

AUSTRALIA

OVERALL PERFORMANCE (63 countries)



CHALLENGES IN 2018

- Growing reliance on inefficient tax bases.
- Energy security.
- Effective city planning and infrastructure to support growing population.
- Productivity of services sectors.
- Capacity of education system to meet future skills demands.

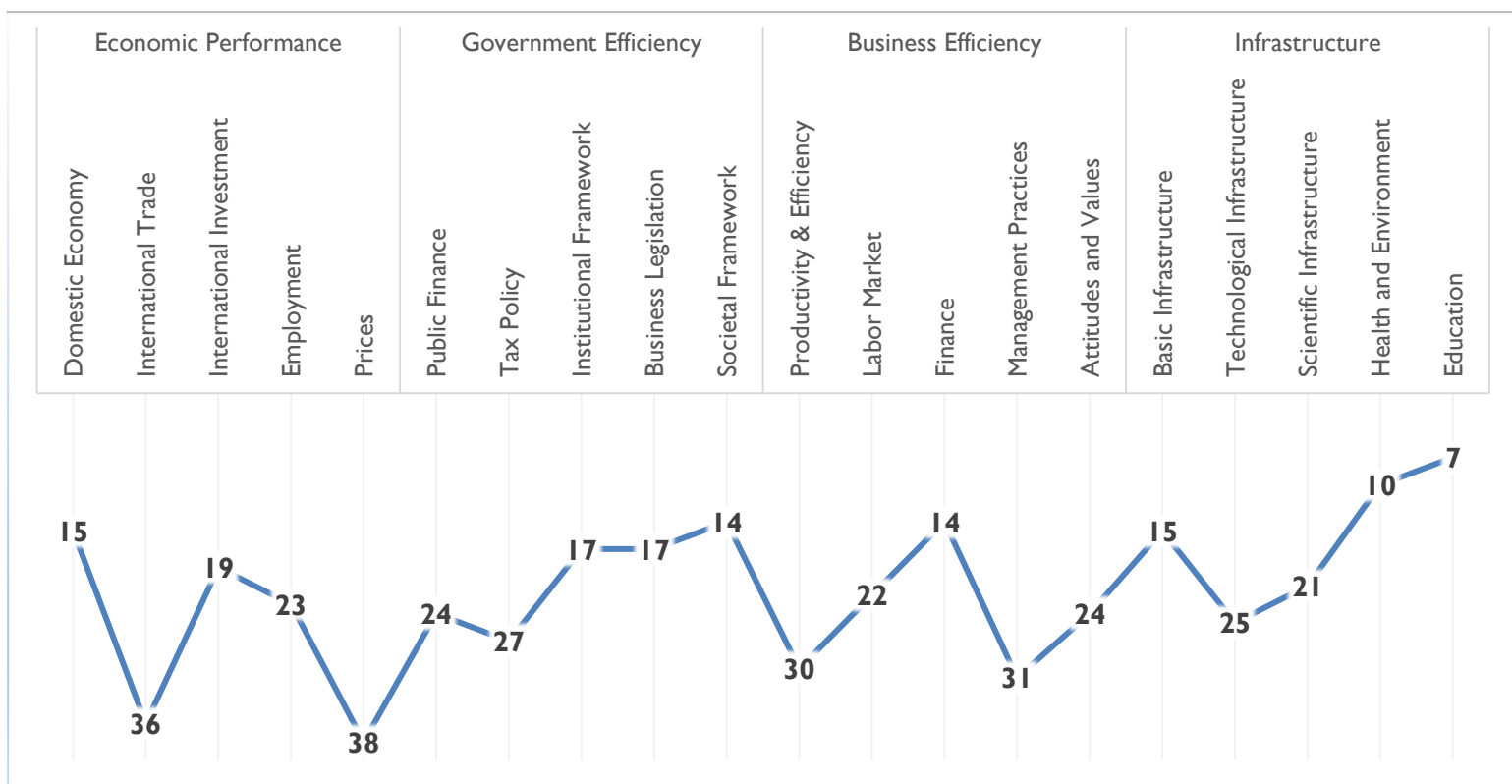
Provided by:

