



Australian Government  
Australian Trade Commission



Australia  
UNLIMITED

# WHY AUSTRALIA

# Australia key facts



## Economy

US\$1.2 trillion GDP

- 5th largest in Asia-Pacific region
- 70% services economy

## Population

23 million

## Culture

- Multicultural, multiracial, multilingual
- Aboriginal heritage

## Geography

World's 6th largest country

- 7,682,300 sq km
- 36,735 km-long coastline

## Political Environment

Democratic / Westminster system

Federation formed in 1901

Three tiers of government

- Commonwealth (national) government
- Six state and two territory governments
- Local government

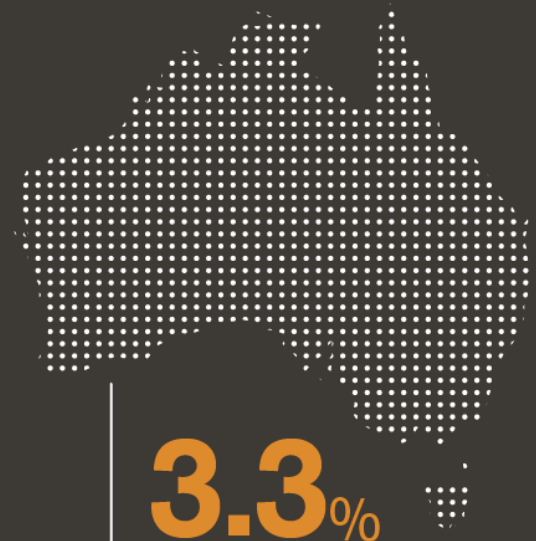
# Why Australia



**GROWTH**

**US\$1.2**  
TRILLION GDP

---



**3.3%**

**AVERAGE  
GDP GROWTH  
RATE PER ANNUM**

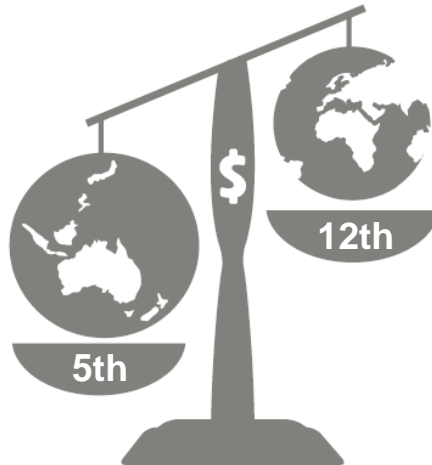
1992–2015

# Growth credentials

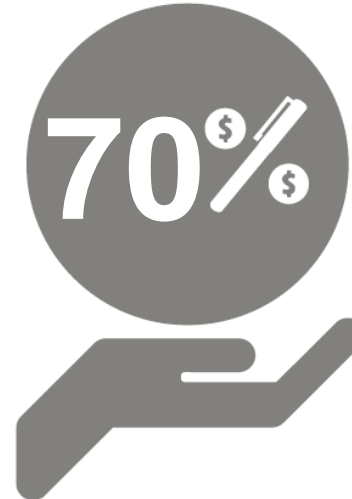
**US\$1.2  
TRILLION**



GDP – US\$1.2 trillion



World's 12th and  
Asia-Pacific's 5th largest  
economy



Services make up 70%  
of the economy

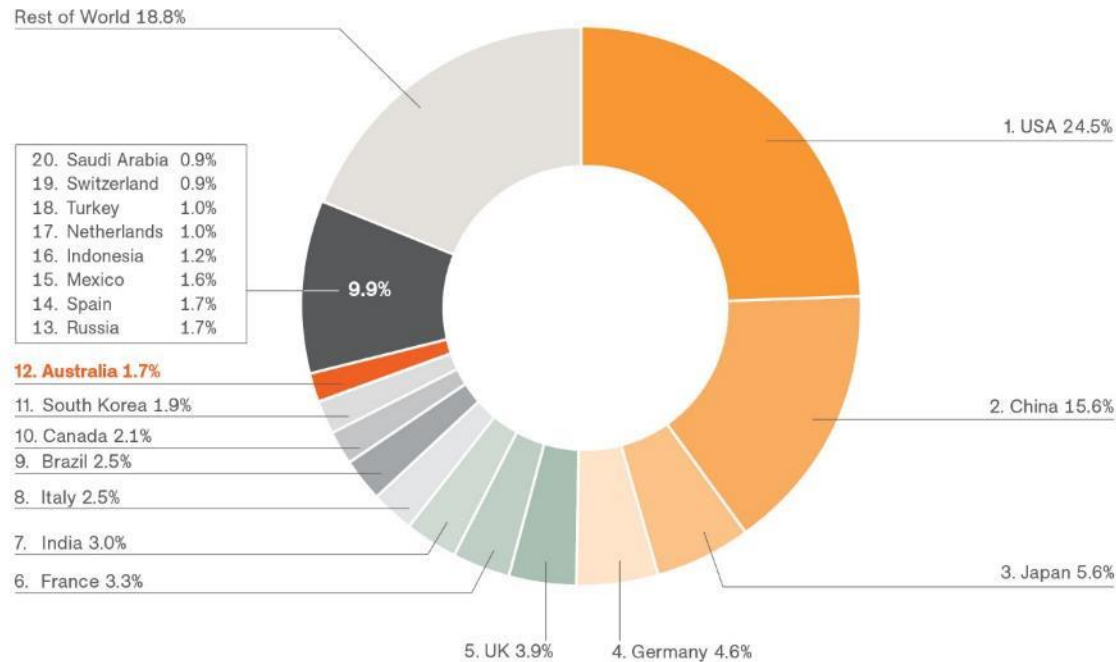


'Triple A' rated

# Australia: An economy of scale

## WORLD'S 20 LARGEST ECONOMIES – 2015<sup>E</sup>

Percentage share of total world nominal GDP in US\$



<sup>E</sup> = Estimate

GDP of the world's 189 economies: **US\$73,192 billion**

GDP of Asia-Pacific Economic Cooperation's 21 member economies: **US\$43,872 billion (59.9% of world's GDP)**

