



## IMD World Competitiveness Yearbook 2022

COUNTRY  
PROFILE

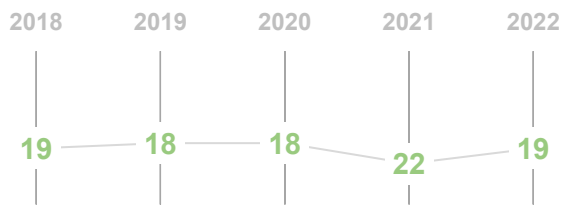
AUSTRALIA



# Australia

## Competitiveness Trends – Overall

### OVERALL PERFORMANCE (63 countries)



### CHALLENGES IN 2022

- Sustaining strong growth without overheating the economy.
- Turning around lacklustre productivity growth.
- Addressing skills shortages, particularly in high value-added technology-driven sectors.
- Speeding up progress in transition to net zero economy.
- Realising faster adoption of cutting-edge technologies by business.

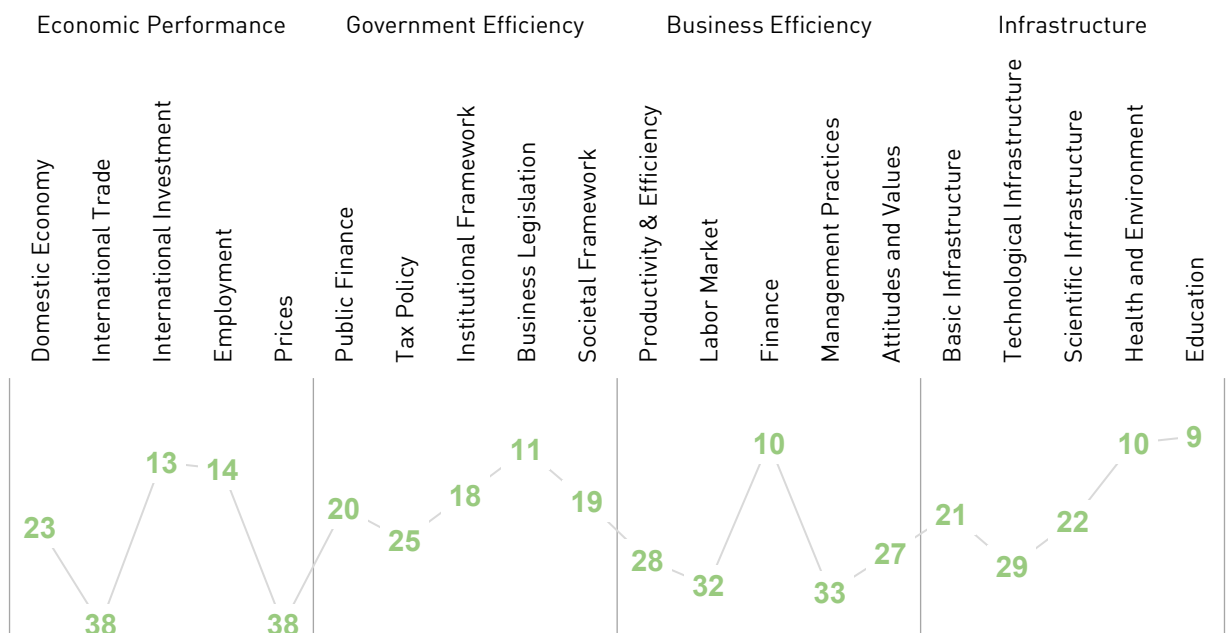
### BASIC FACTS

Rank

Capital	Canberra	
Land area (square km '000)	7,741	<sup>2021</sup>
Exchange Rate (per \$)	1.331	<sup>2021</sup>
Population - market size (millions)	25.74	<sup>2021</sup> 26
Gross Domestic Product (GDP) (US\$ billions)	1,632.0	<sup>2021</sup> 11
GDP (PPP) per capita (US\$)	56,337	<sup>2021</sup> 18
Real GDP growth (%)	4.2	<sup>2021</sup> 44
Consumer price inflation (%)	2.82	<sup>2021</sup> 29
Unemployment rate (%)	5.10	<sup>2021</sup> 24
Labor force (millions)	13.84	<sup>2021</sup> 25
Current account balance (% of GDP)	3.55	<sup>2021</sup> 19
Direct investment stocks inward (\$bn)	790.7	<sup>2020</sup> 13
Direct investment flows inward (% of GDP)	1.45	<sup>2020</sup> 34

