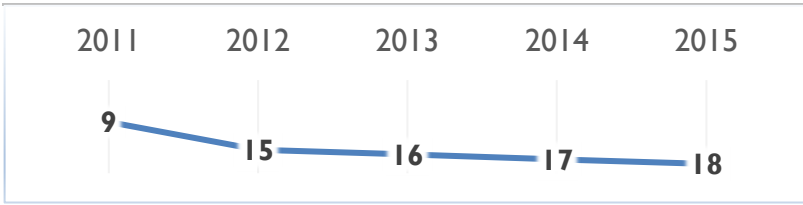


AUSTRALIA

OVERALL PERFORMANCE



CHALLENGES IN 2015

- Reform inertia and short-termism of public policy.
- Support for innovation, R&D and productivity enhancement in non-mining sectors.
- Enabling services exports, particularly in education and health.
- Reforming the tax system to make it more efficient and internationally-competitive.
- Continued subdued labour market conditions with an expected rise in unemployment.

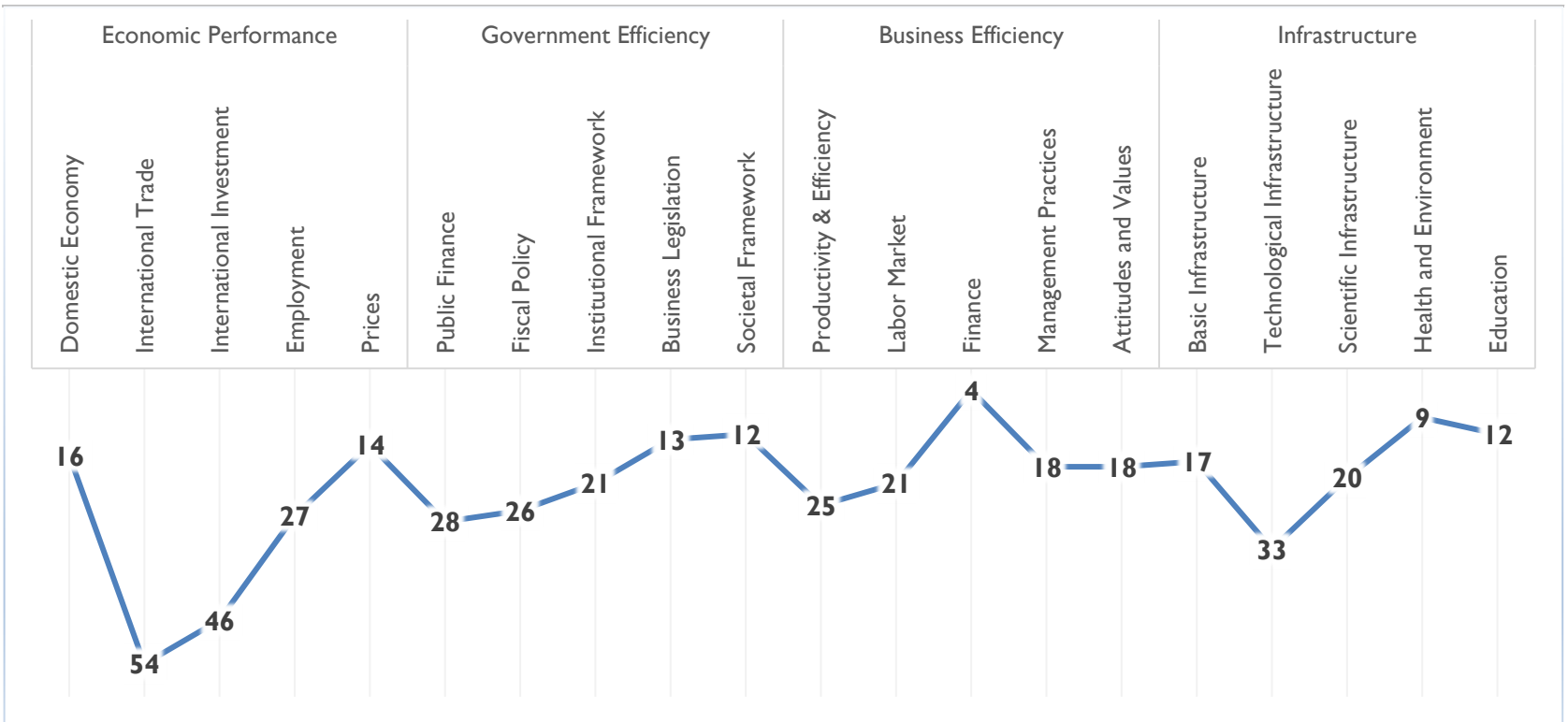
Provided by:

