



Submission No 21

**Inquiry into Australia's trade and investment relationship
with Japan and the Republic of Korea**

Supplementary Submission

Organisation: Enterprise Connect Division
Department of Innovation, Industry, Science and
Research
GPO Box 9839
Canberra ACT 2601 Australia



Australian Government

**Department of Innovation
Industry, Science and Research**

The Hon Laurie Ferguson MP
Chairperson
Joint Standing Committee on Foreign Affairs, Defence and
Trade
House of Representatives
Parliament House
Canberra ACT 2600

Industry House, Level 8, 10 Binara Street
Canberra City ACT 2601

GPO Box 9839
Canberra ACT 2601 Australia

Phone: +61 2 6213 7330

Email: judi.zielke@innovation.gov.au

Web: www.innovation.gov.au

ABN: 74 599 608 295

Dear Mr Ferguson

I welcome the opportunity to respond to questions taken on notice arising from my appearance on behalf of the Department of Innovation, Industry, Science and Research (the Department) at the public hearing on the Inquiry into Australia's trade and investment relationship with Japan and the Republic of Korea on Wednesday 2nd November 2011.

• What about the Antarctic? Are there connections with them through your Department? (Hansard Transcript Page 4)

The Department funds the Antarctic Climate and Ecosystems (ACE) Cooperative Research Centre (CRC) through the CRC program. The ACE CRC investigates scientific uncertainties that limit Australia's and the global communities' ability to respond effectively to climate change.

In 2010-11 the ACE CRC reported three research collaborations with Japan through the ACE CRC:

- National Institute of Polar Research, engaging a strategic Japanese-Australian Cooperative JST-DIISR project studying climate change impacts in the eastern Antarctic marine ecosystem;
- Institute of Low Temperature Research, with Hokkaido University, analysing SIPEX snow cover data, and engaging in collaborative fieldwork and analysis on bottom water formation in Mertz and Cape Darnley polynyas, as well as iron limitation of phytoplankton; and
- Tokyo University of Marine Science and Technology, assessing climate change impacts in the eastern Antarctic marine ecosystem.

In 2010-11 the Commonwealth Scientific and Industrial Research Organisation (CSIRO) reported research collaboration with the Republic of Korea:

- the Korea Ocean Research and Development Institute on the deployment of Argo profiling floats in the Southern Ocean; and
- CSIRO is currently in discussion with the Korea Polar Research Institute about future collaboration in Antarctic Science.

- **Does your research also show the growth in co-investment by the Koreans in Australia? What industries are related to that? (Hansard Transcript Page 6)**

Korea's total investment in Australia was \$9.3 billion for the year 2010, with foreign direct investment standing at \$2.1 billion (Source: Department of Foreign Affairs and Trade's Republic of Korea factsheet).

The Foreign Investment Review Board (FIRB) releases an annual report that details aspects of foreign investment in Australia. Each annual report details the amount of approved foreign investment by country and in which sector of industry it is invested. The latest FIRB report is for the financial year 2009-2010, and it lists approved investment from Republic of Korea at \$2.8 billion. Sixty per cent of the approved investment is in the mineral exploration and development sector, and the remaining 40 per cent is in the real estate sector.

Following a slump in investment in 2008-2009 during the Global Financial Crisis (GFC), investments have rebounded and are now above pre-GFC figures.

- **Are we participating in the Republic of Korea's Global Green Technology Centre? (Hansard Transcript Page 7)**

The Global Green Technology Centre (GGTC) was announced by the President of the Republic of Korea, Lee Myung-bak, in June 2011. Given that the proposal is still in its early stage, Australian Government engagement in the project has not been discussed in any detail. There is currently no active participation by the Department. Inquiries with other Government Departments, like the Department of Climate Change and Energy Efficiency (DCCEE) and the Department of Resources, Energy and Tourism, also indicate that there is currently limited Australian Government engagement with the GGTC. Australia is, however, very active in the Global Green Growth Institute, through DCCEE.

- **Does the department have a service that provides that intelligence (national marketing intelligence) to specific Australian industries? (Hansard Transcript Page 8)**

In partnership with Austrade, market intelligence services are available to eligible Enterprise Connect clients. The Market Intelligence service assists clients to take advantage of their growth potential by providing up to 15 hours of tailored market based research in areas including:

- market research to assist Australian companies develop their international strategies;
- referrals to potential partners or customers;
- market visits for clients to visit overseas markets; and
- generic market research to produce International Market Industry profiles.

Any Enterprise Connect client who is currently undertaking or has undertaken a business review within the previous 6 months and is export capable is eligible for the service.

Yours sincerely

Judith Zielke
 Head of Division
 Enterprise Connect Division
 Department of Innovation, Industry, Science and Research

24 November 2011