CEDA - Committee for Economic Development of Australia, Melbourne

BASIC FACTS

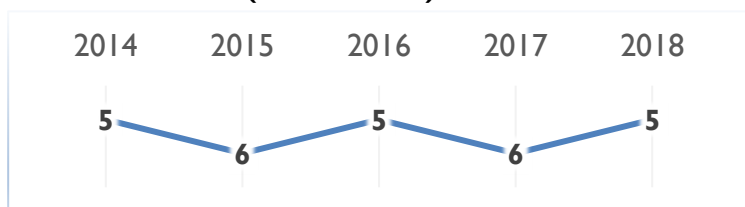
		Rank
Capital	Canberra	
Land area (square km '000)	7,741 ²⁰¹⁷	
Exchange Rate (per \$)	1.305 ²⁰¹⁷	
Population - market size (millions)	24.60 ²⁰¹⁷	28
Gross Domestic Product (GDP) (US\$ billions)	1,378.9 ²⁰¹⁷	13
GDP (PPP) per capita (US\$)	50,672 ²⁰¹⁷	14
Real GDP growth (%)	2.3 ²⁰¹⁷	42
Consumer price inflation (%)	1.97 ²⁰¹⁷	34
Unemployment rate (%)	5.60 ²⁰¹⁷	30
Labor force (millions)	13.18 ²⁰¹⁷	28
Current account balance (% of GDP)	-2.37 ²⁰¹⁷	51
Direct investment stocks inward (\$bn)	576.0 ²⁰¹⁶	13
Direct investment flows inward (% of GDP)	3.54 ²⁰¹⁷	18

COMPETITIVENESS LANDSCAPE

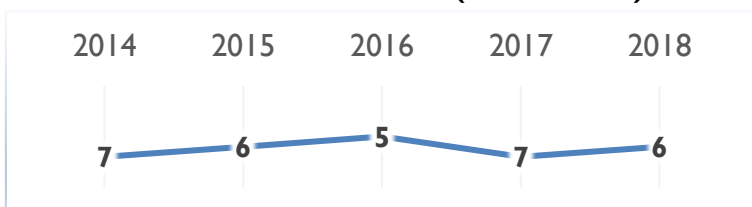


PEER GROUPS RANKINGS

ASIA - PACIFIC (14 countries)



POPULATIONS > 20 MILLION (29 countries)



COMPETITIVENESS EVOLUTION

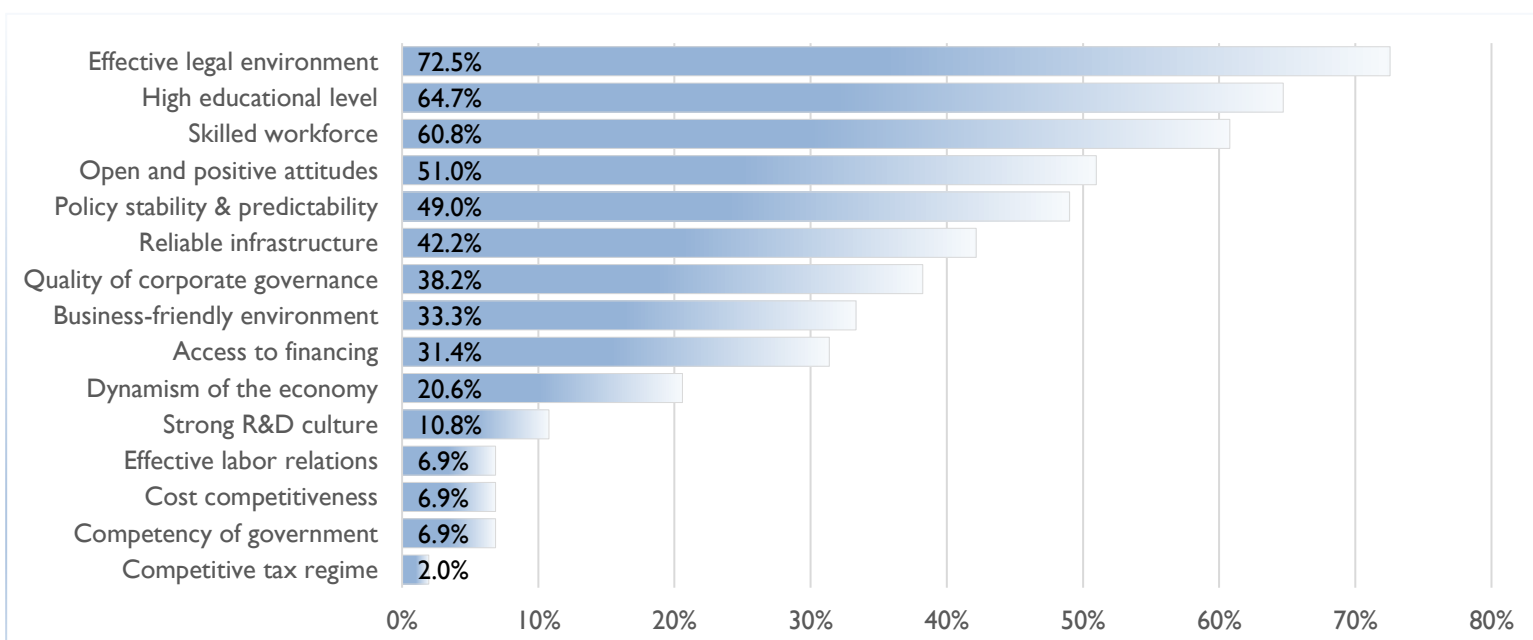
The criteria below highlight the 15 biggest Improvements and the 15 biggest Declines in the overall performance of the economy. They are determined by the largest percentage changes in the value of each criterion from one yearbook to the next.

