

chief executive officer's report



Austrade has had another year of growth in our activity and outcomes with a significant increase in the number of Australian businesses assisted to achieve export sales. Our efforts have been focused on developing and

implementing programs and initiatives to deliver the Government's agenda to drive growth in exports and build an export culture.

Our dedicated network of staff across the world and in Australia helped over 5,000 individual Australian businesses gain benefits from international business opportunities. We also helped these clients achieve 9,265 separate international transactions, reflecting our contribution to helping business expand and diversify into new markets.

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A core activity throughout the year continued to be helping Australian businesses take advantage of the opportunities arising from free trade agreements. We completed the expansion of the network of offices in the United States for which the Government provided Austrade with additional resources. We now have offices in 18 US cities as well as a dedicated network of US Export Advisers around Australia. One of our key achievements during the year was the development of a practical guide for Australian businesses to take advantage of Australia's newly gained access to the US government procurement markets. Our 'Selling to Government' team in the US assisted Australian companies to achieve sales totalling around \$95 million.

In Thailand and Singapore, we continued to target specific sectors where opportunities have opened up as a result of the Thailand–Australia Free Trade Agreement and the Singapore–Australia Free Trade Agreement.

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We increased our focus on the key growth markets of China and India. In China, we opened new offices in Xian, Ningbo, Shenzhen and Macau, bringing our presence there to 15 offices. In India, we began to extend our presence and engage more staff to promote Australian capability.

During the year, we completed the establishment of the eight Export Hubs funded by the Government to provide services and products of both TradeStart and AusIndustry in regional areas.

The Export Market Development Grants scheme experienced an increase in demand which resulted in the payment of \$137.1 million and 3,485 grants to eligible recipients.

Austrade again delivered our business matching program—Business Club Australia—to a major international sporting event. Building on the success of the programs for Sydney 2000 Olympics and Rugby World Cup 2003, Business Club Australia was successfully applied to the Melbourne 2006 Commonwealth Games as Business Club Australia: Melbourne 2006. The Austrade-led Business Club Australia partnership between the Australian and Victorian Governments attracted over 7,800 Australian and international Club members and delivered 57 business networking events featuring outstanding speakers and industry leaders from around the world. The program won the Australian Marketing Institute's 2005 National Award for Innovation in Marketing Excellence.

The safety of Austrade's staff, clients and visitors to our offices remains of paramount importance and during the year we undertook a number of projects aimed at upgrading the security of our offices. Additionally, working in close consultation with the Department of Foreign Affairs and Trade, we continued to deliver high-quality consular and passport services to Australians overseas in 21 locations. The support we provided to the Department of Foreign Affairs and Trade through on-the-ground consular assistance to locate and evacuate Australians caught up in the aftermath of Hurricane Katrina in Louisiana was a significant contribution in this area during the year.

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We extended the reach of our services to the business community through the expansion of our Corporate Partnerships program with key partnerships and alliances with the private sector. During 2005–06, the program delivered 'Going International' professional development to 116 partner advisers, and our corporate partners reported 601 international business successes achieved by their clients that were assisted via the program.

Outlook

Looking ahead to the 2006–07 year, we will continue to drive export outcomes through Australia's free trade agreements and use our expanded networks in China to maximise international opportunities for Australian businesses. During the year we will expand our presence and services across India in regions offering opportunities in a number of growth sectors. As part of this expansion, a new Austrade-managed Consulate-General will open in Chennai.

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We will focus on implementing the Government's decisions to continue the Export Market Development Grants scheme until 2010–11 and extend the TradeStart program for another four years.

Providing efficient consular and passport services will remain a key priority for Austrade. The receipt of additional funds from the Government will enable us to strengthen our consular network as part of a whole-of-government commitment to expand and strengthen capacity to assist Australians overseas.

We will continue to work closely with our portfolio partners as part of the whole-of-government commitment to raise awareness of the benefits of international business. For example, we will jointly promote the new finance product for small to medium sized businesses developed by our portfolio partner the Export Finance and Insurance Corporation—the 'Headway' program. We will also work to further extend the reach of Austrade's services to the business community by expanding our Corporate Partnerships program.

From 1 July 2006, Austrade's governance arrangement changed from that of a governing Board to an executive management structure reporting directly to the Deputy Prime Minister and Minister for Trade. I take this opportunity to acknowledge the experience, drive and commitment of Austrade's Board of Directors in leading the organisation throughout the year and through this transition. Austrade's role and commitment remains unchanged—we will continue to help Australian businesses capture export opportunities and succeed in international business in markets across the globe.

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Finally, I would like to convey my appreciation for the energy and dedication shown by Austrade staff around the world over the past year. Together with our allies and partners we are working hard to grow the community of Australians involved in export and international business and build a strong foundation for Australia's future economic prosperity.



Peter O'Byrne
Chief Executive Officer