

TREASURER TOM KOUTSANTONIS

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Support for international trade relations

South Australia's engagement with key international markets will benefit nearly \$7 million investment in new offices in France and China.

A stronger South Australian presence in these important markets will help South Australia capitalise on growing ties with China and the contract for French firm DCNS to build Australia's Future Submarines in Adelaide.

The State Government has committed:

- \$2.9 million over four years to increase South Australia's presence in the Shandong province and advance the China engagement strategy;
- \$1 million annually to strengthen SA's relationship with France and maximise cultural and economic opportunities that arise from the submarine contract.

Background

South Australia currently exports around \$14.3 billion worth of goods and services each year and strategic international engagement is critical in maintaining and growing those exports.

The State Government has reviewed SA representation in China and will upgrade the current representation to become a full office, similar to that of the Office of the Agent General in the United Kingdom.

The State's primary office will be located in Jinan, with continuing representation within Austrade in Shanghai and Hong Kong.

China is the State's most significant trading partner, with exports valued at AUD\$2.3 billion.

France is an important trading partner for South Australia. In 2014-15, France was South Australia's 21st largest export destination, valued at AUD\$107 million.

Average annual growth in exports to France has been 17.5 per cent since 2011-12. France was also South Australia's 12th highest import source in 2014-15.

Quotes attributable to Treasurer Tom Koutsantonis

We export world-class iron ore and copper to places like China, premium seafood like tuna to Japan and other Asian nations and the best wine in the world to Europe and the Americas.

We also need to make sure we generate maximum economic benefit from the contract for French firm DCNS to build the Future Submarines in South Australia – a project that will create defence and supply chain jobs for decades.

By funding a representative office in France we can ensure as much new trade and as much cross-pollination as possible flows from the submarines contract.

Quotes attributable to Investment and Trade Minister Hamilton-Smith

South Australia is a trading jurisdiction and trade is absolutely critical to our economic future.

Being open and engaging with trading partners will be crucial to our ability to transform our economy and create long-term growth, jobs and prosperity.

The world loves South Australian products and this funding gives us the opportunity to export even more as our economy transition towards the manufacturing of high-tech, high value-adding products.

These new offices will not only explore new export opportunities for South Australian businesses, they will help grow our reputation as a destination-of-choice for international travellers and students.

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