

TradeWays

INTERNATIONAL OPPORTUNITIES FOR AUSTRALIAN BUSINESSES



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From the Trade Desk

It can be difficult trying to keep afloat with all the changes affecting your business at any point in time. [Ai Group](#) offers a range of services that you can access to guide and assist you. Here are some of the things happening at the moment:

- **Fair Work Act 2009:** you can find out how the Act affects you by attending one of our workshops, briefings, or one-on-one consultations;
- **Sustainability Advantage:** a programme only available in NSW to help you reduce energy use and operating costs, more information in the news section;
- **Economics Breakfast Briefing - toward economic growth in 2010:** despite a year of weak and uncertain markets, companies have focused on dealing the downturn and preparing for an improvement in the business environment. More information can be found in our upcoming events;
- **Enterprise Connect:** free services to power your business in the areas of business reviews, subsidised R&D, grants for supply chain improvements, and access to leading edge technology.

News

Australian PSI®: Services Sector activity decline moderates

Services sector activity nudged closer to growth in August with the seasonally adjusted Australian Industry Group - Commonwealth Bank Performance of Services Index (Australian PSI®) rising by 3.9 points to 48.0 to be 14.4 points above the low of February 2009.

Ai Group Chief Executive, Heather Ridout, said: "Conditions in the services sector continued to improve in August, despite the Australian PSI® remaining below the key 50 point separating expansion from contraction. "Companies surveyed cited benefits from improvements in consumer and business confidence, business investment, and housing sector conditions, illustrating the continuing role of monetary and fiscal stimulus in supporting the economy.

Commonwealth Bank Senior Economist John Peters noted, "It is heartening to see conditions in the services sector regaining strength, with the underlying trend rising to near expansionary territory in recent months as stimulatory fiscal and monetary policy measures percolate through the economy.

Australian PSI® key Findings for August:

- Activity rose in four sectors in August, although growth was only modest in personal & recreational services; retail trade; and transport & storage.
- The sales sub-index rose 1.6 points in August to 49.1. Accommodation, cafés & restaurants reported the strongest growth in August, following heavy declines in the preceding two months.
- New orders improved in the month, with the sub-index increasing by 1.4 points to 47.1.
- The decline in services sector employment eased to its slowest pace in 14 months in August, with the seasonally adjusted sub-index rising by 3.2 points to 48.6.
- Inventories of finished goods were run down at a significantly slower pace in August, with the seasonally adjusted sub-index increasing 11.1 points to 47.9.
- Supplier deliveries to services firms also fell at a more moderate rate in August; the seasonally adjusted sub-index lifting 8.6 points to 47.0.

[Download the full August 2009 Australian PSI@.](#)

Sustainability Advantage: business now has new ways to save money and energy

The Department of Environment, Climate Change and Water NSW (DECCW) and Ai Group are working together to help industry reduce energy use and operating costs. The Sustainability Advantage program helps medium to large organisations understand sustainability and strengthen their environmental performance. The program will give you a comprehensive roadmap for environmental action. By taking part you will receive support to reduce your organisation's risk in areas such as compliance and climate change. You will also identify and take advantage of opportunities to improve your business through innovation, lower costs (e.g. resources and energy), improved productivity and enhanced reputation as a supplier and employer of choice. [Register now for a free site visit.](#)

Small Business Support Line

Complementing existing services to small businesses, the Small Business Support Line has been established in response to the global recession. The Small Business Support Line will provide an initial single point of contact to access information and referral services that assist small businesses including: finance and cash flow management; marketing and promotion; business planning and diagnostic services; legal, accounting and taxation services; personal stress and hardship; e-Business and online assistance; occupational health and safety; government initiatives, grants and assistance; employing staff; home based business; importing and exporting; tenders and contracts; intellectual property; franchising; insurances; retail leasing guidance; personal stress and hardship counselling; government regulation; and human resources management.

The [Small Business Support Line](#) is open Monday to Friday from 8.00am to 6.00pm.

Airfreight traffic slump may have bottomed

Worldwide airfreight traffic declined 8.7% in July though the decline was smaller than the contraction recorded in June, according to figures released from Airports Council International (ACI) earlier this month. The Middle East was the only region to post positive growth in July (3.5%), while domestically, Asia Pacific was the only market to report an increase (12.1%) due to a boost in activity at Chinese airports. Latin America and Caribbean and Europe were the weakest links with double-digit international contractions in July of 19.2% and 16.8 respectively. Airfreight traffic in North America declined 3.5%.

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Market in Focus – Romania

Why Romania

- Romania is a market of 22.2 million inhabitants;
- It has a strategic location;
- A skilled workforce;
- A high growth economy; and
- Will receive major EU funding over the next decade.

Romania has a population of 22.2 million, GDP of US\$271.2 billion and an estimated GDP per capita of US\$12,200. A member of the EU since 2007, Romania has opened its economy to trade and foreign investment. Many foreign companies outsource in Romania, since the workforce is low-cost and qualified. And Romania is a major European agricultural producer and a large producer of automobiles. Growth of production in sectors such as manufacturing, construction, retail and services are foreseen once the current crisis alleviates.