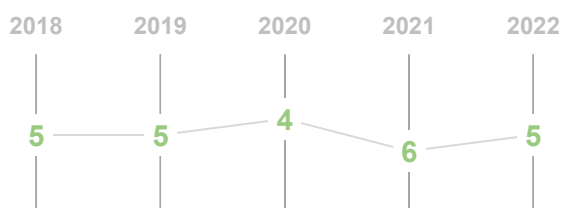
PROVIDED BY: CEDA - Committee for Economic Development of Australia

### COMPETITIVENESS LANDSCAPE

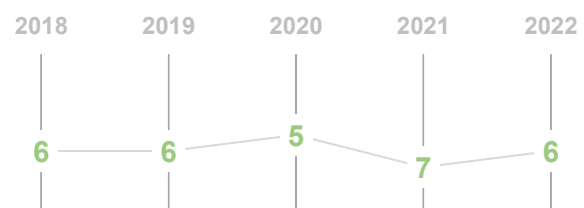


### PEER GROUPS RANKINGS

#### ASIA - PACIFIC (14 countries)



#### POPULATIONS > 20 MILLION (27 countries)



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## Competitiveness Evolution & Attractiveness Indicators

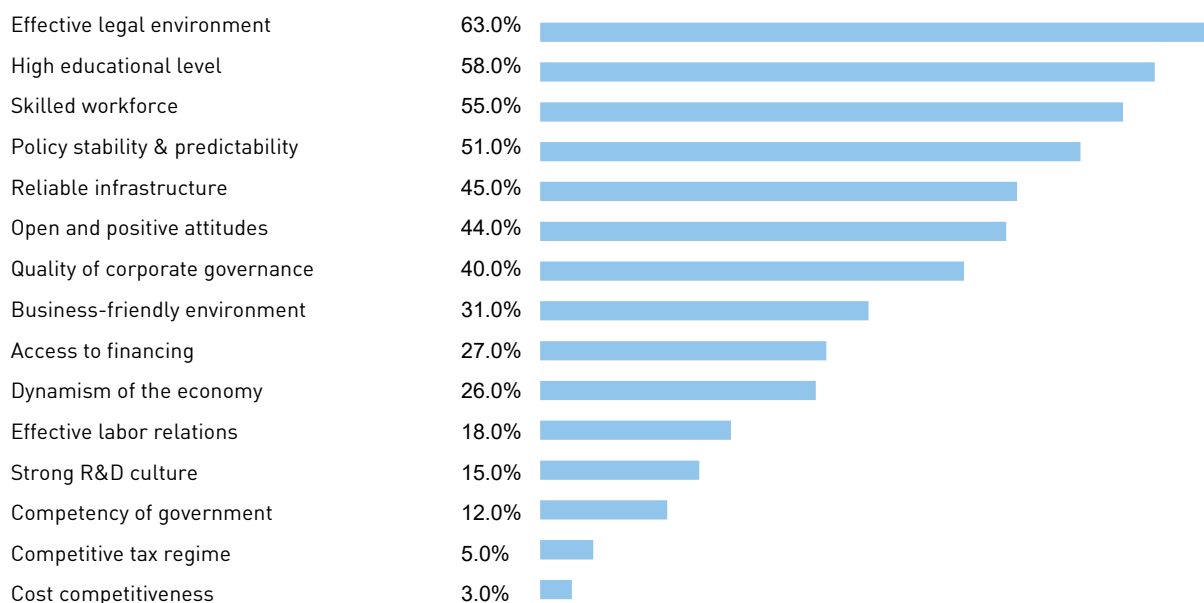
### COMPETITIVENESS EVOLUTION

The criteria below highlight the 15 biggest Improvements and the 15 biggest Declines in the overall performance of the economy. They are determined by the largest percentage changes in the value of each criterion from one yearbook to the next.

