



First for Business

New South Wales  
Department of State and  
Regional Development

# New South Wales and India the opportunity

Investment, partnerships, alliances, joint ventures



First for Business



New South Wales Government

## New South Wales and India – the opportunity

**India is one of Australia's most important and fastest growing trading partners. Bilateral trade between Australia and India is booming, tripling in volume since 2000, and this trend looks set to continue.**

**India and the Australian State of New South Wales (NSW) have much in common. Their complimentary economies offer a wealth of opportunity for business investment, partnerships, alliances and joint ventures.**

**Indian companies can leverage NSW's workforce skills and expertise (particularly in financial services, ICT, manufacturing, mining, agribusiness and pharmaceuticals), political and economic stability and world class infrastructure to penetrate and win a greater share of global markets.**

**The NSW Department of State and Regional Development invites you to consider the benefits of establishing or expanding an operation in NSW as the next step in the growth of your business.**



## Key reasons to establish a business in New South Wales

### Strong, versatile service economy

- The GDP of NSW was US\$239 billion in 2006, larger than the economies of Hong Kong SAR, Thailand, Malaysia, Singapore, New Zealand and the Philippines.
- NSW continues to enjoy a AAA credit rating from both Standard & Poor's and Moody's. Australia's economy has been recognised as the most resilient in the world for the fifth year running (IMD World Competitiveness Yearbook 2006) and its sustained growth has outstripped all OECD countries for the past 15 years.
- The services sector, which represents more than 80 per cent of the NSW GDP, is forecast to grow throughout 2007-10.
- The NSW economy continues to benefit from Australia's proximity to fast growing Asian markets.

### Low-risk business environment

- Sydney offers a dynamic, low-risk business environment in a mature economy with a depth and sophistication that is recognised globally.
- Australia's stable and secure financial regulatory environment is recognised worldwide. The International Monetary Fund rated Australia as having one of the most financially sound markets in the world.
- Australia ranks first in the world for political stability making it an ideal location for companies (IMD World Competitiveness Yearbook 2006; Doing Business 2007, World Bank and International Finance Corporation).
- NSW has 65 per cent of the global and Asia Pacific regional headquarters and regional operations centres that are located in Australia, as well as 81 per cent of the Asia Pacific finance and insurance regional operations and 80 per cent of the multinational pharmaceutical companies in Australia.

**Sydney was the obvious choice as the location for our IT Global Services Centre. It is the existing infrastructure and management, availability of multilingual skilled staff and global cost competitiveness which provides such an attractive combination.** UBS CAPITAL

MARKETS AUSTRALIA HOLDINGS



## Multicultural, highly skilled workforce

- NSW is Australia's most populous State. More than 33 per cent of Australia's population lives in NSW and over 60 per cent of NSW's population lives in Sydney.
- NSW is one of the most culturally diverse locations in the world, with 198 languages spoken in NSW, more than in any other part of the Asia Pacific. Almost 25 per cent of NSW's population speaks a language other than English at home, and more than 90 per cent of those people live in Sydney.
- More than 40 per cent of new arrivals to Australia from India settled in NSW in 2005-06 (Settler Arrivals, Department of Immigration and Citizenship). Almost 60 per cent of Australia's Hindi speaking population lives in NSW (Census data, Australian Bureau of Statistics).
- NSW produces more university graduates than many other Asia Pacific business locations, including Hong Kong SAR and Singapore. Nearly a quarter of the NSW workforce holds Bachelor degrees or higher, and 50 per cent of the workforce holds a post-school qualification.
- After the USA, Australia is the second most popular destination for Indian students seeking overseas qualifications. Annual growth of between 30 and 40 per cent is expected to continue, with students attracted by Australia's world class educational institutions.

## Cost competitive

- Salary levels for skilled workers in Sydney are well below those in most other international business capitals, including New York, London, Frankfurt, Tokyo and Hong Kong SAR. Staff turnover is also low.
- Sydney boasts most of the country's A grade office space. Prices are highly competitive – an independent report has shown that Sydney is a more cost competitive location for office space than New Delhi, Mumbai, Hong Kong, Shanghai, Singapore, Tokyo and London.

## World class infrastructure

- NSW offers sophisticated, robust telecommunications infrastructure and well developed transport systems and power networks.
- Sydney is a major internet-exchange and telecommunications hub serviced by deep-sea fibre optic cables that link Australia to the USA, Europe and Asia, as well as high-speed metro and intra-city fibre cable networks.
- NSW also has world class research and development facilities for industries ranging from ICT and pharmaceuticals to mining and energy.

