



Speech by

Hon. PETER BEATTIE

MEMBER FOR BRISBANE CENTRAL

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MINISTERIAL STATEMENT

Overseas Visit

Hon. P. D. BEATTIE (Brisbane Central— ALP) (Premier) (9.41 a.m.), by leave: I am pleased to table my report on my first official visit to the United States as Premier of Queensland. I believe that successive Governments have done well to focus strongly on Asia because it is the largest market in the world and we are part of that region. However, I think any fair appraisal of the past few years will reveal that we have not done enough to cement our longstanding trade and investment relationships in Europe and the United States, which are sources of great inspiration in the creation of new industries and new opportunities, and a major source of investment funds for our State.

As I have already reported to the House during this week, my attendance at and address to the Bio'99 Conference on biotechnology in Seattle was a centre point of that trip. My announcement of my Government's 10-year plan for biotechnology shows the long-term nature of our commitment and expectation that biotechnology will provide major new economic advances for this State in the decade to come.

My program in the United States sought inspiration from States and regions that had similar economic experiences to our own and to learn from them, and most importantly to publicise Queensland as a secure, certain and conducive investment climate. Queensland has strong supporters in Texas, not least of whom is Governor George Bush, with whom I had a very useful and cordial meeting. Our team gained a great deal from the detailed discussions with a number of organisations and university representatives in Austin and there will be an ongoing relationship that I hope and expect will be boosted by growing private sector involvement between Queensland and Texas business representatives.

The technology incubator centre in Austin, Texas known as IC² will undoubtedly be the focus of that relationship. The concept of the incubator is that new companies with innovative technology are supported for up to three years and they turn a great idea into a commercial reality. Much of this technology originates from university research but requires entrepreneurial skills to get from a campus to a market. The IC² success rate for commercial viability is nearly 90%, which is extraordinary. Having now been exposed to it, I believe it will serve as a model to show how Government can work with universities and the private sector to encourage innovation. I am pleased to say that Professor Roy Webb, the Vice-chancellor of Griffith University, is continuing discussions with a view to partnership arrangements for Griffith biotechnology incubator proposals.

Another major aim of my US trip was to cement an already close relationship with the State of South Carolina, which has many similarities to our own State since it is in the process of moving from a rural and minerals focus to a diversified economy. For some years I have admired South Carolina's way of doing things because it has attracted considerable foreign investment, including the only original head office of BMW outside Germany which currently builds the Z3 sports car. The innovative can-do policies of its Department of Commerce influenced me very much during my period as Leader of the Opposition when I was looking for structures for our Government. I actually visited South Carolina for a short productive series of meetings when I was in Opposition. Since that time, we have continued the contacts and late last year a delegation from South Carolina visited Queensland at my invitation.

Following considerable negotiations, I am pleased to advise the House that with Governor Jim Hodges of South Carolina I signed a sister-State agreement between Queensland and South Carolina in the capital Columbia and also a memorandum of understanding between their Department of

Commerce and our Department of State Development, both of which I table today. Governor Hodges and I found a strong rapport and many shared experiences and views about Government. I am looking forward to a close working relationship with him and his administration as we build opportunities for business in Queensland and South Carolina in as broad a way as possible.

I had an opportunity to address both the South Carolina House of Representatives and the Senate. While we were in the capital, Mayor Coble designated the day Queensland Day.

As the House will know, Brisbane has won the right to host the Goodwill Games in 2001. I visited Atlanta, Georgia to meet with Ted Turner and representatives of CNN and the Goodwill Games organisation to review the preparations for the 2001 Goodwill Games. I am pleased to report to the House that preparations are going well and that the meeting of officials that occurred in the days prior to my arrival in Atlanta was very fruitful. Ted Turner is enthusiastic about Brisbane hosting the games. I will be making further announcements about the arrangements in the weeks and months ahead.

I am keen that this visit to the United States should markedly increase the emphasis that Queensland places on the US as a source of inspiration for new ideas and new technologies, as well as partnerships. There are some issues that I want to urgently progress as a result of the visit, which include—

1. The need to attract significantly more venture capital to Queensland to boost our new industries. To that effect, whilst in the United States I announced that the Government will hold a venture capital conference in Queensland late this year to specifically look at ways that we can attract more venture capital to the State.
2. The urgent need for this country, Australia, to address its capital gains taxation laws which are significantly seen, in both this country and the United States, as discouraging investment. To that end I have written to the Prime Minister seeking urgent discussions about this vital matter.
3. Direct action to build on the contacts made in Austin, Texas, Seattle and South Carolina regarding new industries and information technology and biotechnology and, in particular, the incubator process. The Department of State Development, representatives of universities and those who accompanied me to the United States will ensure that close working relationships are evolved. The Director-General of the Department of State Development, Mr Ross Rolfe, who accompanied me on this visit, will be putting in place structures and policies to build on the agreements we have signed with South Carolina to involve Queensland business directly in that relationship and to encourage specific linkages between businesses and universities to work on areas of mutual interest.
4. Priority given to gain us as much benefit as possible from the huge number of international teams that will be training in Brisbane prior to the Sydney 2000 Olympic Games, in much the same way that South Carolina gained advantage from its close proximity to the Atlanta Olympics.

I returned from the United States enthusiastic about the position of Queensland as a major player in information technology and biotechnology, and with a clear belief that we can build an even stronger economy with new industries, especially if we tackle the difficult issues of financial backing and taxation.
