



IMD WORLD
COMPETITIVENESS
CENTER

COUNTRY
PROFILE

AUSTRALIA



AUSTRALIA

OVERALL PERFORMANCE (63 countries)



CHALLENGES IN 2019

- Shrugging off economic complacency and progressing with structural reform.
- Balancing affordability, reliability and emissions reduction in Australia's energy system.
- Getting better value for money from government services and programs.
- Building public infrastructure projects that have the highest net benefit.
- Having the know-how to apply technologies that make Australia more competitive.

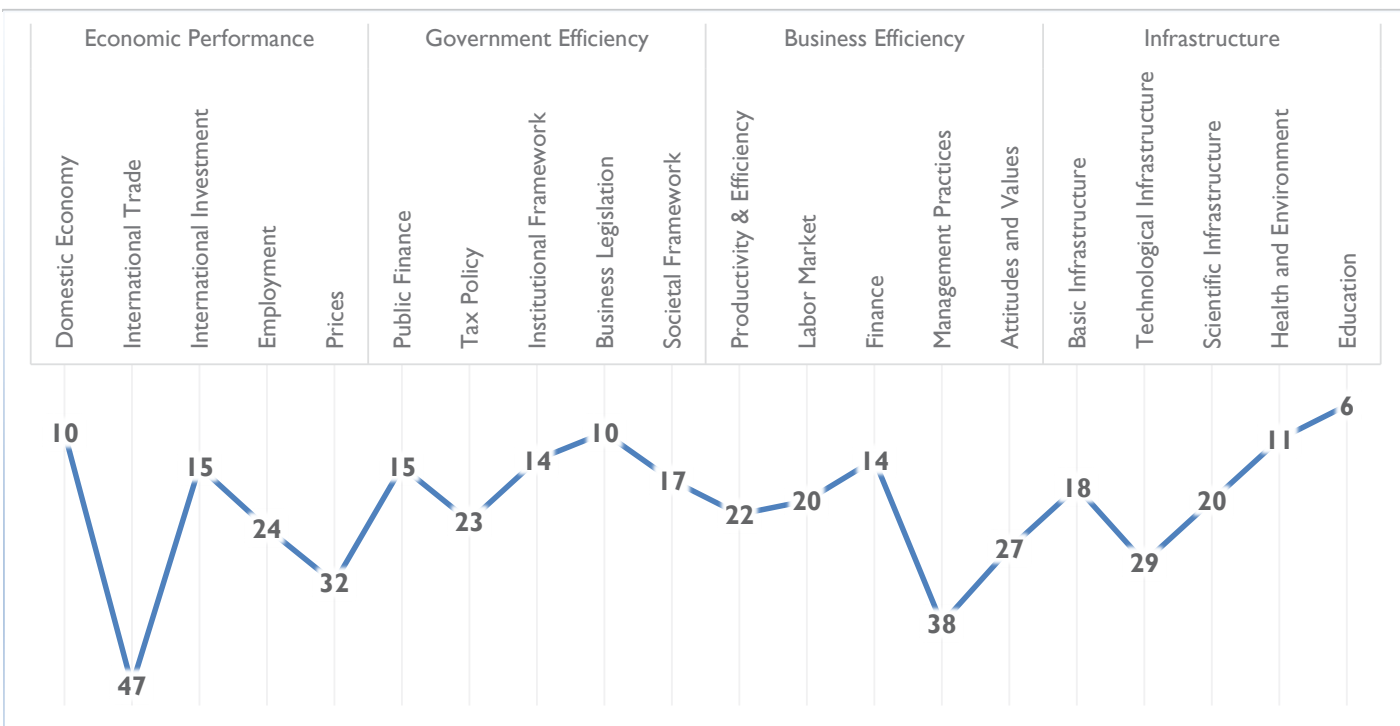
Provided by:

CEDA - Committee for Economic Development of Australia

BASIC FACTS

		Rank
Capital	Canberra	
Land area (square km '000)	7,741 ²⁰¹⁸	
Exchange Rate (per \$)	1.338 ²⁰¹⁸	
Population - market size (millions)	24.99 ²⁰¹⁸	28
Gross Domestic Product (GDP) (US\$ billions)	1,416.4 ²⁰¹⁸	14
GDP (PPP) per capita (US\$)	52,743 ²⁰¹⁸	15
Real GDP growth (%)	2.3 ²⁰¹⁸	40
Consumer price inflation (%)	1.98 ²⁰¹⁸	25
Unemployment rate (%)	5.00 ²⁰¹⁸	28
Labor force (millions)	13.39 ²⁰¹⁸	28
Current account balance (% of GDP)	-2.11 ²⁰¹⁸	46
Direct investment stocks inward (\$bn)	662.3 ²⁰¹⁷	13
Direct investment flows inward (% of GDP)	4.10 ²⁰¹⁸	12