## Time zone advantage

- Sydney has a time zone advantage over other Asia Pacific locations, being the first major financial market to open each day. It also provides a time zone bridge, linking the closing of the US and the opening of the European markets.
- Global services firms are able to provide 24 hour customer service coverage for their US and European markets by using their Sydney office as part of a "follow-the-sun" business strategy.

## Lifestyle

- NSW and Sydney have a fantastic lifestyle that is hard to match.
- Sydney offers a vibrant outdoor lifestyle, exciting events and great natural beauty. With easy access to beaches, World Heritage areas, lush hinterland and acclaimed wine regions, Sydney is not only a great place to work, but a great place to live.
- NSW has become an increasingly popular tourist destination for Indian travellers, with an average 30 per cent yearly growth in holiday visitors since 2001-02 – an ideal location for investing in resorts and tourism infrastructure.

# Investment opportunities in New South Wales



## ICT

Australia's ICT market is the fourth largest in the Asia Pacific. NSW accounts for 40 per cent of Australia's ICT employment and 40 per cent of Australia's ICT equipment exports.

Sydney is the capital of Australia's ICT industry, with 76 per cent of Australia's ICT regional headquarters and operating centres located in NSW.

Australia's national centre of excellence in ICT is headquartered in Sydney, with more than 300 research staff and 120 PhDs. Sydney is also home to many internet data centres and telecommunications companies offering a range of services, including co-location, shared and dedicated hosting, data warehousing, disaster recovery and managed services.

## Financial services

Financial services is the fastest growing service industry in NSW. The financial services workforce of Sydney is approaching half the size of London and New York City's respective workforces, having grown by 26 per cent over the last 10 years (ABS Labour Force Survey, August 2005).

Global financial services companies such as Deutsche Bank, UBS and American Express have established regional or global functions in Sydney, attracted by a multilingual, well-educated workforce, with experience in a sophisticated financial services environment.

Nine of the top 10 funds management groups and 80 per cent of banks operating in Australia are headquartered in Sydney. This includes nine of the 11 foreign subsidiary banks in Australia and the 10 largest investment banking groups.

A highly skilled workforce with expertise in funds management has made Sydney a place to conduct complex operations complementing activities in locations such as India, China and the Philippines.

## Shared services and contact centres

NSW has a large number of high-value shared services operations, including information technology, finance, accounting, human resources and legal services.

The NSW contact centre industry is well established with more than 600 companies operating 1500 contact centres and employing more than 95,000 staff across the State.

After India, Australia operates the largest number of global contact centre seats. More than 65 per cent of Sydney's contact centres offer languages other than English and more than 35 per cent of contact centres in Sydney serve international markets. Many of the contact centres provide high level technical support in multiple foreign languages.

## Pharmaceuticals

NSW is the centre of the Australian pharmaceutical industry. It is home to extensive research and commercialisation capabilities in drug discovery and biotechnology, with expertise in informatics, genomics, proteomics, immunology, cancer research, respiratory medicine, diagnostics, environmental biotechnology and nanotechnology.

Australia is the top ranking location for clinical trials, with low average costs and a high percentage of trials completed on time. The large pool of pharmaceutical and research skills, coupled with the ethnic diversity of the population, have attracted large clinical research organisations such as GlaxoSmithKline, Covance, Quintiles, Roche, Novotech, Datapharm and ICP Firefly.

These activities are supported by a network of world class technology parks, high quality research facilities and government programs, as well as support to enforce patent and copyright protection.

***Australia is very savvy; it's a smart place to do business...We see installations of new software in Australia six months before firms begin using them in Europe and the US – it's one of the most innovative IT markets among developed countries.*** SATYAM COMPUTER SERVICES

*Sydney, like London, New York, Frankfurt and Shanghai, is viewed by us as a key city in the financial services sector. It provides an incubation environment for world class technology – as seen with our acquisition of Sydney company FNS. Sydney offers a sophisticated, entrepreneurial market to develop and enhance our global technology.* TATA CONSULTANCY SERVICES



## Manufacturing

Manufacturing is the second largest industry sector in NSW. The State accounts for more than 30 per cent of Australia's manufacturing output. NSW offers manufacturing companies a highly developed market and access to major national and global operators, providing opportunities in the global supply chain.

Innovative solutions with design performance and prototyping are significant strengths of NSW companies, allowing manufacturing partners to retain a leading edge in the global marketplace.

Areas of expertise include aerospace, rail and transport, automotive, marine, precision manufacturing, medical devices and pharmaceutical.