Committee for Economic Development of Australia (CEDA), Melbourne, Victoria

BASIC FACTS

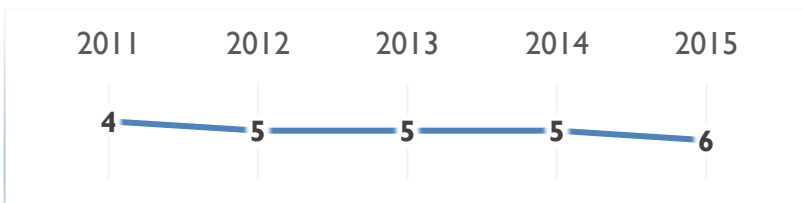
		Rank
Capital	Canberra	
Land area (square km)	7,741 ²⁰¹⁴	
Exchange Rate (per \$)	1.109 ²⁰¹⁴	
Population - market size (millions)	23.66 ²⁰¹⁴	27
Gross Domestic Product (GDP) (US\$ billions)	1,441.6 ²⁰¹⁴	12
GDP (PPP) per capita (US\$)	43,374 ²⁰¹⁴	16
Real GDP growth (%)	2.7 ²⁰¹⁴	25
Consumer price inflation (%)	2.5 ²⁰¹⁴	2
Unemployment rate (%)	6.07 ²⁰¹⁴	26
Labor force (millions)	12.31 ²⁰¹⁴	27
Current account balance (%) (%)	-2.78 ²⁰¹⁴	50
Direct investment stocks inward (\$bn)	591.6 ²⁰¹³	14
Direct investment flows inward (%)	3.57 ²⁰¹⁴	16