IMPROVEMENTS	WCY	WCY
	2017	2018
1.1.18 Gross fixed capital formation - real growth	-2.45	3.06
4.1.08 Population - growth	0.95	1.96
2.3.08 Exchange rate stability	0.106	0.029
4.5.09 Student mobility inbound	11.27	13.91
2.3.10 Adaptability of government policy	3.63	4.47
2.1.02 Government budget surplus/deficit (%)	-2.51	-1.95
1.2.08 Exports of goods (\$bn)	190.27	230.83
3.1.07 Workforce productivity	4.99	5.98
4.2.03 Mobile Telephone costs	33.2	27.1
2.3.11 Government decisions	3.76	4.42
2.1.11 Pension funding	5.10	5.92
2.3.07 Foreign currency reserves per capita	2,333	2,707
3.4.03 Opportunities and threats	4.88	5.65
3.4.01 Agility of companies	4.74	5.48
3.2.10 Apprenticeships	4.00	4.53

DECLINES	WCY	WCY
	2017	2018
1.1.15 Real GDP growth per capita	1.51	0.31
1.5.01 Consumer price inflation	1.30	1.97
4.4.11 Energy intensity	56	66
3.3.08 Regulatory compliance (banking laws)	7.81	6.50
4.3.05 Business expenditure on R&D (%)	1.21	1.02
1.3.15 Relocation threats of services	4.67	4.12
4.4.23 Pollution problems	7.91	7.01
4.3.02 Total expenditure on R&D (%)	2.15	1.90
3.3.06 Finance and banking regulation	7.28	6.50
1.5.06 Gasoline prices	0.98	1.08
1.1.14 Real GDP growth	2.5	2.3
1.5.02 Cost-of-living index	80.60	87.00
4.3.19 Value added of KTI industries	34.1	31.5
2.1.10 Tax evasion	5.31	4.93
3.2.21 Brain drain	5.74	5.34

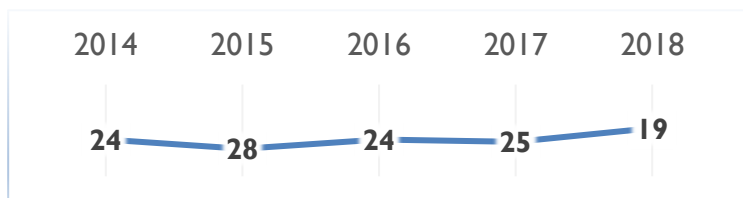
KEY ATTRACTIVENESS INDICATORS

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

ECONOMIC PERFORMANCE



Sub-Factor Rankings :

	2017	2018
Domestic Economy	14	15
International Trade	48	36
International Investment	27	19
Employment	27	23
Prices	26	38

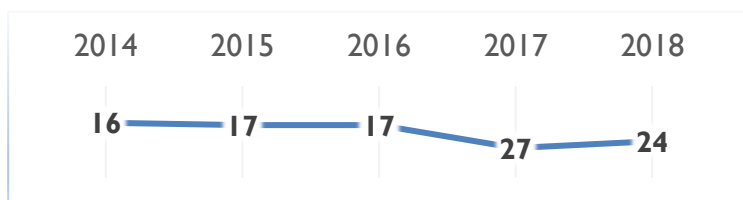
GOVERNMENT EFFICIENCY



Sub-Factor Rankings :

