



# Investing in Perth's South West Metropolitan Region Profile Summary



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## Australia at a glance



World's **13<sup>th</sup>** largest economy

Australia has a nominal GDP estimated at US

**\$1.5 trillion**

(A\$2.1 trillion) and is Asia's fifth largest economy, despite being home to only 0.3 per cent of the world's population.



**27 years of consecutive annual economic growth**



**9<sup>th</sup>** out of 25 countries for Foreign Direct Investment confidence

Source: A.T. Kearney 2018 FDI Confidence Index



**14<sup>th</sup>** out of 190 economies for the ease of doing business

Source: World Bank Doing Business 2018 survey



**5<sup>th</sup>** in the world for economic freedom

Source: The Heritage Foundation 2017 Index of Economic Freedom



**5<sup>th</sup>** out of 10 key nations for lowest business costs

Source: KPMG Competitive Alternatives 2016



**6<sup>th</sup>** largest pool of funds under management and the largest in the Asian region



**1<sup>st</sup>** in the Global Creativity Index

Australia is followed by the United States, New Zealand, Canada, Denmark and Finland.

Source: Martin Prosperity Institute Global Creativity Index 2015



**4<sup>th</sup>** smartest country in the world

Source: The INSEAD 2017 Intelligence Capital Index



**3<sup>rd</sup>** highest number of universities in the world's Top 10



**A leading economy for R&D expenditure**

Australia's R&D expenditure places it among the world's leading innovative countries, including the USA, Japan, Germany and South Korea.



## We Welcome Your Business

Perth's South West Metropolitan Region is Western Australia's gateway to the dynamic Indo-Pacific Region. Perth's world-leading industries and expertise, abundance of 'clean and green' commodities, world-class liveability and proximity to Asia make it an ideal place to capitalise on the world's fastest growing markets.

Western Australia offers a highly competitive business environment, and we take pride in our reputation as a reliable supplier of premium quality, sustainable goods and services to global markets. Our state's powerhouse economy continues to be a major driver of 27 years of uninterrupted economic growth in Australia – the longest period of growth in the developed world.

Perth is Western Australia's smart, cosmopolitan capital city. We are located in a similar time-zone to almost 60% of the world's population, including China, India, Indonesia and Japan, and with the shortest travel times to both Asia and Europe, we are Australia's most globally connected capital city.

Western Australia's pre-eminent industry, innovation and logistics hub is located right here in Perth's South West Metropolitan Region. Our world-class industries service the state's globally significant mining, petroleum and agricultural sectors, and Australia's largest naval base, HMAS Stirling.

We specialise in advanced manufacturing and defence, agribusiness and food, international education, international health, resources and energy and tourism. Our strengths are well matched to growing markets in developed and emerging economies across the Indo-Pacific.

Our enviable quality of life, stable political system, innovative people and world-class universities make Perth a great place to catalyse new ideas, products and businesses. It is why Australia's largest concentration of global resources and energy companies, and 35% of Australian Stock Exchange listed companies, are headquartered here.

Perth's population is projected to grow by another 1.5 million people by 2050, driven by Western Australia's prosperity. Our region's growth is generating major residential, commercial, industrial and infrastructure development opportunities to sustain our thriving, world-class city.

We are positioned in a unique time and place on the cusp of the Indo-Pacific Region's next phase of growth. All investors are welcomed and encouraged to explore the diverse range of opportunities to grow your business here. Perth South West will work alongside you every step of the way.



# Western Australia at a glance



**2,529,875km<sup>2</sup>**  
33% of Australia's land mass

**State population**  
2018 – 2,598,047  
2031 – 3,126,768  
2050 – 4,069,976

Source: ABS

**Capital city and population PERTH**  
2018 – 2,061,452  
2031 – 2,565,336  
2050 – 3,484,363

Source: Australian Bureau of Statistics (ABS)

**Gross State Product**  
2017-18 \$259.4b  
2018-19 +3.0%  
2019-20 +3.5%  
2020-21 +3.0%  
2021-22 +3.0%

**3.8%** Economic growth (10 year average)

Perth has a much lower cost of living than Singapore or Hong Kong, and lowest cost of living of any capital city in Australia