IMPROVEMENTS	WCY 2021	WCY 2022	DECLINES	WCY 2021	WCY 2022
1.1.18 Gross fixed capital formation - real growth	-3.00	9.22	1.5.01 Consumer price inflation	0.90	2.82
1.1.14 Real GDP growth	-2.4	4.2	2.4.07 Government subsidies	1.42	2.82
1.1.15 Real GDP growth per capita	-3.70	4.51	4.1.07 Population - growth	1.31	0.18
3.4.10 Social responsibility	3.98	6.26	2.1.02 Government budget surplus/deficit (%)	-4.33	-6.18
2.3.13 Bribery and corruption	4.23	6.40	1.2.25 Tourism receipts	3.29	1.94
4.4.25 Sustainable development	4.51	6.53	3.2.14 Labor force - long-term growth	1.62	0.96
2.3.11 Transparency	4.09	5.82	1.1.13 Economic complexity index	-0.14	-0.19
1.2.02 Current account balance	2.51	3.55	1.5.06 Gasoline prices	0.92	1.15
3.4.05 Corporate boards	4.43	6.26	1.2.13 Exports of commercial services (%)	3.52	2.73
1.2.08 Exports of goods (\$bn)	250.35	343.59	2.3.12 Bureaucracy	5.64	4.46
3.4.04 Credibility of managers	4.39	6.00	3.2.18 Skilled labor	5.79	4.60
1.4.04 Employment - long-term growth	0.86	1.16	2.4.16 Labor regulations	7.11	5.74
4.2.17 Cyber security	4.52	6.08	3.1.07 Workforce productivity	6.89	5.64
2.3.07 Foreign currency reserves per capita	1,674	2,247	3.2.01 Compensation levels	27.18	31.47
2.1.08 Tax evasion	4.32	5.78	2.2.11 Real personal taxes	6.98	5.88

### KEY ATTRACTIVENESS INDICATORS

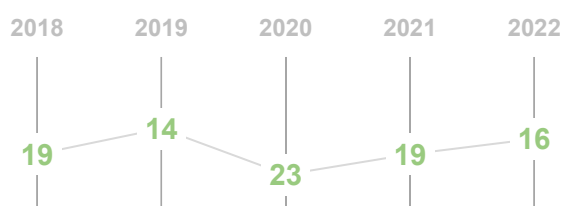
From a list of 15 indicators, respondents of the Executive Opinion Survey were asked to select 5 that they perceived as the key attractiveness factors of their economy. The chart shows the percentage of responses per indicator from the highest number of responses to the lowest.



# Australia

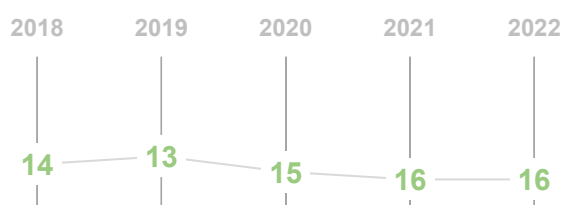
## Competitiveness Trends – Factor Breakdown

### ECONOMIC PERFORMANCE



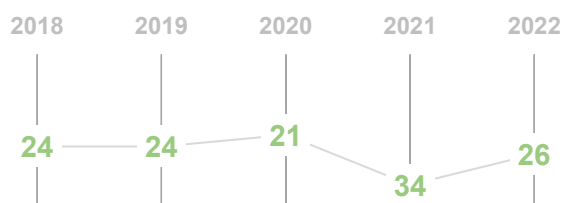
SUB-FACTOR RANKINGS :	2021	2022
Domestic Economy	19	23
International Trade	44	38
International Investment	14	13
Employment	20	14
Prices	27	38

### GOVERNMENT EFFICIENCY



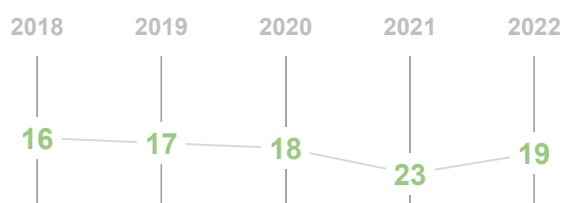
SUB-FACTOR RANKINGS :	2021	2022
Public Finance	25	20
Tax Policy	19	25
Institutional Framework	19	18
Business Legislation	13	11
Societal Framework	22	19