GDP of 20 largest economies: **US\$59,409 billion (81.2% of world's GDP)**

GDP of ASEAN-10 economies: **US\$2,459 billion (3.4% of world's GDP)**

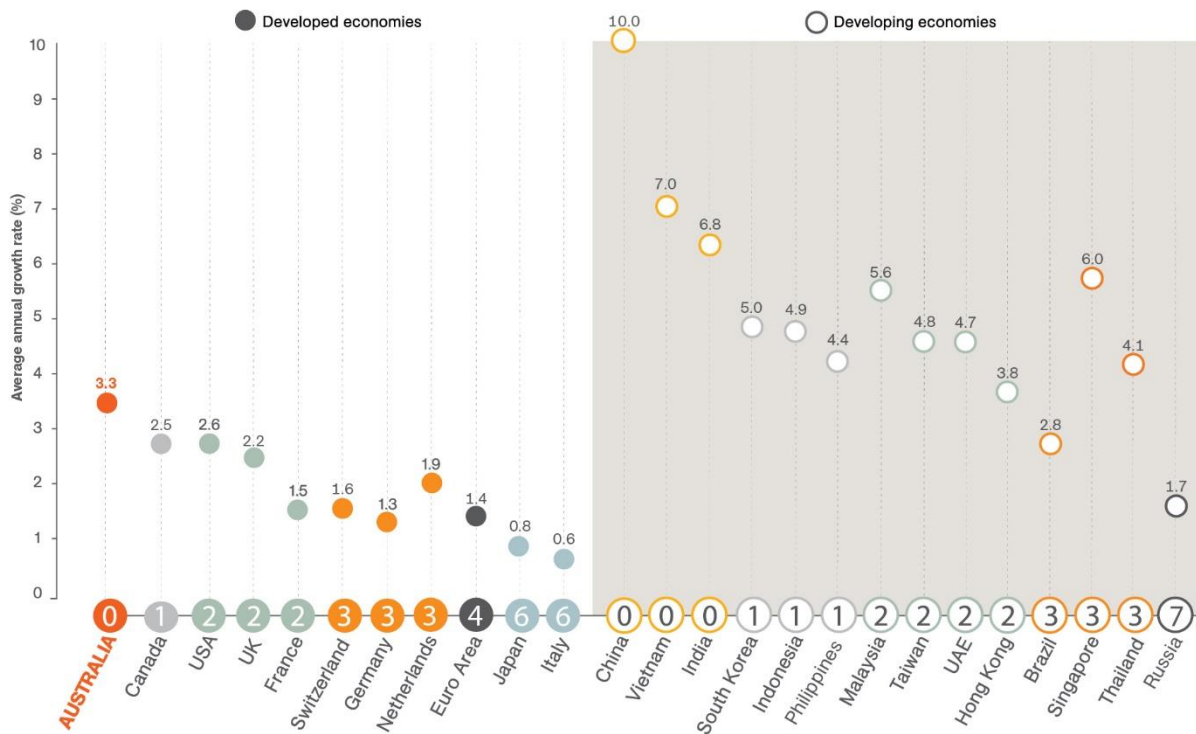
Sources: International Monetary Fund, World Economic Outlook Database, October 2015; Austrade



# 25 years of uninterrupted annual economic growth

## ECONOMIC RESILIENCE – REAL GDP GROWTH

1992–2015<sup>E</sup>



Note: Colour circles on x-axis represent the number of years in recession.

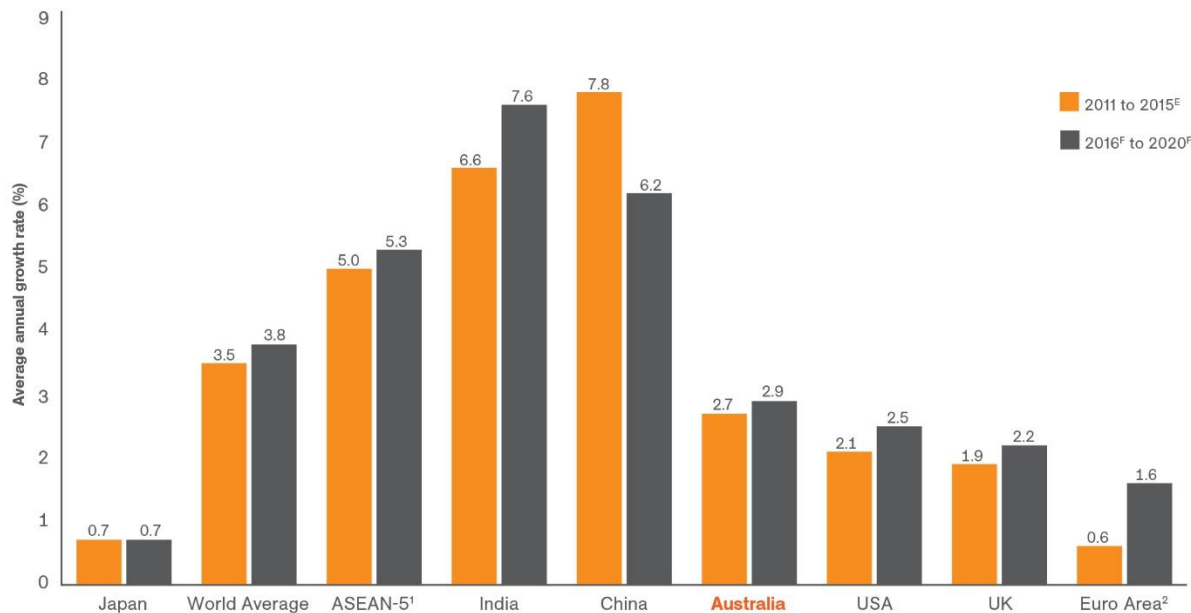
E = Estimate

Sources: International Monetary Fund, World Economic Outlook Database, October 2015; Austrade

# Australia's forecast growth rate is the highest among major advanced economies

## REAL GDP GROWTH BY ECONOMIC GROUPING

Average annual growth rate: 2011–15<sup>E</sup> and 2016<sup>F</sup>–20<sup>F</sup>



E = Estimate

F = Forecast

1. ASEAN-5 = Indonesia, Malaysia, Philippines, Thailand and Vietnam

2. Composed of 19 economies in Europe (data for Lithuania is now included in the Euro aggregates)

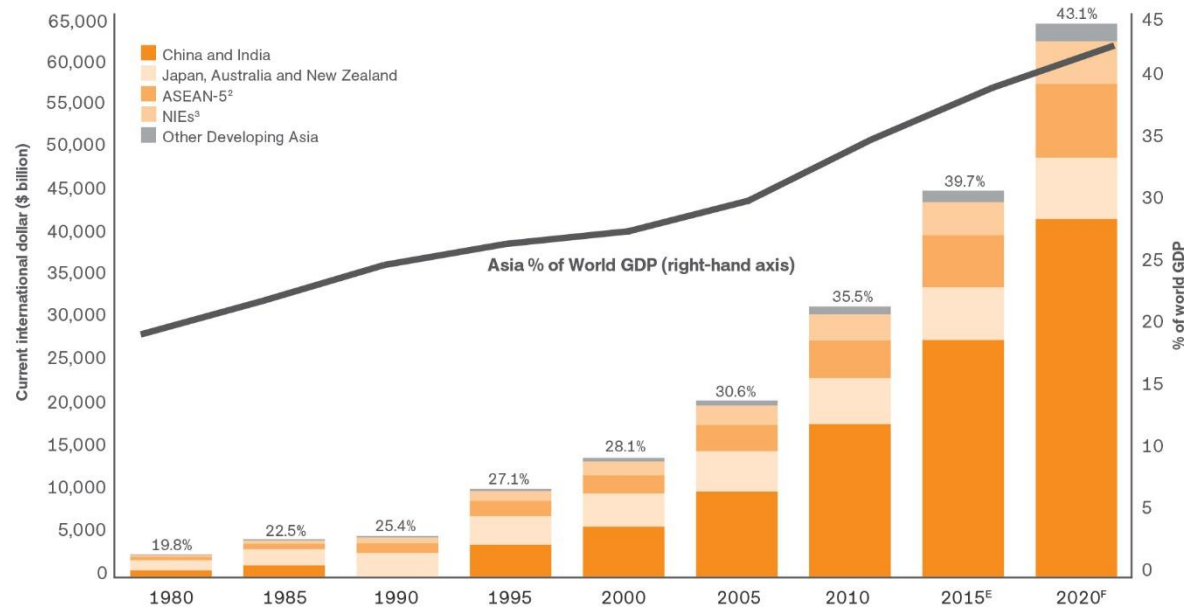
Sources: International Monetary Fund, World Economic Outlook Database, October 2015; Austrade