COMPETITIVENESS LANDSCAPE



PEER GROUPS RANKINGS

ASIA - PACIFIC



POPULATIONS > 20 MILLION



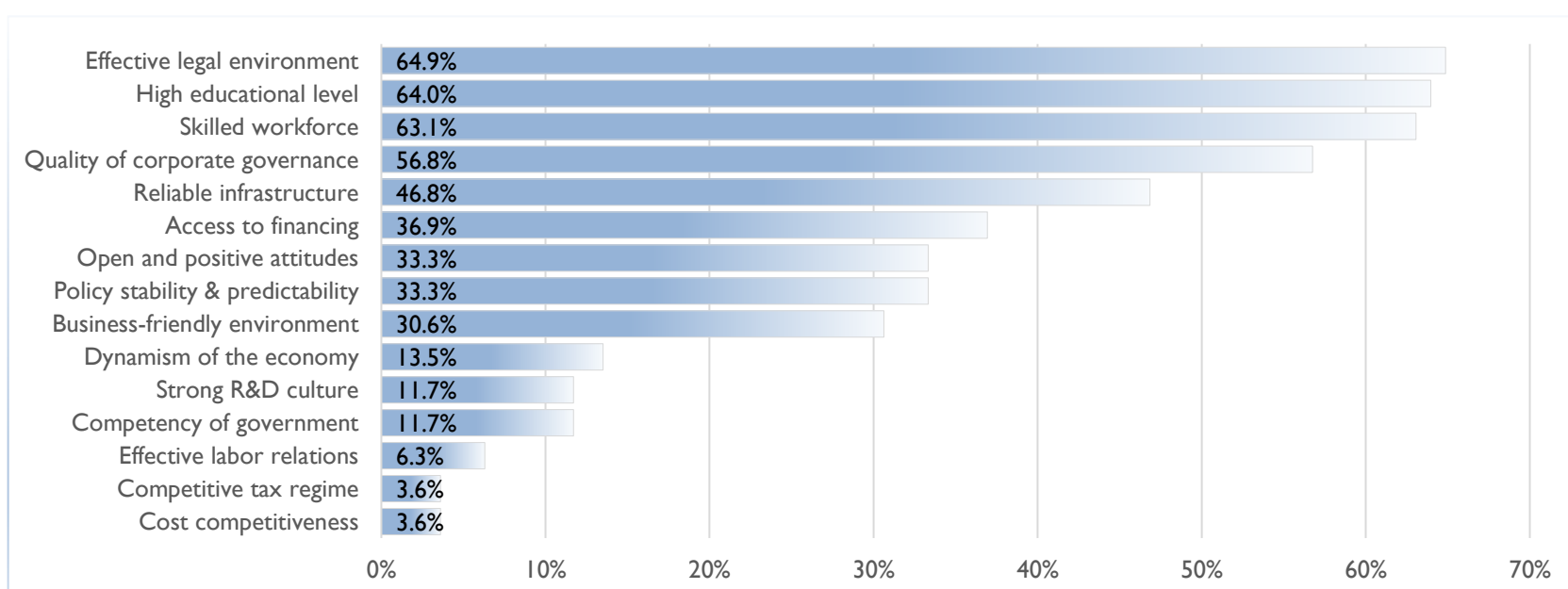
COMPETITIVENESS EVOLUTION

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
	2014	2015		2014	2015
2.3.01 Real short-term interest rate	0.28	0.01	2.3.07 Exchange rate stability	0.028	0.139
1.1.15 Real GDP growth per capita	0.64	1.18	1.3.02 Direct investment flows abroad (%)	0.42	-0.05
3.2.04 Remuneration of management			1.3.01 Direct investment flows abroad (\$bn)	6.4	-0.7
1.2.26 Exchange rates	3.98	5.11	2.1.02 Government budget surplus/deficit (%)	-2.09	-2.96
4.4.12 Energy intensity	4,116	3,337	2.2.10 Employee's social security contribution rate	1.48	1.97
1.3.04 Direct investment stocks abroad (%)	27.30	31.50	2.3.10 Government decisions	5.28	3.63
4.5.18 Language skills	5.25	5.95	2.1.09 Public finances	6.35	4.54
1.5.03 Cost-of-living index	102.50	89.02	2.3.09 Adaptability of government policy	5.36	3.95
3.3.17 Credit	6.44	7.25	1.1.19 Resilience of the economy	6.79	5.34
3.3.01 Banking sector assets	131.18	146.30	2.5.04 Risk of political instability	8.81	6.95
1.5.05 Office rent	802	712	2.1.04 Total general government debt (%)	28.77	34.27
1.3.03 Direct investment stocks abroad (\$bn)	424.5	471.8	1.3.15 Relocation threats of R&D facilities	4.60	3.75
1.1.14 Real GDP growth	2.4	2.7	1.1.13 Diversification of the economy	5.21	4.34
4.2.15 Technological cooperation	5.68	6.25	2.2.12 Real personal taxes	5.75	4.80
3.3.11 Stock market capitalization (%)	82.74	90.81	2.1.10 Tax evasion	6.67	5.57

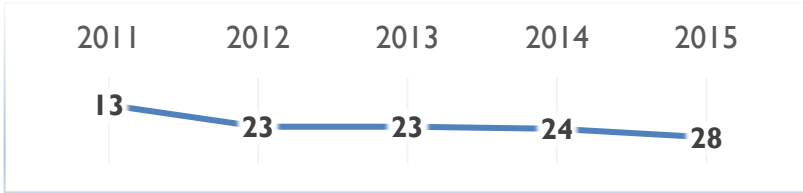
KEY ATTRACTIVENESS INDICATORS

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



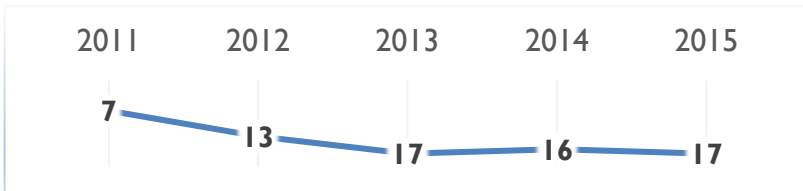
Sub-Factor Rankings :	2014	2015
Domestic Economy	8	16
International Trade	55	54
International Investment	17	46
Employment	22	27
Prices	40	14

GOVERNMENT EFFICIENCY



Sub-Factor Rankings :	2014	2015
Public Finance	13	28
Fiscal Policy	23	26
Institutional Framework	16	21
Business Legislation	10	13
Societal Framework	7	12

