

Western Australia – Expanding Its Economy on a Solid Foundation

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Perth is consistently voted one of the world's most liveable cities. It is also Australia's western gateway and the closest Australian state capital to Asia's mega-economies, in a working day time zone to 60 per cent of the world's population and with strong, long-standing business links to Japan, China, Korea, Singapore, Indonesia, Malaysia and India. WA is the leading global resource province in terms of global market share for 13 commodities: iron ore; LNG, gold, nickel, diamond, zircon, ilmenite, rutile, garnet, tantalum, solar salt and lithium. By next year, Australia is expected to pass Qatar as the world's largest exporter of LNG, with WA accounting for 60 per cent of Australia's total.

In recent years, Western Australia has experienced one of the most extraordinary growth phases ever felt by an economy in the developed world. It has firmly established itself as the powerhouse of the Australian economy, capitalising on the enormous growth in China and other developing economies in the region.

Perth has become the leading global resources hub with over 800 companies in the mining, oil and gas, and related services sectors either headquartered here or with a major presence. WA's exports are valued at close to \$100 billion or 41 per cent of all Australian exports. Also, 32 per cent of ASX-listed companies are headquartered in Perth, which is the highest concentration of ASX listed companies of any Australian State.

With still over \$130 billion of major resources projects committed or under consideration, the WA economy has started the transition from resources infrastructure construction investments to mineral and petroleum production. Export sales of minerals and petroleum in 2016 were at a record \$91.6 billion and the trend is rising as new facilities come on stream in 2017 and beyond.

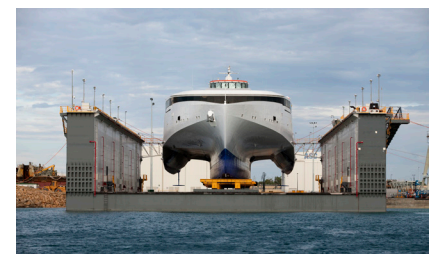


Through the resources and construction boom, WA has attracted a highly skilled and sophisticated international workforce. As the State transitions to a more diversified economy, retaining those people will be essential to sustained growth and innovation. World-class infrastructure combined with the state's natural assets will help position Western Australia as a destination for world-class talent in a competitive global market.

The next drivers of economic growth will come from six key areas:

- natural gas;
- iron ore;
- agribusiness;
- tourism;
- education; and
- science and technology.

WA's resilient, entrepreneurial and internationally-oriented economy outlook is perhaps the state's biggest asset as we move forward into the 21st century. WA is well and truly 'Open for Business' with the Asian region and beyond. Altogether, 250 nationalities call WA home, speaking 270 languages and dialects. Current bilateral trade with Germany is about \$2 billion. This is expected to grow as major opportunities in science and technology, renewables, radioastronomy, education and tourism open up. Last year, Germany was the



seventh largest source of international visitors to WA, with 35,200 arrivals staying an estimated 1,331,800 nights.

There are some 28,000 Germans or German descendants living in WA. German settlers and German companies have made significant contributions to the state's development over the past 175 years.

Written by Torsten Ketelsen, Honorary Consul