COMPETITIVENESS LANDSCAPE



PEER GROUPS RANKINGS

ASIA - PACIFIC (14 countries)



POPULATIONS > 20 MILLION (29 countries)



AUSTRALIA

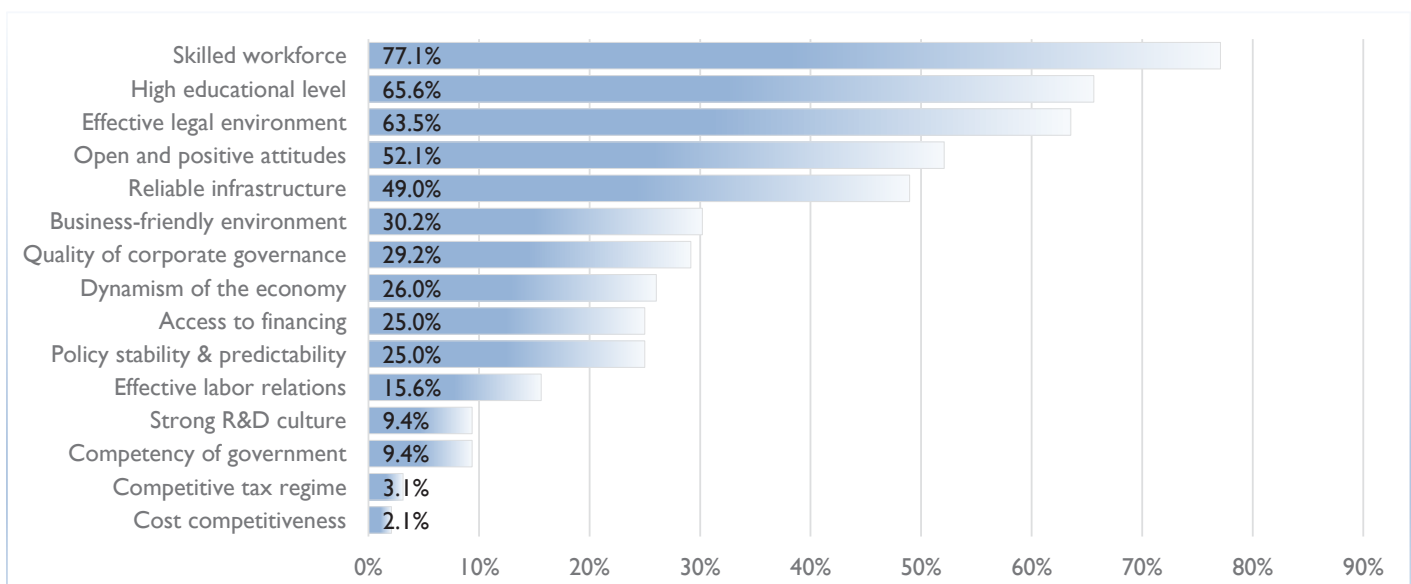
COMPETITIVENESS EVOLUTION

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	DECLINES	WCY	WCY
	2018	2019		2018	2019
1.1.15 Real GDP growth per capita	0.31	1.19	2.3.07 Foreign currency reserves per capita	2,707	2,156
2.1.02 Government budget surplus/deficit (%)	-1.95	-0.53	4.1.07 Population - growth	1.96	1.60
2.3.08 Exchange rate stability	0.029	0.013	3.4.05 Corporate boards	6.31	5.25
2.2.12 Real personal taxes	4.61	6.13	4.2.17 ICT service exports	18.4	15.7
2.4.16 Labor regulations	4.76	6.08	4.2.16 High-tech exports (%)	14.78	12.79
2.4.17 Unemployment legislation	5.24	6.42	3.3.10 Stock market capitalization (%)	107.38	94.43
3.2.21 Brain drain	5.34	6.50	1.1.18 Gross fixed capital formation - real growth	3.06	2.70
2.1.09 Public finances	4.85	5.90	3.4.04 Credibility of managers	5.83	5.19
2.3.12 Bureaucracy	4.14	5.02	3.3.07 Regulatory compliance (banking laws)	6.50	5.96
1.2.12 Exports of commercial services (\$bn)	53.18	64.04	3.3.16 Credit	7.17	6.61
2.1.10 Tax evasion	4.93	5.88	1.5.06 Gasoline prices	1.08	1.16
1.2.25 Tourism receipts	2.56	3.01	3.5.06 Digital transformation in companies	5.83	5.40
2.4.10 Competition legislation	6.35	7.33	4.1.15 Distribution infrastructure	7.86	7.38
2.4.03 Public sector contracts	6.83	7.83	2.5.04 Risk of political instability	7.22	6.78
2.4.08 Subsidies	5.28	6.02	4.1.04 Access to water	7.84	7.38