# Asian region to account for 43% of world GDP by 2020

## ASIAN ECONOMIC GROWTH

GDP based on Purchasing Power Parity valuation (PPP, current international dollar billion)<sup>1</sup>



**Note:** The number on the bar represents the Asian economy as a percentage share of world GDP (PPP).

**E** = Estimate **F** = Forecast

1. An international dollar would buy in the cited country a comparable amount of goods and services a US dollar would buy in the United States. Local currency values are converted into international dollars using PPP exchange rates

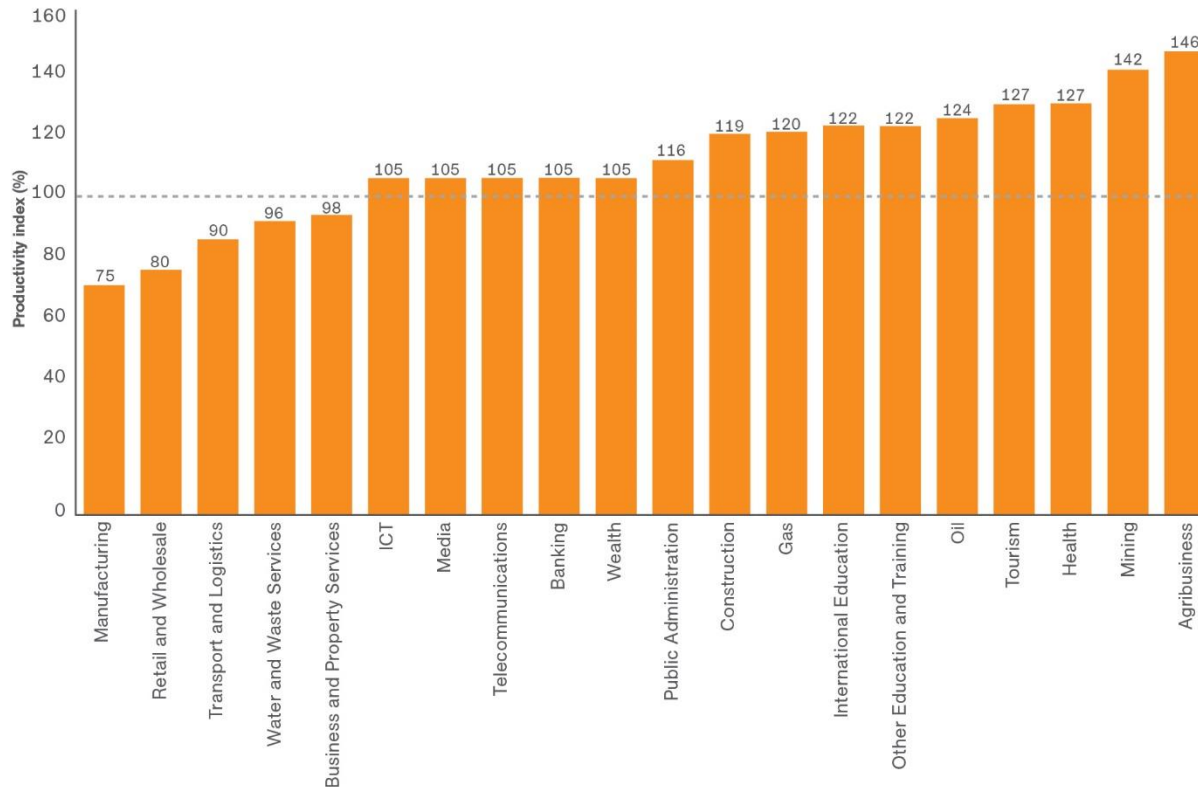
2. Composed of 5 countries: Indonesia, Malaysia, Philippines, Thailand and Vietnam

3. Newly Industrialised Economies: Singapore, Hong Kong, South Korea and Taiwan

**Sources:** International Monetary Fund, World Economic Outlook Database, October 2015; Austrade

# Australian productivity is highly rated in key growth sectors

## PRODUCTIVITY OF AUSTRALIAN INDUSTRY SECTORS COMPARED WITH GLOBAL COMPETITORS



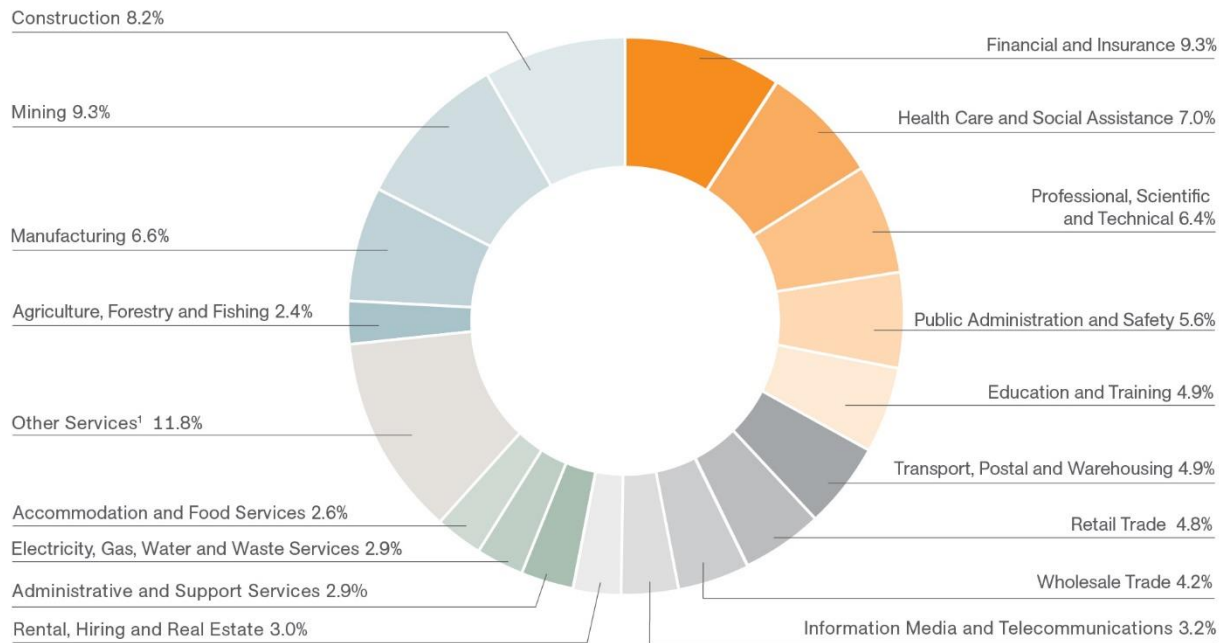
**Note:** A score of 110 means Australia is 10% more productive than the average productivity of global competitors in the industry.