Source: The Economist Intelligence Unit 2017

**6** Top six languages spoken  
English, Italian, Mandarin, Cantonese, Vietnamese and Arabic

**Gross household disposable income per capita 2017-18 - \$53,681**

**11%** (\$5,255) above Australia's gross household disposable income per capita of \$48,426

**35%** of Australian Stock Exchange (ASX) listed companies have Perth headquarters

Perth - 704  
Sydney - 681  
Melbourne - 391  
Brisbane - 178  
Adelaide - 63

Source: ASX, February 2016

**Western Australia's business hours crossover with our main trading partners**

**\$** Currency  
Australian dollar

**📅** Fiscal year  
July - June

**🕒** Time zone  
UTC +08:00

**☀️** Climate  
Mediterranean

**AAA**  
Australia's credit rating (Standard & Poor's)  
AAA with a stable outlook

**AA+**  
Western Australia's credit rating (Standard & Poor's)  
AA+ with a stable outlook

**🕒** General business hours  
8:30am to 5:00pm  
Monday to Friday

**👑** Political structure  
A constitutional monarchy and part of the Commonwealth of Australia.

## Growing middle class

50% of the world's middle-class population live in the Asia Pacific Region and this percentage is increasing annually.

Source: OECD



## 8 days

LNG shipping time from Western Australia to Japan and Korea – shorter and more cost-effective than competitors in Nigeria, USA and Qatar.



## Countries sharing Western Australia's time zone and business hours

### Asia-Pacific UTC+5

Bangladesh  
India

### UTC+7

Indonesia  
Thailand  
Vietnam

### UTC+8

China  
Indonesia  
Malaysia  
Philippines  
Singapore  
Western Australia

### UTC+9

Indonesia  
Japan  
South Korea

### UTC+10

Melbourne  
Papua New Guinea  
Sydney

### Europe UTC+1

France  
Germany  
Italy

### UTC+0

United Kingdom

## Major exports 2017-18 (A\$)

### Goods

- » Iron ore - \$60.1 billion
- » Petroleum - \$24.7 billion
- » Gold - \$17.7 billion
- » Alumina - \$6.6 billion
- » Base metals - \$1.9 billion
- » Wheat - \$1.9 billion
- » Nickel - \$1.7 billion
- » Lithium - \$1.6 billion
- » Chemicals - \$1.5 billion
- » Precious metal ores - \$1.3 billion

### Services

- » Personal travel excluding education - \$2.2 billion
- » Education-related travel - \$1.9 billion
- » Transport - \$0.9 billion

Perth is serviced by over 30 international, domestic and regional airlines

**Almost 1,000,000 international visitors spent over \$2 billion in 2018**

The majority of international visitors to Western Australia in 2018 originated from the United Kingdom, Malaysia, Singapore, USA, New Zealand and China. Source: TourismWA



## Main trading partners 2017-18 (A\$)

- » China: exports \$61.5 billion
- » Japan: exports \$18.9 billion
- » Hong Kong: exports \$8.1 billion
- » South Korea: exports \$7.3 billion
- » Singapore: exports \$4.7 billion
- » United Kingdom: exports \$3.8 billion

## Major exporter

Western Australia accounts for **42%** of Australia's merchandise exports.