	2017	2018
Public Finance	28	24
Tax Policy	29	27
Institutional Framework	19	17
Business Legislation	14	17
Societal Framework	14	14

BUSINESS EFFICIENCY



Sub-Factor Rankings :

	2017	2018
Productivity & Efficiency	24	30
Labor Market	30	22
Finance	13	14
Management Practices	39	31
Attitudes and Values	34	24

INFRASTRUCTURE



Sub-Factor Rankings :

	2017	2018
Basic Infrastructure	20	15
Technological Infrastructure	29	25
Scientific Infrastructure	20	21
Health and Environment	7	10
Education	16	7

AUSTRALIA

STRENGTHS

Economic Performance	Rank
1.5.05 Food costs	8
1.1.19 Resilience of the economy	8
1.1.20 GDP per capita	10
1.3.05 Direct investment flows inward (\$bn)	11
1.3.07 Direct investment stocks inward (\$bn)	13
1.1.21 GDP (PPP) per capita	14
1.1.09 Gross fixed capital formation (%)	15
1.4.02 Employment (%)	15
1.3.03 Direct investment stocks abroad (\$bn)	16
1.4.07 Long-term unemployment	22

Government Efficiency	Rank
2.4.15 Start-up days	4
2.4.01 Tariff barriers	5
2.4.16 Start-up procedures	5
2.3.15 Rule of law	8
2.3.05 Central bank policy	8
2.2.10 Employee's social security contribution rate	9
2.1.11 Pension funding	9
2.5.10 Equal opportunity	10
2.3.04 Country credit rating	11
2.2.09 Consumption tax rate	12

Business Efficiency	Rank
3.2.19 Finance skills	10
3.3.04 Investment risk	11
3.2.22 Foreign highly-skilled personnel	12
3.3.17 Credit	12
3.2.13 Labor force (%)	13
3.3.11 Stock market capitalization (%)	16
3.1.01 Overall productivity (PPP)	16
3.3.09 Stock markets	16
3.2.18 Skilled labor	16
3.5.02 Image abroad or branding	17

Infrastructure	Rank
4.5.09 Student mobility inbound	1
4.4.10 Human development index	3
4.4.16 Exposure to particle pollution	4
4.2.08 Broadband subscribers	7
4.2.02 Mobile Broadband subscribers	8
4.1.08 Population - growth	8
4.4.25 Quality of life	8
4.4.05 Life expectancy at birth	9
4.4.08 Medical assistance	10
4.5.13 Educational system	12

WEAKNESSES

Economic Performance	Rank
1.3.15 Relocation threats of services	56
1.2.23 Trade to GDP ratio	55
1.5.04 Office rent	54
1.1.15 Real GDP growth per capita	54
1.3.13 Relocation threats of production	54
1.2.09 Exports of goods (%)	53
1.3.14 Relocation threats of R&D facilities	53
1.2.17 Export concentration by partner	52
1.2.02 Current account balance	51
1.2.13 Exports of commercial services (%)	50

Government Efficiency	Rank
2.2.08 Corporate tax rate on profit	50
2.2.07 Effective personal income tax rate	45
2.5.14 Disposable Income	45
2.2.13 Real corporate taxes	42
2.4.09 Subsidies	40
2.2.12 Real personal taxes	39
2.4.08 Government subsidies	39
2.4.17 Labor regulations	36
2.4.05 Foreign investors	36
2.4.19 Immigration laws	35

Business Efficiency	Rank
3.2.03 Remuneration in services professions	58
3.2.01 Compensation levels	54
3.4.10 Entrepreneurship	54
3.4.03 Opportunities and threats	43
3.4.01 Agility of companies	42
3.3.08 Regulatory compliance (banking laws)	40
3.2.06 Working hours	39
3.4.05 Credibility of managers	39
3.2.11 Employee training	38
3.5.06 Digital transformation in companies	38

Infrastructure	Rank
4.2.04 Communications technology	56
4.1.19 Energy infrastructure	52
4.3.11 Science degrees	51
4.2.03 Mobile Telephone costs	50
4.4.17 Renewable energies (%)	46
4.2.18 ICT service exports	44
4.2.10 Digital/Technological skills	42
4.2.09 Internet bandwidth speed	39
4.1.04 Access to water	38
4.1.11 Dependency ratio	37