**Sources:** Deloitte Access Economics analysis, 2015. Based on data provided in The Conference Board Total Economy Database™, May 2015; Austrade

# A diversified, services-based economy

## AUSTRALIA'S REAL GROSS VALUE ADDED BY INDUSTRY

Annual total ending June 2014–15, as a percentage of total industry



**Note:** Gross value added measures the contribution to the economy of each individual producer, industry or sector.

1. Other Services include: Ownership of Dwellings (9.0%), Arts and Recreation Services (0.8%) and other (1.9%)

**Sources:** Australian Bureau of Statistics, Cat. No. 5206.0 Australian National Accounts: National Income, Expenditure and Product (released 2 September 2015), Table 37. Industry Gross Value Added, Chain Volume Measures, Annual; Austrade

# Key contributor to future global growth sectors

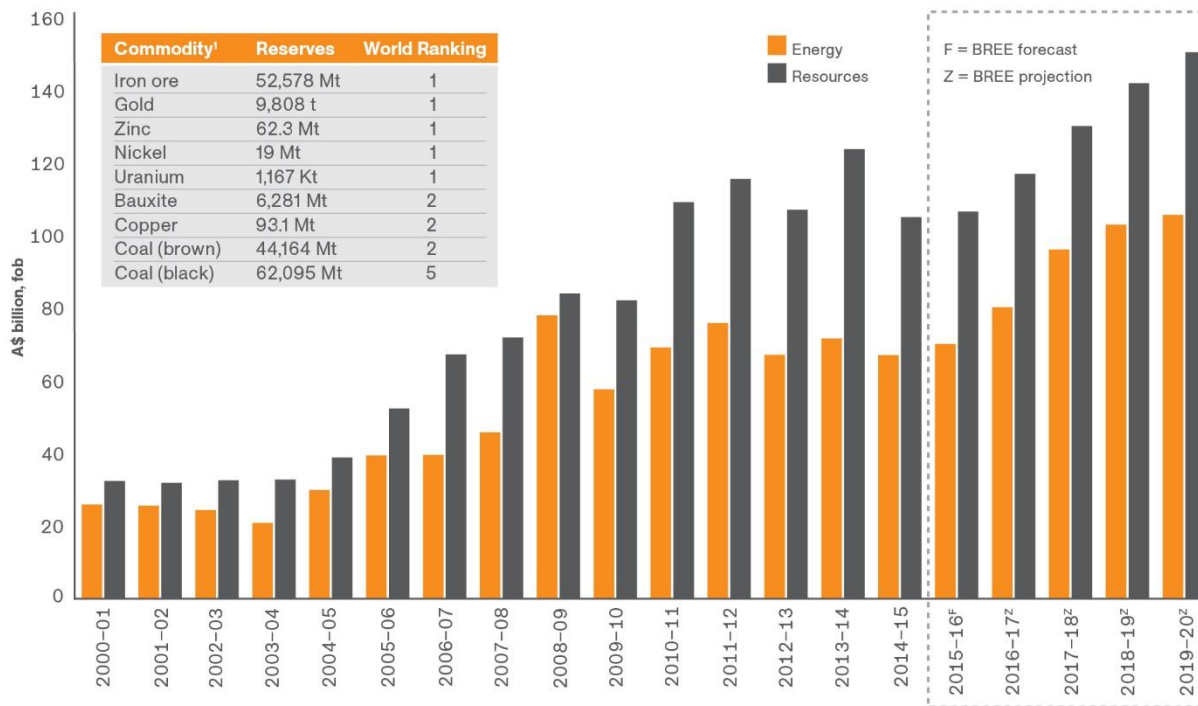
## AUSTRALIA'S GLOBALLY SIGNIFICANT INDUSTRIES



# A global leader in resources and energy

## AUSTRALIA'S ENERGY AND RESOURCES SECTOR

Value of exports



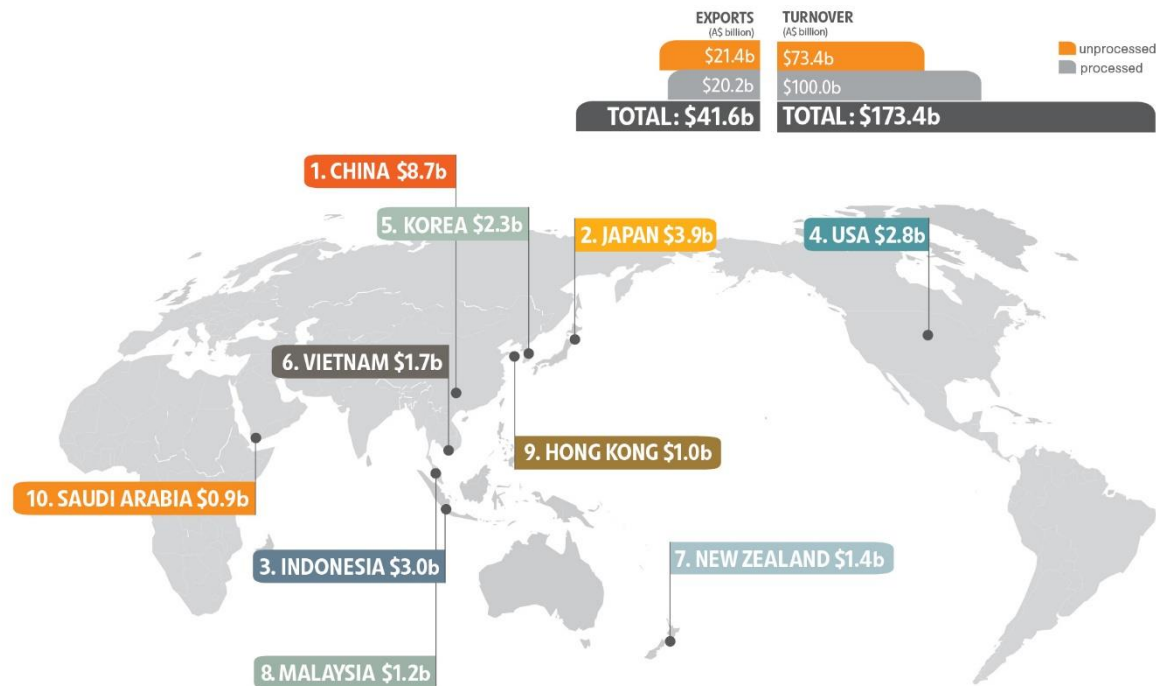
1. Information correct as at December 2013. Source: Geoscience Australia, Australia's Identified Mineral Resource Assessment 2014

Sources: Bureau of Resources and Energy Economics (BREE), Resources and Energy Quarterly, September Quarter 2015, page 17, Table 1.3: Outlook for Australia's resources and energy commodities; Austrade