## Direct flights between Perth and major Asian cities and London

**Beijing/12.3 hours**  
Cathay Pacific

**Bangkok/7 hours**  
Thai Airways

**Guangzhou/8 hours**  
China Southern

**Hong Kong/7.5 hours**  
Cathay Pacific

**Jakarta/4.75 hours**  
Garuda

**Kuala Lumpur/5.5 hours**  
Air Asia

**London/19 hours**  
Qantas

**Manila/10.5 hours**  
Qantas

**New Delhi/13.5 hours**  
Qantas

**Seoul/12.5 hours**  
China Southern

**Shanghai/11.3 hours**  
Cathay Pacific

**Singapore/5.3 hours**  
Singapore

**Tokyo/13 hours**  
Cathay Pacific

Perth is the 7th most liveable city in the world

Source: The Economist Intelligence Unit 2017



Perth is the 2nd friendliest city in the world

Source: Conde Nast Traveller magazine 2017 Readers' Choice Awards





# Perth's South West Metropolitan Region at a glance

**620km<sup>2</sup>**  
11.5% of the Perth Metropolitan Region

Gross Regional Product 2018  
**\$28.840 billion**  
Source: REMPLAN

**SWMR Population**  
2018 – 425,404  
2031 – 595,929  
2050 – 770,000  
Source: Perth South West

## Top regional exports by sector 2017

Source: REMPLAN

	Basic chemical manufacturing	\$2.806 billion	14.03%
	Ships and boat manufacturing	\$2.231 billion	11.16%
	Petroleum and coal product manufacturing	\$1.729 billion	8.65%
	Basic non-ferrous metal manufacturing	\$1.573 billion	7.87%
	Defence	\$1.099 billion	5.50%

## Top regional imports 2017

Source: REMPLAN

	Basic Chemical Manufacturing	\$1.891 billion	11.26%
	Petroleum & Coal Product Manufacturing	\$1.600 billion	9.52%
	Basic Non-Ferrous Metal Manufacturing	\$1.166 billion	6.94%
	Prof. Scientific, Computer & Electronic Equip. Manu.	\$0.948 billion	5.64%
	Ships & Boat Manufacturing	\$0.812 billion	4.84%

## Local Governments



## Activity centres

- » Fremantle
- » Rockingham
- » Cockburn Central
- » Kwinana
- » Jandakot Airport
- » Murdoch



## Major industrial areas

- » Western Trade Coast
  - » Kwinana Strategic Industrial Area
  - » Australian Marine Complex
  - » Latitude 32
  - » Rockingham Industry Zone
- » Jandakot City



## Major industry sectors by employment

- » Manufacturing
- » Retail
- » Construction
- » Health Care and Social Assistance
- » Education and Training
- » Accommodation and Food Services
- » Public Administration and Safety



## Maritime ports

- » Fremantle Port
  - » Inner Harbour, Fremantle
  - » Outer Harbour, Kwinana
- » Fremantle Fishing Boat Harbour