Leading international companies such as BAE, Bombardier, Boeing, Dana Group, Eurocopter, Goodrich, Merck, Norske Skog, Pfizer, ResMed and Thales all operate in NSW.

## Agribusiness and food processing

The clean, green growing environment of NSW is world renowned. Because of its southern hemisphere location, NSW is ideally positioned to produce for and supply markets in Asia, Europe and North America during the northern winter.

The State's food industry is highly diversified with strengths in grain, dairy, fruit, vegetables, meat and seafood products.

NSW companies can draw on the R&D facilities and skills of leading organisations such as the National Wine and Grape Industry Centre which boasts some of the world's most innovative research.

## Mineral resources

NSW is a leading low-cost producer of a range of metals and minerals including coal, gold, copper, silver, lead, zinc and gemstones. It is a major exporter of coal, gold, zinc, copper, steel and aluminium.

Major companies involved in mineral production in NSW include Barrick, BHP Billiton, Newcrest, Rio Tinto and Xstrata.

## Win-win partnerships for Indian and NSW companies

In 2006, Tata Consultancy Services (TCS) won a contract with the Bank of China using banking software developed by the NSW software developer Financial Network Services (FNS). The contract underlines the advantages of Indian-Australian alliances.

FNS' Sydney operation had grown to the point where its global ambitions could best be realised through an alliance with a company already active in the international marketplace. The acquisition of FNS by TCS in 2005 opened up new collaborative opportunities. It has quickly borne fruit with this major Bank of China success. The Bank of China has 22,000 branches and 380 million accounts, making this one of the largest bank back-office systems replacements in the world.

*Partnerships like this are the way of the future.*

*Sydney is a world class centre for biotechnology research and development. The talent pool is deep, access to the finance and pharmaceutical industry is excellent and the cost base is hard to beat. Furthermore, Sydney has outstanding medical research institutes, universities and hospitals to provide strategic partnering opportunities.* THE GARVAN INSTITUTE

# Global companies in a global city

Sydney is Australia's only global city and many of the world's leading companies have a strong presence here. Indian companies can use their Australian subsidiaries to service multinational companies and to secure new contracts leveraging Australia's skilled workforce and stable regulatory environment. Some examples of leading multinational companies with a major presence in Sydney are listed below.

ICT	Pharmaceutical	Financial services
Avaya*	Abbott Pharmaceuticals	ABN AMRO
Canon Information Systems (CISRA)*	AstraZeneca	American Express*
Citrix*	Baxter*	Bank of China
CSC	Eli Lilly*	Bank of Tokyo-Mitsubishi UFJ (Aust)
Ericsson	GlaxoSmithKline Medicines*	BNP Paribas
Fuji Xerox	Janssen-Cilag*	Citigroup
Hewlett Packard	Johnson & Johnson Research*	Credit Suisse
Honeywell*	Merck Sharp & Dohme*	Deutsche Bank*
IBM*	Novartis	Fidelity Investments (Aust)
Microsoft	Pfizer	Goldman Sachs JBWere
Nokia	Roche	HSBC Bank Australia
Oracle	sanofi-aventis*	ING
Panasonic	Schering Plough	JPMorgan Chase
Samsung	Wyeth*	Merrill Lynch Australasia
SAP		Morgan Stanley Australia*
SingTel-Optus		N M Rothschild & Sons
Sun Microsystems		Royal Bank of Scotland
Unisys		Royal Bank of Canada
Vodafone		State Street
		UBS Australia*
*ICT companies conducting R&D in Sydney in areas such as digital imaging technologies, web content management software and voice over internet protocols.	*Pharmaceutical companies conducting R&D in Sydney including clinical trials and local research collaborations.	*Financial services companies with regional and global functions in Sydney including global IT support, regional transaction processing and foreign exchange processing.

*The availability of high quality engineers makes Sydney an excellent location for conducting R&D. We're able to recruit a wide range of highly skilled staff including research and software engineers, chip designers, user-interface designers and test engineers, so we can provide high value and cost-effective research and development to our parent company in Japan.*

[CANON INFORMATION SYSTEMS RESEARCH AUSTRALIA](#)

## NSW Government support

The NSW Department of State and Regional Development provides:

- information to assist business planning
- intermediary support with telecommunications, recruitment, training, property and other business service providers
- help with site selection and advice on issues affecting projects
- assistance with government regulations and approval processes
- advocacy within government and introductions to industry networks
- opportunities to build alliances
- short term and permanent immigration support
- other forms of support on a case by case basis.

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