# Clean, green and safe source of agricultural and food exports

## TOP 10 EXPORT DESTINATIONS FOR AUSTRALIAN FOOD AND FIBRE

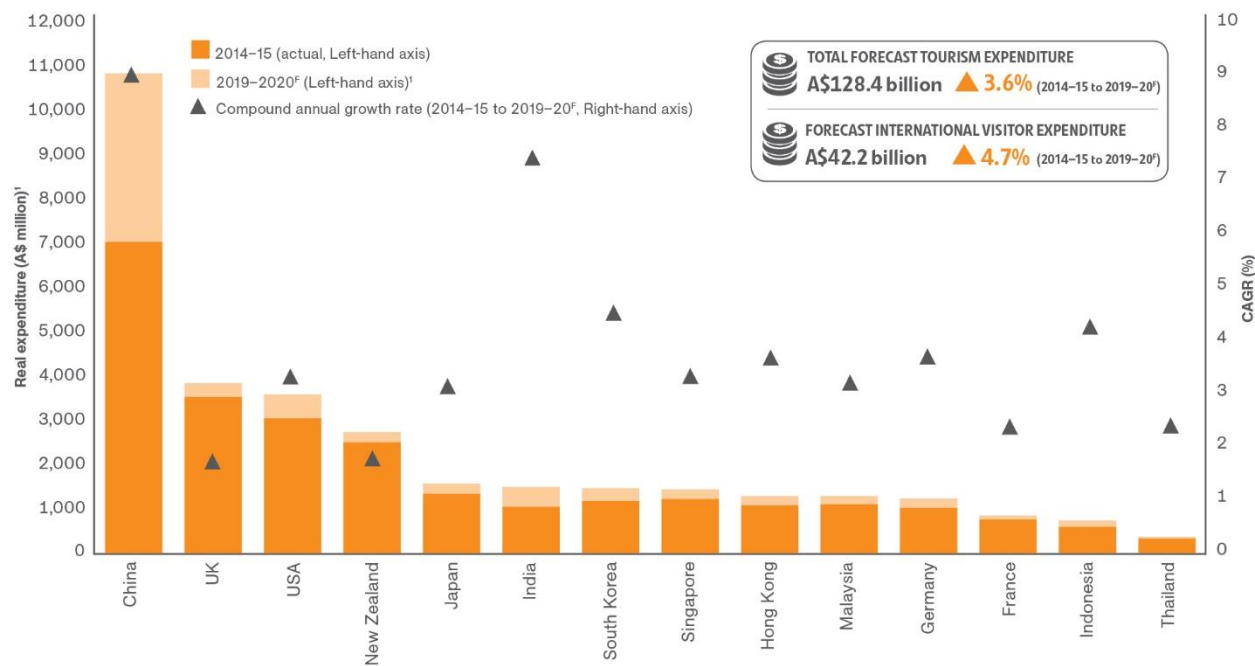
A\$ billion



Sources: Exports by country based on DFAT, Country and Commodity pivot table – FY2005 to FY2014; turnover based on ABS Catalogue 8155.0 Australian Industry 2013–14, June 2015 (released 29 June 2015); exports of processed and unprocessed food and fibre based on DFAT, Composition of Trade 2013–14; Austrade

# International tourism expenditure surged

## AUSTRALIA'S INTERNATIONAL VISITOR EXPENDITURE BY MARKET



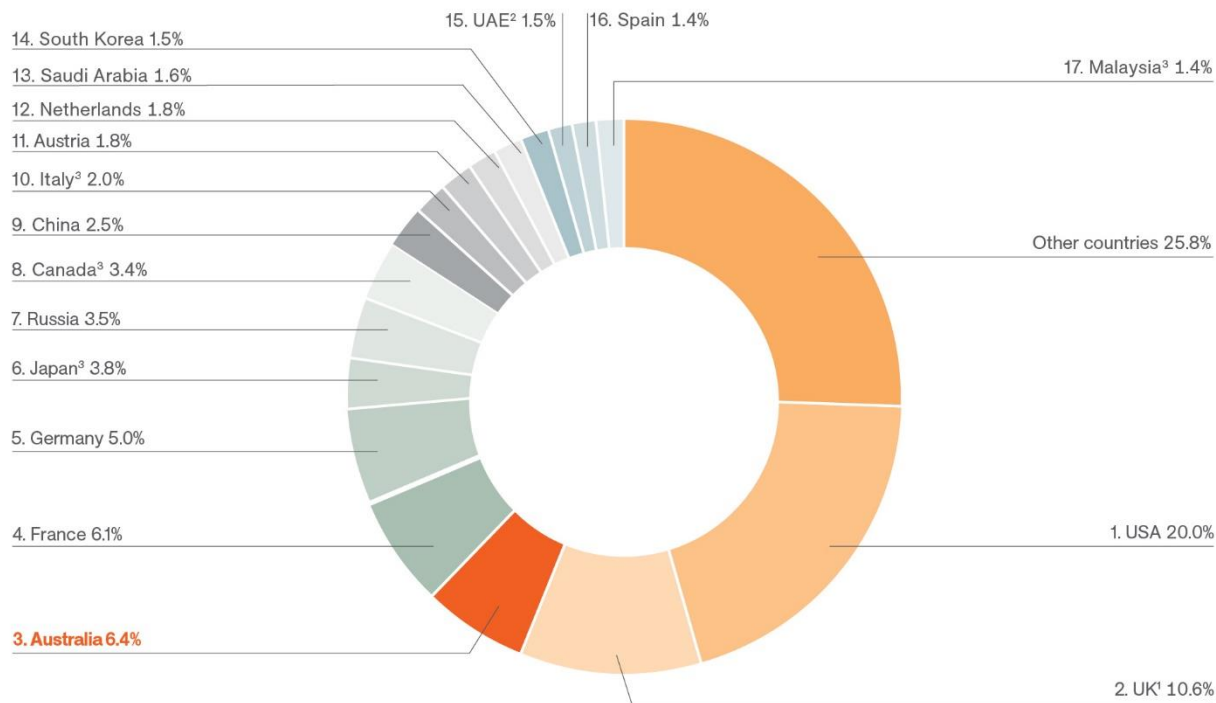
F = Forecast  
1. Real, base = Quarter 2, 2015

Sources: Tourism Research Australia, Tourism Forecasts 2015 (released 2 November 2015); Austrade