## South West Metropolitan Region



Fremantle was named in Lonely Planet's Best in Travel 2016



## Major academic and training institutions

- » Murdoch University
- » Notre Dame University
- » South Metropolitan TAFE

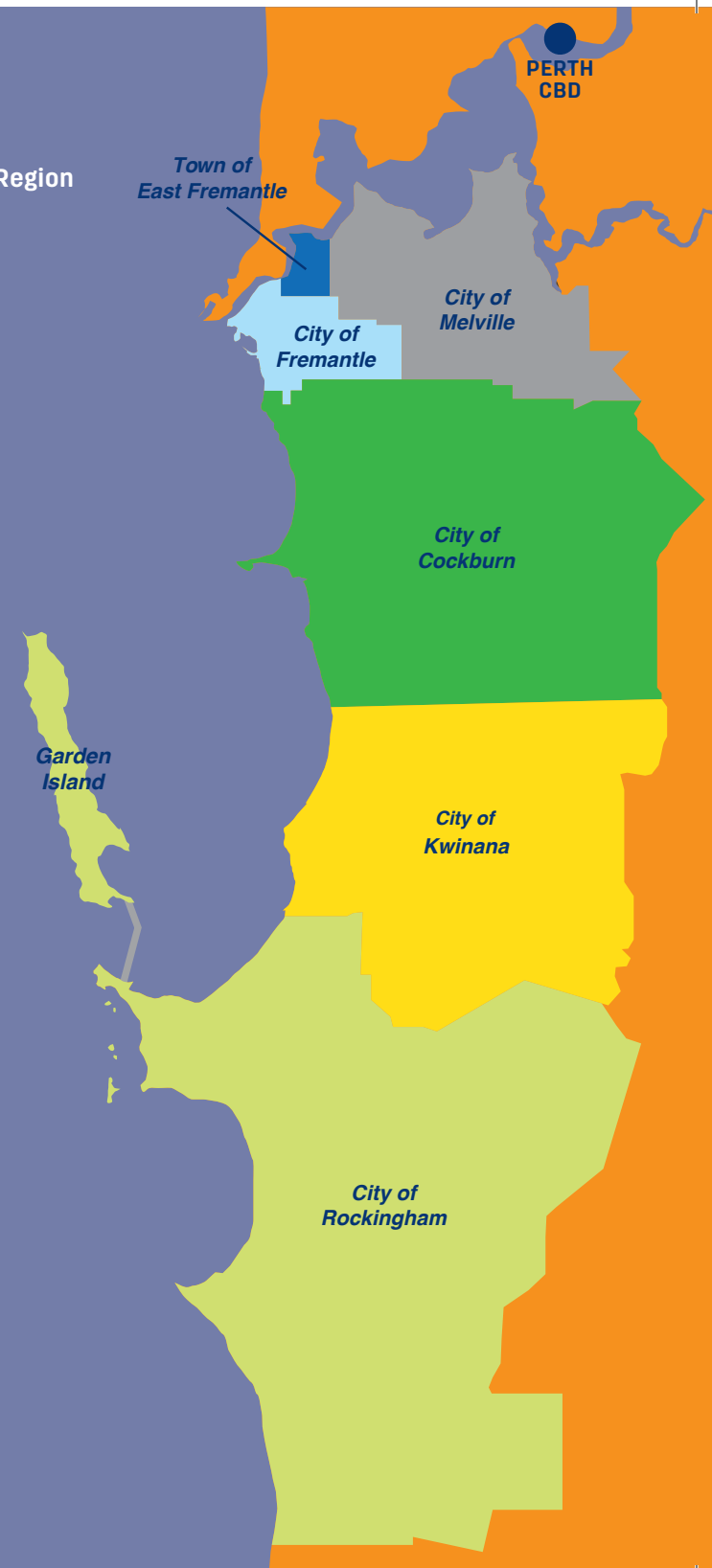


## Major hospitals

- » Fiona Stanley Hospital, Murdoch
- » Fremantle Hospital and Health Service
- » Rockingham General Hospital
- » St John of God Hospital, Murdoch

## Defence facilities

- » HMAS Stirling - Garden Island
- » Leeuwin Barracks











## Advantages of Doing Business in Perth's South West Metropolitan Region

Perth's South West Metropolitan Region is a prime location for business partners to invest, relocate or launch into the wider Indo-Pacific Region

### Strategic location

Perth is Australia's vibrant Indian Ocean capital city. Situated in a similar time zone to 60% of the world's population, Perth is located in close proximity to growing markets across the Indo-Pacific Region. Bridging east and west, Perth shares business hours with Asia and Europe and it is quicker to travel to Europe and most of Asia by sea and air than any other Australian state capital.

### Market access

Western Australia offers an open, export-oriented economy with strong business ties to Asia, Europe and the United States. In 2017-18 our main trading partners were China, Japan, Hong Kong, South Korea, Singapore and the United Kingdom. Australia's network of Free Trade Agreements offers greater access to markets in Asia than those of any North American or European economy.

### Strong economy

Our vast state is rich in natural resources, with an advanced economy supplying a range of fast-growing overseas markets. Globally significant mining oil and gas, agricultural and defence sectors, along with a diversity of world-class industry clusters, drive our robust economy. Western Australia's economic outlook is strong and is forecast to grow at 3 percent or more per annum.

### Clean and green

Western Australia enjoys an exceptional reputation around the world as a reliable supplier of premium quality goods and services. Our world-class environmental and quality management systems and strict regulatory frameworks provide confidence that our products are safe, healthy and sustainable.

### Good governance

Political stability, sound governance frameworks and a transparent regulatory system combine to provide confidence and security to those investing in Western Australia. We welcome all foreign direct investment and industry participation that helps build our global competitiveness and trade.

