Perth - a well connected 21st century city

While Perth might be one of the most isolated capital cities in the world, it boasts an ever-growing, diverse and strong network of national and international connections that would be the envy of many much larger capitals. Western Australia’s economy is driven by the mining and resources sector. Its highly specialised and multicultural, skilled workforce, associated industries and the exchange of goods and knowledge have helped transform Perth into a highly competitive, liveable and well-connected city.

“Previously, a city’s connections to the rest of the world were easily measured by people movements and trade volumes. These days it requires a much more complex measurement that takes into account trade, the flow of information, the arrival of migrants, the number of major corporate offices, foreign investment and our cultural and political connections with other cities,” said Committee for Perth CEO Marion Fulker.

The Committee’s latest report, Perth as a Globally Connected City, produced as part of their FACTBase joint venture research project with the University of Western Australia, considers all these factors in evaluating Perth’s global connectivity.

“No-one likes feeling isolated and disconnected. So by being able to quantify and better understand how Perth is connected to the rest of the world, we can promote it as being a highly liveable, vibrant and globally connected city, which is important because we need to be able to attract and retain skilled workers to help keep our economy growing. What our report has done is broken connectivity into three broad categories – the economy, people and political connections and not surprisingly there are a number of overlaps between these.”

Mrs Fulker said that while Perth’s major economic trade partners have changed considerably over the past century, the report found that strong political and cultural connections remain even after trade has fallen away.

“In 1913, Western Australia was exporting gold, wheat, flour, wool and timber to the United Kingdom (64% of produce) and countries in the British Empire. Fifty years later, the UK was still our major trading partner (39%) closely followed by Japan (34%) then China (15%) and the United States (14%).

“Today, China (59%), Japan (25%) and South Korea (10%) are our major trade partners. So WA has moved away from its geopolitical connection to the Empire, to one that sees it more deeply engaged with countries in its geographical region,” Mrs Fulker added.

The report examined how large corporations and the power they wield are a major driving force and at the heart of any modern economy. Over recent decades, Perth has gone from being home to only a handful of large local companies to become one of Australia’s most powerful corporate cities, sitting behind Sydney and Melbourne in the number of listed firms.

“When it comes to having corporate headquarters involved in the resources sector, Perth is ranked at 38 out of 498 globally. When it comes to incoming connections, Melbourne is fourth.

“But if you measure it by offices reporting out of Perth to head offices in other parts of the world, Perth
rises to 23rd while Melbourne falls to 17th. This flow of information out of Perth is significant because local knowledge and input into the corporate decision making process is becoming increasingly important."

The report also found that when you drilled down into the energy sector, regions that have large production reserves or significant consumer markets are very strategically important to both corporate and national interests, as well as being an indication of global power and influence.

“In terms of energy, Perth emerges as Australia’s most globally connected city, with its particularly strong ties to Asia. Overall, Perth ranked 11th in the world which makes it equal with Hong Kong and well ahead of Melbourne which is ranked 25th.”

Mrs Fulker added that there’s more to a city’s connectedness than business and the economy.

“People are the vibrant, beating heart of a city and Perth is now the most multicultural capital in Australia, more than 34% of people living here were born overseas. This international movement of people creates connections between those that are living here and their family and friends back home. Their living here also enriches Perth’s vibrancy and appeal as we become more multiculturally diverse.”

“Our ever increasing migrant population has also resulted in 56 countries setting up a consulate in Perth which strengthens diplomatic relations and promotes ties with that country. Perth also has nine sister city and two mutual friendship agreements.

“It's also a two-way street, with WA establishing State Government offices in countries that are significant trade and investment partners, these include London, Tokyo, Dubai, China, South Korea, Singapore, Indonesia, India and Kenya.”

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Read or download Perth as a Globally Connected City.

The Committee for Perth is an advocate for economic prosperity and global connectedness, its work on these issues can be found here.

More information on the FACTBase research project along with previously published Bulletins and Special Reports can be found here.

The research we undertake is only possible thanks to the investment of our members who make an enduring contribution to ensuring Perth is a great region in which to live, work and invest.

We particularly acknowledge our Foundation Members:

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