

CEDA media release

Australia's digital competitiveness improves

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Australia's digital competitiveness significantly improved in the last 12 months – rising six places in a ranking of the digital competitiveness of 63 countries released today. Australia recorded the second largest year-on-year improvement in the rankings, behind only Croatia.

Australia rose to 14 in the IMD World Digital Competitiveness Ranking (WDCR), with key strengths being investment in telecommunications, internet retailing and software piracy.

“Australia has regained the ground lost during the COVID-19 pandemic,” says CEDA Chief Economist Jarrod Ball.

“Yet Australia's Achilles heel is its future readiness which underpins a country's ability to take advantage of emerging technologies, sustaining its digital competitiveness over time to keep pace with the most digitally competitive nations.

“Our future readiness is held back in the rankings by factors such as business agility, entrepreneurial risk-taking and cyber security preparedness.

“More broadly, the rankings show that Australia must invest in training and international talent to improve digital knowledge across the economy.

“It is clear from these results that with the right ambition and capacity building, Australia can realise greater economic opportunities from digital technology to underpin future economic development.

“This must be a consistent and enduring focus across all sectors of the economy to overcome the barriers to greater competitiveness called out in these rankings.”

The WDCR report shows Australia has several key strengths, including its regulatory framework to support starting a business, software piracy controls and take-up of internet retailing.

However, Australia ranked just 52 for graduates in sciences, 49 in international experience and 44 in employee training.

Australia is also ranked 31 for cyber security and 38 in terms of government cyber security capacity.

Denmark took the top position in the digital rankings and the United States fell to second place (it has previously held on to the number one place for the four years prior). Denmark rose to first place due to its outstanding performance in future readiness – or its preparedness to exploit digital transformation – coming first in business agility and IT integration.

The World Digital Competitiveness Ranking is produced by the Switzerland-based International Institute for Management Development (IMD) World Competitiveness Centre. CEDA is the Australian partner.

CEDA Chief Economist Jarrod Ball is available for further comment and interviews.

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CEDA's purpose is to improve the lives of Australians by enabling a dynamic economy and vibrant society. Through independent research and frank debate, we influence policy and collaborate to disrupt for good.

CEDA has more than 620 members from a broad cross-section of industry, government, community and academia. Our members span every state and territory.

CEDA was founded in 1960 by leading economist Sir Douglas Copland. His legacy of applying economic analysis to practical problems to aid the development of Australia continues to drive our work today.