### Global hub

Perth's South West Metropolitan Region is home to Western Australia's primary industry, innovation and logistics hub, where the state's major industries are located. At the focal point of the state's freight network, the region is globally connected by sea and air, offers abundant, affordable and well-serviced industrial land, and has access to a vast supply of raw materials for processing.

### Advanced capabilities

Our region's existing and emerging clusters of expertise complement a range of growing markets in Australia and the wider Indo-Pacific Region. These clusters are supported by world-class transport and logistics, information communications technology, and the construction and finance sectors.

### Diverse talent

Perth boasts a world-class education system and a highly educated and trained workforce. Its multicultural and multilingual community has deep relationships with Asia and Europe; a huge benefit for globally active businesses. A number of visa pathways are open to overseas students, highly skilled workers and investors to study, work and reside in Australia.

### Innovation and start-up culture

Perth's rich innovation ecosystem has the advanced research and innovation capabilities to generate ideas, products and business models for the emerging economy. The new Renaissance Technopole will complement the region's world-class centres of excellence such as Murdoch University, Notre Dame University, Australian Marine Complex, Fiona Stanley Hospital and the Australian National Phenome Centre.

### World-class liveability























Perth is the friendliest, most liveable city on the Indian Ocean rim, and Australia's most affordable capital city to live. Renowned for its enviable lifestyle, pristine environment and economic opportunity, Perth is consistently ranked in the top 10 most liveable cities in the world.

You will find the best of what Perth has to offer in the South West Metropolitan Region.



## Advanced Capabilities of South West Metropolitan Perth

These capabilities are aligned to Austrade's priority sectors.

Advanced manufacturing and defence	Agribusiness and food	International education	International health	Resources and energy	Tourism
 Marine services and infrastructure, specialising in shipbuilding	 Agriculture research including grains and livestock	 Higher education	 Life sciences, biotechnology, including phenomics clinical trials	 Petroleum equipment, technology and services	 Hospitality
 Defence	 Food processing research	 Vocational education and training	 Aged care services and retirement living	 Mining equipment, technology and services	 Tourism attractions
 Aerospace and aviation, including UAVs and training	 Fisheries			 Chemical and resources processing	 Tourism services
 Steel fabrication	 Artisanal food products			 Microgrids and energy storage solutions	
	 Biosecurity			 Energy materials and downstream processing	
				 Renewable energy	

## Complementary international growth markets

International markets are highly diverse and differ between and within countries depending on local drivers.	
 Defence	Rising influence of countries across the Indo-Pacific is motivating Australia and its allies to modernise and expand their defence forces and driving demand for advanced defence industry capabilities.
 Agriculture and food	Growing populations are driving demand for secure, reliable sources of commodities such as proteins and grains, and increasingly discerning consumers are driving demand for healthier, safer, clean and green high-quality food.
 International education	Growing middle classes are placing increasing importance on education and professional employment, driving demand for international education and training in locations that accelerate career prospects.
 Health and wellbeing	Increasingly wealthier populations are striving to live longer, healthier lives, driving demand for health and wellbeing goods and services such as pharmaceuticals, biotechnology and medical technology.
 Aged care services and retirement living	Ageing populations are driving demand for modern aged care services and retirement living suited to their cultural needs.
 Resources, METS and PETS	Rapid urbanisation is driving demand for minerals, oil and gas to fuel growth, and services that developing countries require to modernise and expand their resources sectors.
 Smart cities and infrastructure	Developing cities and economies are driving demand for infrastructure and technology to manage their energy, water and transport networks, and power automation, artificial intelligence and robotics.
 Renewable energy and energy storage	Climate change, air quality and energy security are driving demand for secure, reliable supplies of renewable energy; new energy materials such as lithium and rare earths; and energy storage solutions.
 Tourism	Growing middle classes are driving demand for tourism and recreation in premium overseas destinations.



## Opportunities to do Business and Invest

Perth's South West Metropolitan Region offers businesses and investors a diverse range of opportunities now and into the future.

