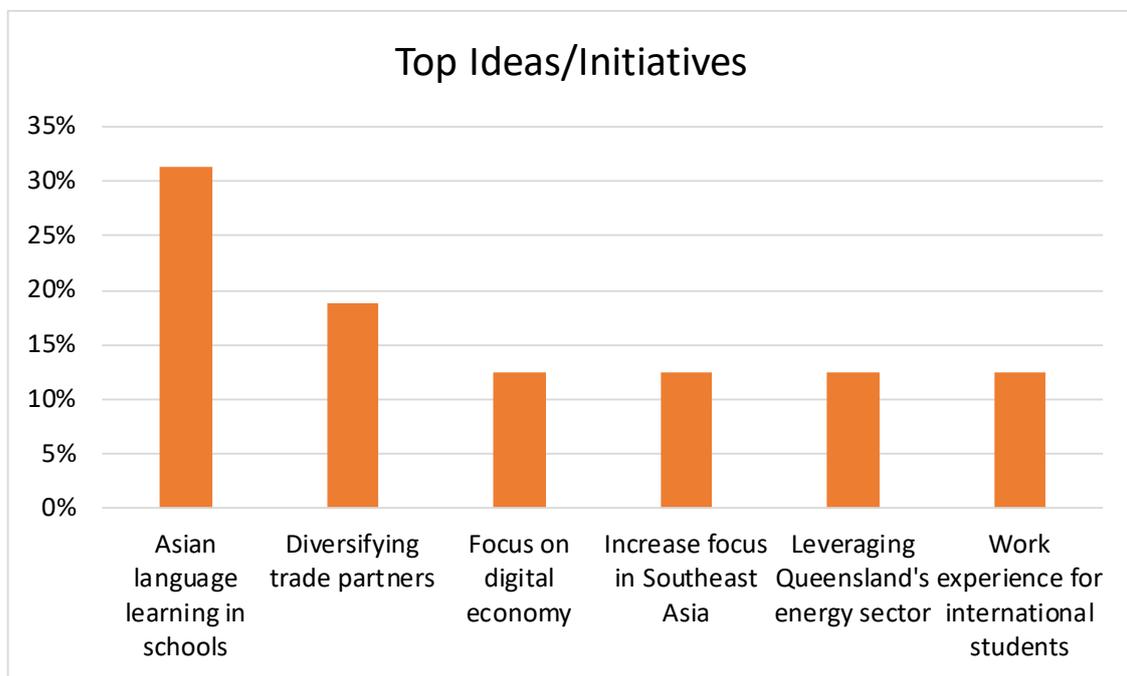


- There is a different mindset in Asia which focuses on creating integrated markets and opportunities in engagement across countries, ignoring borders and focusing on productive relationships. This is achieved through joint infrastructure and services linkages as well as digital transformation.
- Trade policy and soft diplomacy is critical in building not only bilateral, but also multi-lateral relationships. This requires engagement not only from government but also from business and the community.

Are there improvements that can be made to the airline industry to facilitate strengthened relationships with the region?

- Connectedness is important not only for tourism but also for freight and trade. There is also a seasonal element to this.
- India and Indonesia should be considered targets for improved connectedness. These are important economies which could provide beneficial bilateral opportunities.
- There is also opportunity to build fresh produce exports given increased connectedness.

Summary of Breakfast Comments



Summary of Ideas

- Encouraging and strengthening future relationships with the Asian region through school-aged learning of Asian languages would foster improved bilateral engagement.
- Reduce Australia's reliance on China as a prime trade partner by diversifying trade amongst Japan, South Korea, United States and India, as well as expanding opportunities with Indonesia and Vietnam.
- Keeping pace and leading through digital transformation and innovation of industry is critical in taking full advantage of new and emerging opportunities in Asia.
- Build stronger relationships with Southeast Asia, particularly Indonesia.
- Leverage Queensland's new, renewable energy knowledge and infrastructure.
- Provide more initiatives for international students to engage with local businesses to establish mutual benefits and improved relationships.

The Queensland Futures Institute acknowledges the support of UQ Business School Commerce Honours student, Jordan Ferrari, for his summary of the Breakfast.



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