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 :	2018	2019
Domestic Economy	15	10
International Trade	36	47
International Investment	19	15
Employment	23	24
Prices	38	32

GOVERNMENT EFFICIENCY



Sub-Factor Rankings :	2018	2019
Public Finance	24	15
Tax Policy	27	23
Institutional Framework	17	14
Business Legislation	17	10
Societal Framework	14	17

BUSINESS EFFICIENCY



Sub-Factor Rankings :	2018	2019
Productivity & Efficiency	30	22
Labor Market	22	20
Finance	14	14
Management Practices	31	38
Attitudes and Values	24	27

INFRASTRUCTURE



Sub-Factor Rankings :	2018	2019
Basic Infrastructure	15	18
Technological Infrastructure	25	29
Scientific Infrastructure	21	20
Health and Environment	10	11
Education	7	6

AUSTRALIA

STRENGTHS

Economic Performance	Rank
1.1.19 Resilience of the economy	5
1.5.05 Food costs	7
1.3.05 Direct investment flows inward (\$bn)	9
1.1.20 GDP per capita	10
1.3.06 Direct investment flows inward (% of GDP)	12
1.3.07 Direct investment stocks inward (\$bn)	13
1.1.21 GDP (PPP) per capita	15
1.3.03 Direct investment stocks abroad (\$bn)	16
1.4.02 Employment (%)	16
1.1.09 Gross fixed capital formation (%)	17

Government Efficiency	Rank
2.3.04 Country credit rating	1
2.4.09 State ownership of enterprises	4
2.4.14 Start-up days	5
2.4.01 Tariff barriers	5
2.4.03 Public sector contracts	5
2.3.08 Exchange rate stability	6
2.4.15 Start-up procedures	7
2.5.01 Justice	7
2.4.17 Unemployment legislation	7
2.1.11 Pension funding	8

Business Efficiency	Rank
3.3.08 Stock markets	7
3.2.22 Foreign highly-skilled personnel	10
3.2.18 Skilled labor	10
3.2.21 Brain drain	12
3.2.19 Finance skills	12
3.3.14 Shareholders' rights	12
3.3.19 Corporate debt	13
3.2.12 Labor force (%)	14
3.1.01 Overall productivity (PPP)	16
3.3.10 Stock market capitalization (%)	17

Infrastructure	Rank
4.5.10 Student mobility inbound	1
4.4.11 Human development index	3
4.2.02 Mobile Broadband subscribers	5
4.4.06 Life expectancy at birth	7
4.2.08 Broadband subscribers	9
4.4.28 Quality of life	9
4.5.09 Women with degrees	10
4.4.09 Medical assistance	10
4.4.17 Exposure to particle pollution	11
4.5.14 Primary and secondary education	12

WEAKNESSES

Economic Performance	Rank
1.2.17 Export concentration by partner	56
1.2.23 Trade to GDP ratio	54
1.2.09 Exports of goods (%)	53
1.5.04 Office rent	52
1.3.02 Direct investment flows abroad (% of GDP)	51
1.2.18 Export concentration by product	49
1.2.13 Exports of commercial services (%)	48
1.5.02 Cost-of-living index	47
1.2.02 Current account balance	46
1.1.15 Real GDP growth per capita	44

Government Efficiency	Rank
2.2.08 Corporate tax rate on profit	51
2.5.14 Disposable Income	46
2.2.07 Effective personal income tax rate	43
2.4.07 Government subsidies	38
2.3.07 Foreign currency reserves per capita	36
2.3.03 Interest rate spread	36
2.4.19 Redundancy costs	34

Business Efficiency	Rank
3.4.09 Entrepreneurship	57
3.2.01 Compensation levels	54
3.4.04 Credibility of managers	51
3.2.03 Remuneration in services professions	50
3.4.05 Corporate boards	50
3.3.07 Regulatory compliance (banking laws)	49
3.1.08 Large corporations	46
3.4.01 Agility of companies	45
3.2.10 Employee training	44
3.2.09 Apprenticeships	44

Infrastructure	Rank
4.1.16 Energy infrastructure	55
4.2.03 Mobile Telephone costs	54
4.2.04 Communications technology	54
4.3.11 Science degrees	52
4.1.04 Access to water	49
4.2.17 ICT service exports	46
4.4.18 Renewable energies (%)	46
4.3.19 Medium- and high-tech value added	45
4.5.03 Gov. expenditure on education per student	44
4.2.10 Digital/Technological skills	44