### Opportunities now

#### Agriculture technology and food and beverage research and production

Opportunities to leverage the region's strategic location, world-class innovation capabilities and availability of 'clean and green' agricultural produce to undertake high-value food processing for a wide range of export markets and develop and manufacture agricultural technology.

#### International education and training

Opportunities to undertake study or research at Murdoch University, Notre Dame University or South Metropolitan TAFE. These world-class universities and training institutions offer a range of courses and are keen to partner with industry to undertake game-changing research and development.

#### Life sciences and biotechnology research and commercialisation

Opportunities to capitalise on Western Australia's excellent healthcare system; the regulatory environment; conditions ideal for conducting clinical trials; the region's world-

class universities; universities with expertise in fields such as phenomics and the research hub at the Murdoch Health and Knowledge Precinct for life sciences and biotechnology research and commercialisation.

#### Mining and petroleum equipment, technology and services sectors

Opportunities to collaborate with and invest in the mining and petroleum equipment, technology and services sectors. These sectors service Western Australia's major mining and oil and gas sectors and offer overseas markets world-leading expertise in many areas, including subsea inspection, maintenance and repair.

#### Premium tourism accommodation, attractions and tour packages

Opportunities to develop tourism attractions, to build and operate hotels, and to operate tours that target premium markets in Asia, Europe and North America.

#### Renaissance Technopole

The Royal Australian Navy's multi-billion dollar modernisation programme is the driver behind the Renaissance Technopole, which provides the opportunity for domestic and international companies, researchers and investors to partner and catalyse new technology and business start-ups.

#### Residential and commercial development

Opportunities to meet growing demand for housing and business. The region offers a range of development sites in major activity centres and precincts.

#### Resource sector accessing world-class shipbuilding and defence expertise

Opportunities for the globally competitive shipbuilding and defence industries to supply services to resource sector projects in Australia and overseas. These sectors have diverse expertise servicing the state's major mining, oil and gas and agricultural sectors.

#### Retirement living

Opportunities to meet growing demand for retirement living driven by Perth's ageing population. The region offers a range of development sites and potential service partners.

#### Student accommodation

Opportunities to meet growing demand for student housing in Fremantle, driven by an expanding intake of international students wanting to live, learn and launch their careers in a vibrant urban centre with diverse employment opportunities.

#### New energy materials and battery manufacture

Opportunity to capture a share of increasing global demand for new energy materials such as lithium and lithium-ion battery technology by capitalising on the state's position as a major producer of new energy materials and establishing a battery technology development and manufacturing industry.

## Longer term opportunities

### Defence support and innovation

Opportunities exist to collaborate with or invest in the defence industry and engage its world-class capability to support Australian and allied defence programmes.

These opportunities include:

- » design, manufacture, maintenance and sustainment of Australia's submarines and frigates
- » defence-related research and development through the Defence Science Centre
- » education and training to meet the workforce and skilling needs of the defence sector

### Fremantle Port expansion

The potential to expand Fremantle Port and the region's transport infrastructure is currently being explored by the Western Australian Government. The finalisation of this planning may catalyse a range of opportunities for business to develop and utilise a range of new infrastructure and services.

### Renewable hydrogen

Opportunity to capture a share of increasing global demand for sustainable and clean energy by exploiting the possibility of hydrogen manufacture and export. The Western Australian Government is currently exploring the state's potential to capitalise on its expertise in oil and gas and chemical processing, and its abundance of land and solar, wind and wave energy by establishing a large-scale hydrogen industry powered by renewable energy.







## Strategic Gateway to the Indo-Pacific Region

Perth is Australia's most globally connected capital city and is closely linked to markets across Asia.

### Proximity to growing global markets

The world is being reshaped by megatrends such as urbanisation, a rising middle class, climate change and resource scarcity, which are all creating markets for new technology and products on an unprecedented scale. Amidst global uncertainty, countries and firms are competing to secure reliable supply chains to satisfy the growing demands of their citizens and customers.

The Indo-Pacific Region continues to be the most dynamic of the global economy. Asia's share of the global economy is forecast to grow to 45 percent as soon as 2023. As the global economic centre of gravity moves to the heart of the Indo-Pacific Region Western Australia is in a strong position to capitalise on this growth and change.