# Australia is a top three destination for international students

## DISTRIBUTION OF FOREIGN STUDENTS IN TERTIARY EDUCATION BY COUNTRY OF DESTINATION – 2013



1. United Kingdom of Great Britain and Northern Ireland

2. United Arab Emirates

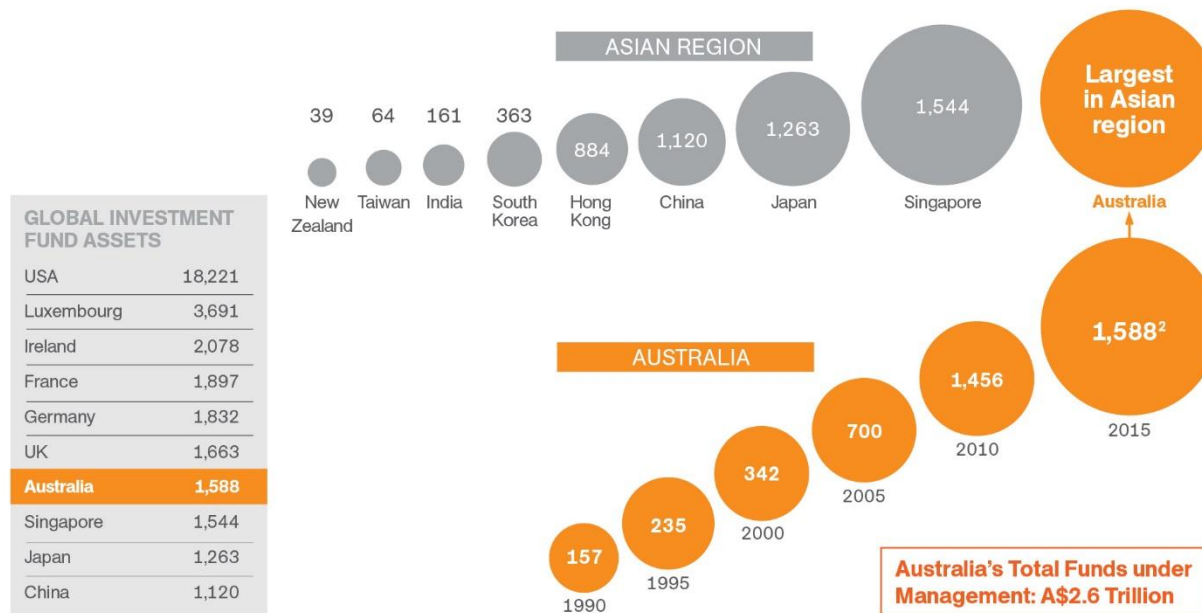
3. 2012 data

Sources: United Nations Educational, Scientific and Cultural Organization (UNESCO), Institute for Statistics, Education, Total inbound internationally mobile students, both sexes (data extracted on 12 October 2015); Austrade

# The region's largest pool of funds under management – set for growth

## GLOBAL SIGNIFICANCE OF AUSTRALIA'S INVESTMENT FUND ASSETS POOL

Investment fund assets<sup>1</sup>, US\$ billion, June quarter, 2015



**Note:** Circles are not to scale. Data between countries is not strictly comparable.

1. Refers to home domiciled funds, except Hong Kong and New Zealand, which include home and foreign-domiciled funds. Funds of funds are not included, except for France, Germany, Italy and Luxembourg. In this statistical release, 'investment fund' refers to a publicly offered, open-end fund investing in transferable securities and money market funds. It is equivalent to 'mutual fund' in the USA and 'UCITS' (Undertakings for the Collective Investment of Transferable Securities) in the European Fund and Asset Management Association's statistics on the European investment fund industry.

2. Australia's investment funds in the Investment Company Institute survey only include consolidated assets of domestic collective investment institutions.

**Sources:** Investment Company Institute, *Worldwide Mutual Fund Assets and Flows, second quarter 2015* (released 30 September 2015); Hong Kong's data (non-REIT assets under management in Hong Kong, excluding business sub-contracted or delegated to other offices or third parties overseas for management) sourced from Securities and Futures Commission Activities Survey 2014 (released July 2015); Singapore's data sourced from Monetary Authority of Singapore, 2014 Singapore Asset Management Survey (Singapore's total assets under management in the chart, excluding alternative assets under management, is estimated to be S\$2,040 billion (US\$1,544 billion in 2014); Austrade

# INNOVATION



AUSTRALIA'S  
CSIRO  
RANKS IN THE  
**TOP 1%**  
OF THE WORLD'S  
SCIENTIFIC  
INSTITUTIONS  
**IN 15**  
RESEARCH FIELDS

---

# Innovation credentials



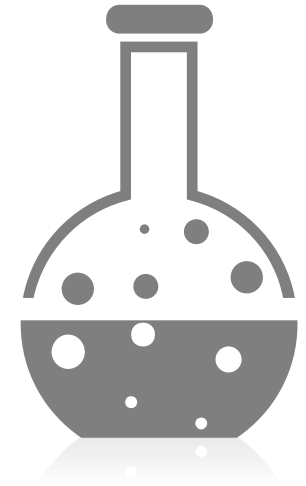
15 Nobel Prize winners have been Australian



Australia's quality of science and research institutions ranked 8th out of 144 economies



6 of the world's top 100 universities, 4th behind US, UK and Germany

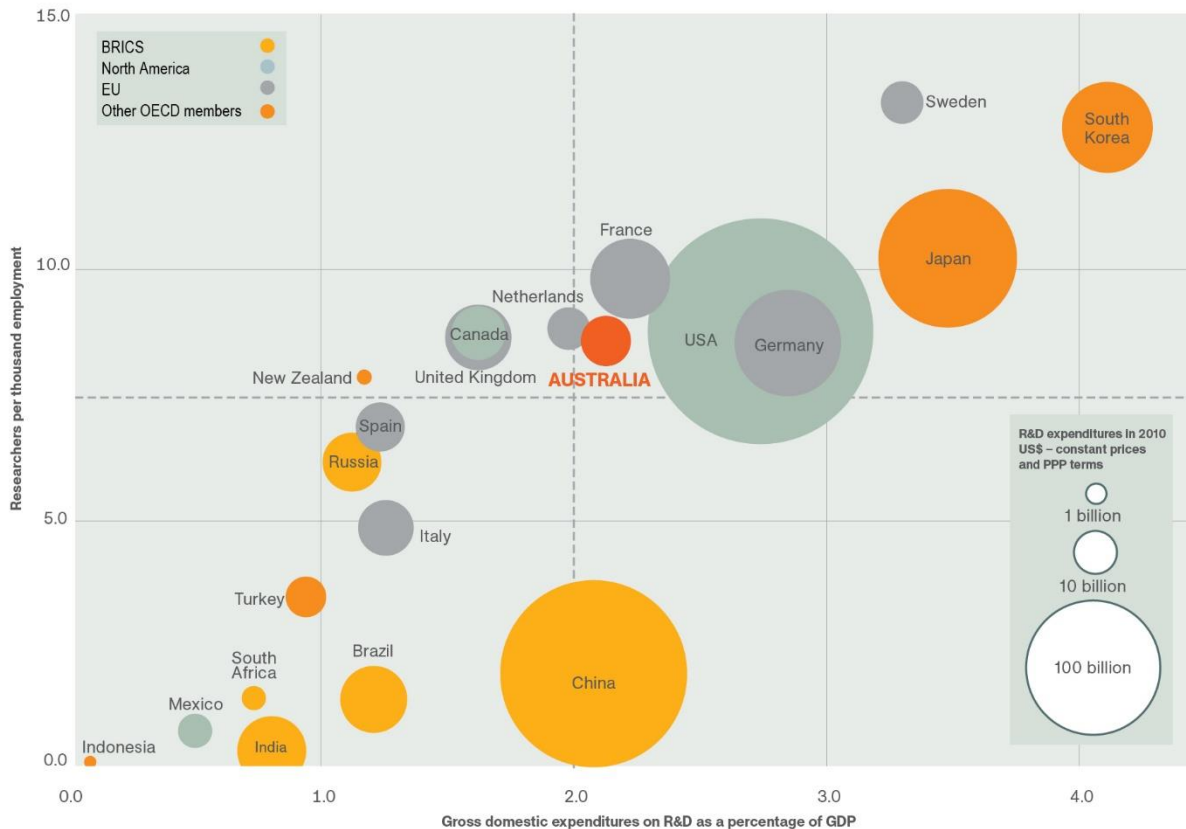


Australia's CSIRO ranks in top 1% of the world's scientific institutions in 15 research fields