Principal export destinations are Germany, Italy, and France, while the main import sources are Germany, Italy and Hungary. Romania's economy is largely based on services, which contribute 55.9 per cent of GDP. Industry constitutes the second largest sector at around 36 per cent, followed by agriculture at 8.1 per cent (which provides employment for about 29.7 per cent of the labour force).

Romania's economy had improved markedly with GDP growing by an average of more than 5 per cent from 2000 to 2008. Romania's strong growth performance had been a result of a number of factors, including a stronger political commitment to reform, post-recession recovery, strong foreign direct investment, greater macroeconomic stabilisation and the country's strong export performance. The Romanian economy is however increasingly affected by the global economic crisis. The European Bank for Reconstruction and Development (EBRD) reduced growth estimates for Romania in 2009 to 1 per cent from the initial estimate of 3 per cent. Unemployment is on the rise. The National Bank of Romania recorded unemployment at 5.8 per cent in May 2009, compared to 3.8 per cent in May 2008.

The Romanian Government is committed to improve the business environment, privatise remaining state assets and enforce fair market rules for all in order to attract more foreign investors.

Major Australian Exports 2008* (A\$m):

- Coal A\$98
- Zinc ores & concentrates A\$38
- Ores & concentrates of base metals A\$32
- Plastic plates, sheets & film A\$5

Major Australian Imports 2008 (A\$m):

- Inorganic chemical elements A\$19
- Clothing A\$9
- Measuring & analysing instruments A\$7
- Rubber tyres, treads & tubes A\$7

Export Opportunities

There are numerous opportunities in a range of sectors including:

- Transport (especially railways): opportunities for consulting, design, supervision, equipment, works and alternative financing;
- Water: rehabilitation and extension of water and wastewater systems in all regions across Romania;
- Environment: waste management, soil pollution and contaminated land rehabilitation, reduction of industrial air pollution and greenhouse gases, industry compliance with relevant EU directives, rehabilitation of public heating plants, nature protection and biodiversity conservation, and marine and coastal environment protection;
- Construction: Romania is considered the most EU dynamic construction market;
- Agriculture: livestock genetics, livestock breeds, agri-food processing, agricultural machinery;
- Education and training: teaching materials, classroom supplies and technology, educational programmes, vocational education and training;
- Oil and Gas: due to massive investment for expansion and rehabilitation oil and gas companies are looking to improve productivity and to reduce the negative impact on climate change;
- Retail;
- Business services;
- Engineering: automotive is growing fast in Romania, the consistent increase in car sales has created a strong demand for aftermarket products;
- ICT;
- Financial and legal services.

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e-link

Tax matters are important; they can determine where to make foreign investments, which country you might want to move to, what new markets you want to explore. To be prepared and to keep informed [tax news](#) is the website you need. In a minute, you will learn about bilateral treaties that limit double taxation, when changes in corporate tax will be in effect, the last decrease in VAT and more.

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Trade Missions

Outgoing Missions

Indonesian Government Trade Expo

29 October – 1 November 2009

Last year, [Trade Expo Indonesia](#) successfully attracted more than 7,444 buyers from 119 countries, and generated in total trade transactions valued at US\$ 217.29 million. The Expo will showcase products ranging from: textile and garments, jewellery and apparel accessories, cosmetics, fashion; agriculture, forestry and fishery; food and beverages; sports; chemicals, rubber, paper, electronics; automotive and spare parts; household, glassware and giftware, handicraft, essential oils and other items; and herbal, cocoa, coffee, furniture.

Cosmoprof Asia 2009

11 – 13 November 2009

Cosmoprof Asia is recognised as the premier tradeshow for the beauty, health and well-being sectors in Asia. The 2008 show attracted 1,357 exhibitors from 40 countries and regions and over 39,000 trade buyers from around the world. Austrade has coordinated the Australian presence at Cosmoprof Asia for more than 10 years, and 60 Australian companies participated in the Australian National Pavilion in 2008. Asia is the focus of the world now where business potential remains strong during the global economic downturn. Australia has deservedly established a strong reputation in Asia and many other key international markets as a reliable supplier of consistently high quality, safe and environmentally friendly products, with ingredients grown naturally. For more information on how you can participate visit [Austrade](#).

VICTORIA - Upcoming Events

[Ai Group Events](#)

[Other Events incl. Austrade/TradeStart](#)

Ai Group Events

Breakfast Briefing: Towards economic growth in 2010

An opportunity not to be missed is the next round of economic breakfast briefings being held by Ai Group. Green shoots have started to appear in the Australian economy and some of our key trading partners. Despite a year of weak and uncertain markets, companies have focused on dealing with the downturn and preparing for an improvement in the business environment. What this means for businesses across the range of industry sectors will be the central focus of these breakfasts. Don't miss guest speakers from Ai Group, Deloitte and Commonwealth Bank.