### BUSINESS EFFICIENCY



SUB-FACTOR RANKINGS :	2021	2022
Productivity & Efficiency	23	28
Labor Market	29	32
Finance	17	10
Management Practices	58	33
Attitudes and Values	40	27

### INFRASTRUCTURE



SUB-FACTOR RANKINGS :	2021	2022
Basic Infrastructure	27	21
Technological Infrastructure	29	29
Scientific Infrastructure	22	22
Health and Environment	12	10
Education	17	09

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## Balance Sheet – Factor Breakdown

### ECONOMIC PERFORMANCE

STRENGTHS		Rank	WEAKNESSES		Rank
1.2.24	Terms of trade index	01	1.1.13	Economic complexity index	57
1.5.05	Food costs	08	1.5.04	Office rent	56
1.3.13	Relocation threats of business	09	1.2.17	Export concentration by partner	55
1.1.20	GDP per capita	10	1.2.23	Trade to GDP ratio	54
1.1.19	Resilience of the economy	10	1.2.13	Exports of commercial services (%)	52
1.3.07	Direct investment stocks inward (\$bn)	13	1.2.18	Export concentration by product	52
1.3.03	Direct investment stocks abroad (\$bn)	15	1.5.02	Cost-of-living index	49
1.4.10	Youth exclusion	15	1.2.09	Exports of goods (%)	46
1.4.09	Youth unemployment	15	1.1.14	Real GDP growth	44
1.4.02	Employment (%)	16	1.1.15	Real GDP growth per capita	35

### GOVERNMENT EFFICIENCY

STRENGTHS		Rank	WEAKNESSES		Rank
2.3.04	Country credit rating	01	2.2.02	Collected personal income tax	55
2.4.14	Start-up days	05	2.2.07	Corporate tax rate on profit	55
2.4.01	Tariff barriers	05	2.5.09	Income distribution - lowest 40%	51
2.5.01	Justice	06	2.3.03	Interest rate spread	46
2.4.15	Start-up procedures	06	2.1.02	Government budget surplus/deficit (%)	45
2.4.12	New business density	07	2.5.15	Disposable Income	45
2.2.10	Employee social security tax rate	07	2.4.07	Government subsidies	44
2.4.02	Protectionism	07	2.3.07	Foreign currency reserves per capita	41
2.4.10	Competition legislation	07	2.2.01	Collected total tax revenues	30
2.5.11	Equal opportunity	07			-

### BUSINESS EFFICIENCY

STRENGTHS		Rank	WEAKNESSES		Rank
3.3.08	Stock markets	06	3.4.09	Entrepreneurship	61
3.3.04	Access to financial services	07	3.2.01	Compensation levels	57
3.3.19	Corporate debt	08	3.2.03	Remuneration in services professions	50
3.2.17	Foreign labor force - migrant stock	09	3.2.23	International experience	49
3.3.01	Banking sector assets	11	3.2.09	Apprenticeships	49
3.2.22	Foreign highly-skilled personnel	12	3.2.06	Working hours	48
3.2.16	Female labor force	12	3.1.08	Large corporations	48
3.3.14	Shareholders' rights	13	3.2.10	Employee training	44
3.2.20	Attracting and retaining talents	14	3.2.18	Skilled labor	42
3.2.12	Labor force (%)	14	3.1.07	Workforce productivity	41

### INFRASTRUCTURE

STRENGTHS		Rank	WEAKNESSES		Rank
4.4.24	Environmental agreements	01	4.3.11	Graduates in Sciences	52
4.5.09	Student mobility inbound	02	4.2.03	Mobile Telephone costs	49
4.4.05	Universal health coverage index	03	4.2.04	Communications technology	47
4.2.01	Investment in Telecommunications	04	4.4.18	Renewable energies (%)	47
4.4.06	Life expectancy at birth	06	4.2.08	Internet bandwidth speed	45
4.4.17	Exposure to particle pollution	07	4.3.19	Medium- and high-tech value added	45
4.5.17	University education index	07	4.2.16	ICT service exports	45
4.5.08	Women with degrees	07	4.1.04	Access to water	41
4.2.02	Mobile Broadband subscribers	08	4.1.15	Energy infrastructure	40
4.4.11	Human development index	08	4.1.09	Dependency ratio	39