# Australia is well placed among leading innovative economies

## WORLD OF RESEARCH AND DEVELOPMENT

Size of circle reflects the relative amount of annual R&D spending (in 2010 US\$ in constant prices and Purchasing Power Parity terms)



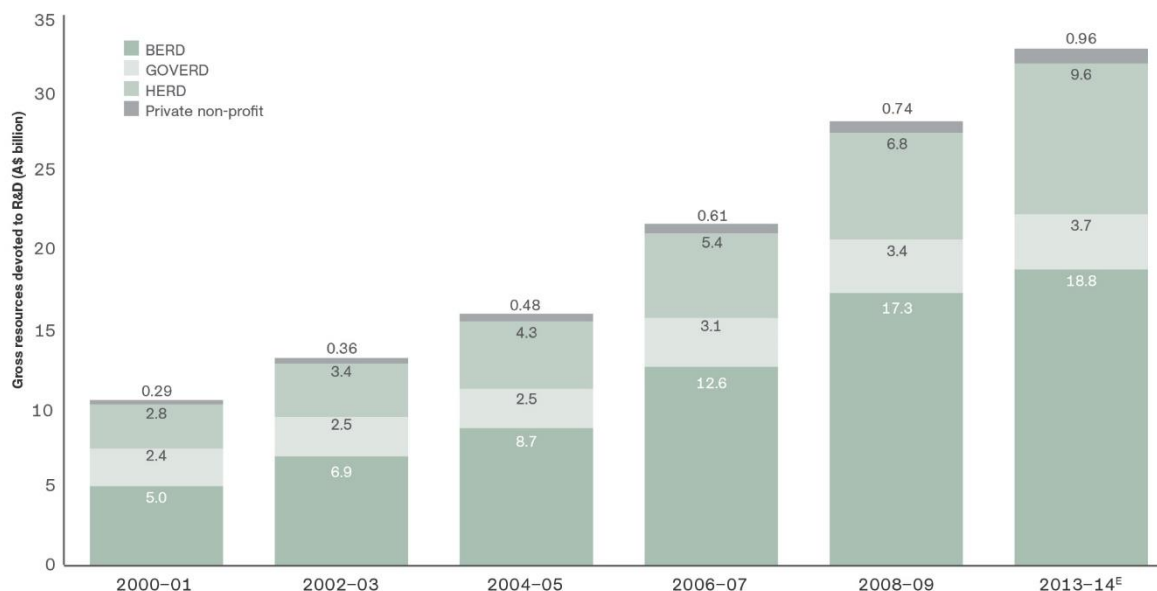
**Note:** Researchers data is in full-time units and refer to 2013 except for Australia (2008), Brazil and India (2010), Canada and the United States (2012), and Mexico (2011). For Brazil, India and Indonesia, data is provided by the UNESCO Institute for Statistics. For Indonesia, data refers to 2009. For United States, data for researchers has been estimated based on contemporaneous data on business researchers and past data for other sectors.

**Sources:** OECD, Main Science and Technology Indicators Database, [www.oecd.org/sti/msti.htm](http://www.oecd.org/sti/msti.htm) and UNESCO Institute for Statistics, June 2015; Austrade

# Industry: a significant source of R&D expenditure

## AUSTRALIA'S GROSS EXPENDITURE ON RESEARCH AND DEVELOPMENT

A\$ billion by category



**BERD** = Business expenditure on research & development (R&D); **GOVERD** = Government expenditure on R&D; **HERD** = Higher education expenditure on R&D;  
**Private non-profit** = Private non-profit expenditure on R&D

<sup>E</sup> = Data for BERD on FY2013-14, GOVERD on FY2012-13, HERD on 2012 and Private non-profit on FY2012-13

Sources: Australian Bureau of Statistics, Cat. No. 81040DO001\_201314 Research and Experimental Development, Businesses, Australia, 2013-14 (released 4 September 2015); ABS Cat. No. 8109DO001 and ABS Cat. No. 8109DO005\_201213 Research and Experimental Development, Australia, Government and Private Non-Profit Organisations (released 9 July 2014); ABS Cat. No. 81110DO001\_2012 Research and Experimental Development, Higher Education Organisations, Australia, 2012 (released 20 May 2014); Austrade

# Australian Government commitment

- Over A\$9.7 billion annual government expenditure on R&D
- Generous R&D tax incentives - strong intellectual property protection
- \$20 billion Medical Research Future Fund by 2022-23
- A\$1 billion National Innovation and Science Agenda



## Key institutions and support

- Australian Research Council (ARC)
  - Centres of Excellence
- Cooperative Research Centres (CRCs)
- Industry Growth Centres
- Chief Scientist's Office
- Research and scientific infrastructure
- Higher education funding and support



# National Innovation and Science Agenda – A\$1 billion over four years

- To incentivise innovation and entrepreneurship
  - Tax incentives for early stage investors
  - \$200 million CSIRO Innovation Fund
  - \$250 million Biomedical Translation Fund
  - Research grants to promote university – industry collaboration
  - \$30 million Cyber Security Growth Centre
  - A\$2.3 billion over the next ten years to build national research infrastructure:
    - A\$520 million for the Australian Synchrotron nuclear facility, and
    - A\$294 million for the Square Kilometre Array multi-nation radio telescope project.