As Australia's Indian Ocean capital, Perth is in close proximity to the world's fastest growing markets and busiest trade corridor. Over many years of successfully doing business in Asia, Europe and the US, our economy is already well integrated into their growth engines. Our region's strengths highly complement growing markets in developed and emerging economies around the world.



### Strong economy

Western Australia is the largest of Australia's six states, covering about one-third of the nation's land mass, but with only 10% of the population. Rich in natural resources, Western Australia is the leading diversified mine and energy province in the world, producing a significant global market share of more than 10 commodities including iron ore, LNG, diamonds, gold and lithium.

Australia is the world's largest producer of iron ore, LNG and lithium, thanks to Western Australia's immense output. While the state's economy has normalised since the end of the extended mining boom in 2012, in 2017-18 Western Australia was still responsible for 42% of the national merchandise exports and has forecast growth of at least 3% per annum over the next few years.

Currently the state's main goods exports are minerals, oil and gas, and agricultural commodities, and our main services exports are tourism, business travel and education. Our key trading partners in 2017-18 were China, Japan, Hong Kong, South Korea, Singapore and the United Kingdom. This diversity in export commodities and markets underpins the strength and resilience of Western Australia's economy.

Because of our state's immense size and geographic diversity, our relatively small population relies on innovation, collaboration and investment to produce at a scale to meet global demand. As a result, we have a reputation as a reliable source of high-quality bulk commodities; for producing high-value goods and services; and for delivering complex, major infrastructure projects.



### Market access

Australia has one of the most liberal trade and investment markets in the world.

Free Trade Agreements (FTAs) cover the majority of Australia's trade. Currently 10 FTAs are in force, with five FTAs concluded but not in force, seven under negotiation, and one with the United Kingdom is pending the outcome of Brexit negotiations with the EU.

Australia's network of multi-lateral and bi-lateral FTAs benefit importers, exporters, producers and investors by reducing and eliminating certain barriers to international trade and investment.

The ASEAN-Australia-New Zealand FTA launched in 2015 established an economic community of 10 countries, and is driving their economic integration. Engaging in diverse markets within this economic community provides a platform to enter wider Asian markets.

#### FTAs in force

<b>Australia-New Zealand (ANZCERTA or CER)</b>	1 Jan 1993
<b>Singapore-Australia (SAFTA)</b>	28 July 2003
<b>Australia-United States (AUSFTA)</b>	1 Jan 2005
<b>Thailand-Australia (TAFTA)</b>	1 Jan 2005
<b>Australia-Chile (ACI-FTA)</b>	6 Mar 2009
<b>ASEAN-Australia-New Zealand (AANZFTA)</b>	1 Jan 2010
<b>Malaysia-Australia (MAFTA)</b>	1 Jan 2013
<b>Korea-Australia (KAFTA)</b>	12 Dec 2014
<b>Japan-Australia (JAEPA)</b>	15 Jan 2015
<b>China-Australia (ChAFTA)</b>	20 Dec 2015

#### FTAs concluded but not yet in force

<b>Australia-Hong Kong Free Trade Agreement</b>
<b>Indonesia-Australia Comprehensive Economic Partnership Agreement (IA-CEPA)</b>
<b>Comprehensive and Progressive Agreement for Trans Pacific Partnership (TPP-11)</b>
<b>Peru-Australia Free Trade Agreement (PAFTA)</b>
<b>Pacific Agreement on Closer Economic Relations (PACER)</b>





# PERTH SOUTH WEST

Metropolitan Alliance

## How Perth South West Can Help

The Perth South West is here to help businesses, investors, universities and training institutions, governments and citizens as we:

- » Raise awareness of our regional advantages and capabilities;
- » Highlight potential opportunities to partner and invest; and
- » Connect investors with our capabilities and opportunities.

### Contact us

The Perth South West can help by:

- » Taking initial enquiries and making regional connections;
- » Providing information on our advantages, capabilities and opportunities; and
- » Coordinating regional engagement and visits.

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