BUSINESS EFFICIENCY



Sub-Factor Rankings :	2014	2015
Productivity & Efficiency	18	25
Labor Market	26	21
Finance	5	4
Management Practices	18	18
Attitudes and Values	17	18

INFRASTRUCTURE



Sub-Factor Rankings :	2014	2015
Basic Infrastructure	22	17
Technological Infrastructure	29	33
Scientific Infrastructure	18	20
Health and Environment	10	9
Education	10	12

AUSTRALIA

STRENGTHS

Economic Performance	Rank
1.5.02 Adjusted consumer price inflation (absolute values)	2
1.1.20 GDP per capita	5
1.5.06 Food costs	7
1.3.05 Direct investment flows inward (\$bn)	7
1.3.07 Direct investment stocks inward (\$bn)	14
1.4.07 Long-term unemployment	15
1.1.21 GDP (PPP) per capita	16
1.3.06 Direct investment flows inward (%)	16
1.3.03 Direct investment stocks abroad (\$bn)	17
1.2.08 Exports of goods (\$bn)	20

Government Efficiency	Rank
2.4.15 Start-up days	2
2.4.01 Tariff barriers	4
2.4.16 Start-up procedures	4
2.4.10 State ownership of enterprises	6
2.5.05 Social cohesion	7
2.4.11 Competition legislation	7
2.2.10 Employee's social security contribution rate	8
2.3.14 Rule of law	8
2.5.01 Justice	8
2.5.02 Personal security and private property rights	8

Business Efficiency	Rank
3.4.09 Health, safety & environmental concerns	3
3.3.20 Corporate debt	3
3.3.09 Stock markets	5
3.2.19 Finance skills	5
3.3.15 Shareholders' rights	6
3.3.08 Regulatory compliance (banking laws)	7
3.3.06 Finance and banking regulation	7
3.2.18 Skilled labor	7
3.2.22 Foreign high-skilled people	9
3.3.07 Financial risk factor	9

Infrastructure	Rank
4.5.09 Student mobility inbound	1
4.4.10 Human development index	2
4.4.05 Life expectancy at birth	4
4.4.26 Quality of life	9
4.5.13 Educational system	10
4.2.01 Investment in telecommunications	11
4.2.09 Internet users	12
4.5.07 Higher education achievement	12
4.4.24 Pollution problems	12
4.2.14 Qualified engineers	13

WEAKNESSES

Economic Performance	Rank
1.3.01 Direct investment flows abroad (\$bn)	56
1.2.23 Trade to GDP ratio	55
1.2.17 Export concentration by partner	55
1.3.16 Relocation threats of services	54
1.3.02 Direct investment flows abroad (%)	54
1.2.09 Exports of goods (%)	53
1.3.15 Relocation threats of R&D facilities	53
1.2.18 Export concentration by product	51
1.2.13 Exports of commercial services (%)	50
1.2.02 Current account balance (%)	50

Government Efficiency	Rank
2.4.17 Labor regulations	50
2.2.08 Corporate tax rate on profit	47
2.3.07 Exchange rate stability	47
2.2.07 Effective personal income tax rate	42
2.1.02 Government budget surplus/deficit (%)	39
2.3.10 Government decisions	38
2.2.13 Real corporate taxes	35
2.4.18 Unemployment legislation	34
2.3.09 Adaptability of government policy	33
2.5.03 Ageing of society	32

Business Efficiency	Rank
3.2.01 Compensation levels	56
3.2.03 Remuneration in services professions	54
3.4.07 Entrepreneurship	54
3.1.08 Workforce productivity	48
3.2.07 Labor relations	45
3.1.09 Large corporations	42
3.5.05 Need for economic and social reforms	36
3.2.06 Working hours	34
3.2.10 Apprenticeships	31
3.2.11 Employee training	31

Infrastructure	Rank
4.2.10 Fixed broadband tariffs	61
4.2.02 Fixed telephone tariffs	56
4.2.03 Mobile telephone subscribers	50
4.2.05 Communications technology	44
4.2.06 Connectivity	43
4.5.06 Secondary school enrollment	42
4.2.22 ICT service exports	40
4.5.03 Public expenditure on education per pupil (secondary)	40
4.4.19 Green technology solutions	39
4.1.18 Maintenance and development	38