Join us in:

- Adelaide Tuesday 27 October at the Stamford Plaza
- Melbourne Wednesday 28 October at Zinc, Federation Square
- Sydney Thursday 29 October at The Radisson Hotel
- Brisbane Friday 30 October at The Marriott

The briefings cost \$120.00 for Ai Group members and \$150.00 for Ai Group non-members, this includes a hot breakfast and delegates pack.

To register please contact Colleen Dowling 03 9867 0280 or colleen.dowling@aigroup.asn.au

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Other Events incl. Austrade/TradeStart

Australian British Chamber of Commerce

Lunch Briefing: Accelerating Carbon Capture Storage

Guest speaker is Nick Otter the CEO of the new Global Carbon Capture and Storage (CCS) Institute, an international initiative led by Australia to speed up the development of carbon capture and storage technology, and reduce the amount of CO2 released into the atmosphere. He speaks publicly for the first time about the enormous challenges we face: what do we do about the problem, the challenge of coal, where does the CCS Institute fit in terms of renewable energy targets (RET) and the emission trading scheme (ETS), how realistic is it for the CCS Institute to lead the way on a global scale.

Date: Thursday 1 October
Venue: The Ballroom, The Langham Melbourne
1 Southgate Avenue, Southbank
Time: 12.00pm - 2.00pm
Cost: \$120.00 ABCC members
\$160.00 ABCC non-members
Contact: Visit <http://www.britishchamber.com> or contact Helen Walford on 03 9650 6000

Australia Africa Business Council

Breakfast Seminar: Botswana – Africa's priceless investment gem

World Bank researchers have ranked Botswana as Africa's leader in terms of potential investment destinations. AABC have joined with the Botswana High Commission, Botswana Export Development and Investment Authority, Business Strategies International to create a platform fostering investment opportunities between Botswana and Australian investors. The breakfast seminar will be followed by business matching meetings.

Date: Thursday 1 October
Venue: The Australian Club
110 William Street, Melbourne
Time: 8.00am - 12.00pm
Cost: \$0.00
Contact: Register [online](#)

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NEW SOUTH WALES - Upcoming Events

Other Events incl. Austrade/TradeStart

Department of Industry and Investment

Seminar: Starting out right

There are many things to consider when starting a new business and it's important to ensure you start out right. An expert panel will present the information and insights into what you need for start-up success. The panel will cover: finding and keeping valuable customers and distributing products effectively; business tax information and obligations; easy tips for developing innovation and productivity; getting the right insurance for your business; and effective advertising and marketing.

Date: Tuesday 22 September
Venue: NSW Trade and Investment Centre
Level 47, MLC Centre, Martin Place, Sydney
Time: 8.30am – 11.00am
Cost: \$0.00
Contact: Fiona Sawyer on 1300 661 539 or email fiona.sawyer@business.nsw.gov.au

NSW Department of Industry and Investment

Workshop: The Connected Business

In an increasingly connected business world it is important to know how to become involved and stay relevant by becoming a connected business. Guest speaker Iggy Pintado CEO and Chief Networking Officer at ConnectGen will deliver a practical and interactive session on how cost effective social media tools can be smartly leveraged by businesses for commercial benefit. This will be followed by a facilitated panel discussion covering the ins and outs of making online business work for you.

Date: Wednesday 23 September
Venue: Parramatta Business Centre
Level 2, 470 Church Street, North Parramatta
Time: 8.30am – 11.30am
Cost: \$0.00
Contact: Fiona Sawyer on 1300 661 539 or email fiona.sawyer@business.nsw.gov.au

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Date: Monday 28 September
Venue: NSW Trade and Investment Centre
Level 47, MLC Centre, Martin Place, Sydney
Time: 8.00am - 12.00pm
Cost: \$0.00
Contact: Register [online](#)

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QUEENSLAND - Upcoming Events

Other Events incl. Austrade/TradeStart

Austrade

EMDG Coaching Session

These small-group, personalised sessions will help you get EMDG ready and maximise your grant entitlement. Sessions will be run by senior grants staff and will cover a range of topics including

introduction to EMDG, how to plan for EMDG, how to apply for EMDG and how to get the best out of the EMDG scheme. Coaching sessions will be held in most capital cities and regional areas Australia-wide.

Date: Wednesday 30 September
Venue: Cairns Colonial Club
18 – 26 Cannon Street, Cairns
Time: 9.15am – 11.15am
Cost: \$0.00
Contact: Register [online](#)

Austrade

Workshop: Getting into Export

Getting into Export is an introductory workshop involving a small group of participants. It is designed specifically for key decision makers in small and medium sized enterprises who are considering making export part of their business and would like to learn more about what is required to become a successful exporter. Experienced export advisers from the Australian Trade Commission (Austrade) will present the workshop, helping you decide whether export is something that could help grow your business and secure its future.

Date: Thursday 15 October
Venue: Austrade Brisbane
Level 16, 307 Queen Street, Brisbane
Time: 9.30am – 12.30pm
Cost: \$0.00
Contact: Register [online](#)

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