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HD **OPERATION ASIAN SALVATION**
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Australia is sending a high-powered **business** delegation to asia. much rests on the outcomes, writes JESSICA IRVINE Less than two years ago, a slimmed down and newly focussed James Packer fronted a conference discussing "Australia in **China's** Century" and shared a public lament.

"There is a perception, whether fair or unfair, within **China** that Australia is, for want of a better description, a less grateful friend than it should be," said the head of Crown **Group**, which owns a **stake** in casinos in Macau.

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Fellow **billionaire** and head of Seven **Group** Holdings, Kerry Stokes, was similarly worried.

The decision by the Gillard government to host US troops in Darwin had sent a hostile message to Australia's biggest trading partner, **China**, said Stokes, whose interests include a **company** which sells Caterpillar trucks and equipment in northeast **China**.

This weekend, both businessmen — along with fellow **billionaire** and **mining** magnate Andrew Forrest, whose Fortescue Metals **Group** has shipped more than 27 **million** tonnes of **iron ore** to **China** — will join Prime Minister Tony Abbott on a high-level **business** delegation to Asia.

Designed to smooth the diplomatic waters and open doors to greater trade, it will be the biggest **business** delegation we have ever sent to the region.

More than 600 Australian **business** people will make the trip which will include Japan, South Korea and **China**. All seven state Premiers will also make the trip, along with a cacophony of corporate captains including, BHP Billiton CEO Andrew Mackenzie, Orica's Ian Smith, Westpac's Gail Kelly, Commonwealth Bank's Ian Narev and ANZ's Mike Smith.

The head of the **Business** Council of Australia, Jennifer Westacott, says it will be the most important trade mission in living memory.

"I don't think you can underestimate just how much of a signal it sends to our trading partners when the PM turns up with a major **business** delegation with extremely senior people and premiers of all our state governments," she said.

"Nothing can send a more powerful message than this type of delegation." It's not hard to see why Australia's **billionaires** have **China** on the brain. **China's** demand for our mineral exports has fuelled an unprecedented rise in our living standards over the next decade.

As the **mining** boom winds down, Asia's burgeoning middle classes are now seen as the next big **business** opportunity.

More than a **billion** people will join the ranks of the global middle class in the coming decade — most of them in Asia.

They'll want more beef, **milk**, **cheese**, **wine** and financial services as they rise out of poverty and into prosperity. And the businesses on Abbott's delegation will want to sell it to them.

Says Westacott: "It is important there is a strong **business** contingent to make it really clear to Asian countries, in particular **China**, that we are open for **business**. We see this relationship as hugely important to Australia's trade and investment opportunities and to our broader prosperity." Boosting trade is what this mission is all about.

Next Tuesday, Abbott will sign a free-trade agreement with Australia's fourth largest trading partner — South Korea — the first of what he hopes will be a trifecta of deals in the region.

By slicing tariff barriers, the Korea deal will boost trade and investment between the two countries and is expected to create 1000 extra Aussie jobs every year.

Australian beef, **dairy** and fruit and vegetable growers will benefit as their products become cheaper to Korean consumers.

And Australian consumers too will benefit as tariffs drop on imported Korean cars, clothing and electronic goods.

Abbott hopes to unlock these benefits from deals with Japan and **China**. But substantial progress is unlikely.

The **China** deal has already been nine years in the negotiating. **China** wants greater access for foreign direct investment into Australia — a thorny issue for the Coalition's Nationals partners.

Securing some sort of progress on this and the Japan deal will be important if this trip is to be deemed a success.

Another test will be how Abbott handles the tense relationships between Asian nations.

Abbott's declaration early in his Prime Ministership that Japan was "Australia's best friend in Asia" caused offence in both Beijing and Seoul.

Abbott may want to talk about trade, but trade and geopolitics are inseparable. So what will success from this trip look like?

First, and most obviously, Abbott must survive the trip without making any diplomatic faux pas and adding strength to all three relationships.

Second, he must securing some kind of success on trade negotiations. "Obviously **business** will be looking for progress on free trade agreements," says Westacott. Negotiations are further along in Tokyo than in Beijing, but beef exports remain a sticking point.

But, ultimately, says Westacott, the success of this trip will be in the relationships forged not just at a government level, but on a **business to business** level.

So will the success of this trip be measured in banquets and bottles of **wine** consumed?

It's a suggestion Westacott rejects.

"I don't think it's just a big talkfest," she says. "It gives real momentum to those free trade deals and that's really what opens the doors. I don't think you can put a dollar figure on it, but the benefits to Australia come from the bilateral **business to business** deals that flow." Back at home, the trip has already been a success with the **business** community. "It's certainly warmly welcomed by the **business** community, who feel very much they're being taken seriously as a part of this mission," says Westacott.

"I don't think we have seen for a long time such a strong commitment to bring the **business** community to the table for this." Almost as important will be the "quality time" **business** will get to spend with the Prime Minister while abroad, Westacott adds. "We have been very impressed with the Prime Ministers' commitment to this **business** delegation. It's about **business** and government working collectively to improve Australia's position," she says.

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