# Australians are early adopters



Smartphones



Tablets



Mobile  
banking



Social Media



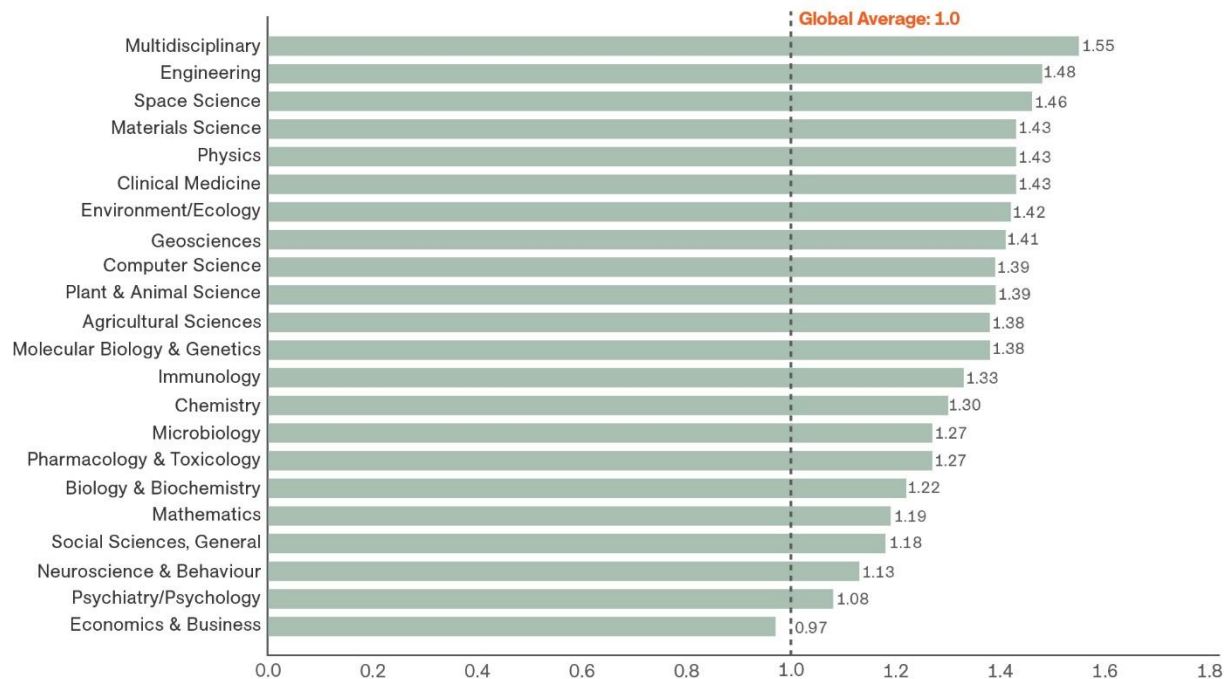
Online  
payments



Broadband  
internet

# Australian scientific research has a major impact

## RELATIVE IMPACTS OF AUSTRALIAN SCIENTIFIC PUBLICATIONS BY RESEARCH FIELD



Sources: InCites™, Thomson Reuters, data as at 17 November 2015; Austrade

# Long track record in world-class innovation

Over

**1,000,000,000** people

around the world rely on Australian discoveries and innovations every day



Google  
maps

IVF

Ultrasound

WiFi

Bionic  
Ear

Cervical  
Cancer  
Vaccine

Black  
Box

---

# Foreign investors undertaking significant R&D

- **Bayer** Collaboration with the CSIRO to develop a new generation of crops
- **Boeing** 22-year partnership with the CSIRO
- **Canon** 20 years of R&D in Australia with the CSIRO, University of Sydney and UNSW
- **IBM** Collaborating with the University of Melbourne to develop sequencing technology using supercomputers
- **GE** An R&D alliance with the CSIRO to address global challenges – ageing population, water conservation and clean technologies

# TALENT

**ALMOST 40%**  
**OF AUSTRALIA'S WORKFORCE**  
**HOLDS A TERTIARY QUALIFICATION**

---



# Talent credentials



42% of people aged 25–64  
are tertiary educated –  
7th in OECD



Ranked 2nd in the world  
in 2015 Human  
Development Report



29% of workforce  
born overseas



10% speak an  
Asian language at home



# World's highest secondary education enrolment rate

## WORKFORCE SKILL BASE COMPARISONS – 2015

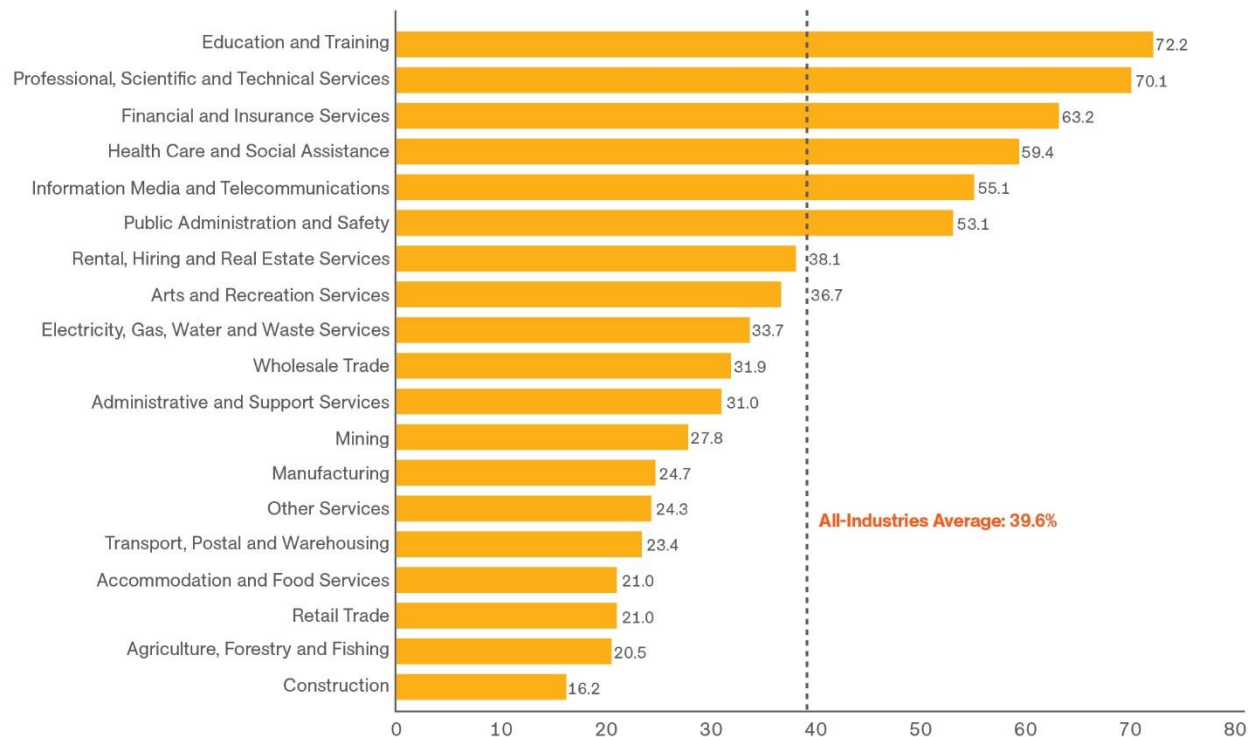
	Australia	USA	UK	China	Japan	South Korea	India	Hong Kong	Singapore
<b>Global Competitiveness Report 2015–16 Ranking<sup>(a)</sup> in:</b>									
Secondary Education Enrolment Rate	1	61	54	74	24	48	105	37	17
Tertiary Education Enrolment Rate	5	3	37	83	40	2	86	30	9
Quality of Scientific Research Institutions	8	4	2	42	7	27	45	29	12
Higher Education and Training	8	6	18	68	21	23	90	13	1
Availability of Specialised Training Services	10	11	7	63	19	48	68	15	8
<b>World Competitiveness Yearbook 2015 Ranking<sup>(b)</sup> in:</b>									
Foreign Labour Force	5	9	19	NA	32	27	NA	NA	4
Finance Skills	5	11	14	47	35	33	30	7	18
Skilled Labour	7	25	31	40	49	23	38	22	32
Foreign High-skilled People	9	3	6	18	50	37	36	10	5
Educational System	10	19	18	40	36	25	33	15	3
Ethical Practices	12	11	18	37	10	39	46	16	20
<b>UNDP's Human Development Report 2014 Ranking<sup>(c)</sup> in:</b>									
Human Development Index	2	5	14	91	17	=15	135	=15	9

NA = not available for publication

Sources: (a) World Economic Forum, Switzerland and Harvard University, *Global Competitiveness Report 2015–16* (September 2015, 144 economies); (b) International Institute for Management Development (IMD), Switzerland, *IMD World Competitiveness Yearbook 2015* (May 2015, 61 economies); (c) The United Nations Development Programme (UNDP), *Human Development Report 2014* (published July 2014, 187 economies), Table 1; Austrade

# Australia offers smart, skilled workers

## PERCENTAGE EMPLOYED PERSONS WITH TERTIARY EDUCATION BY INDUSTRY<sup>1</sup> – 2014



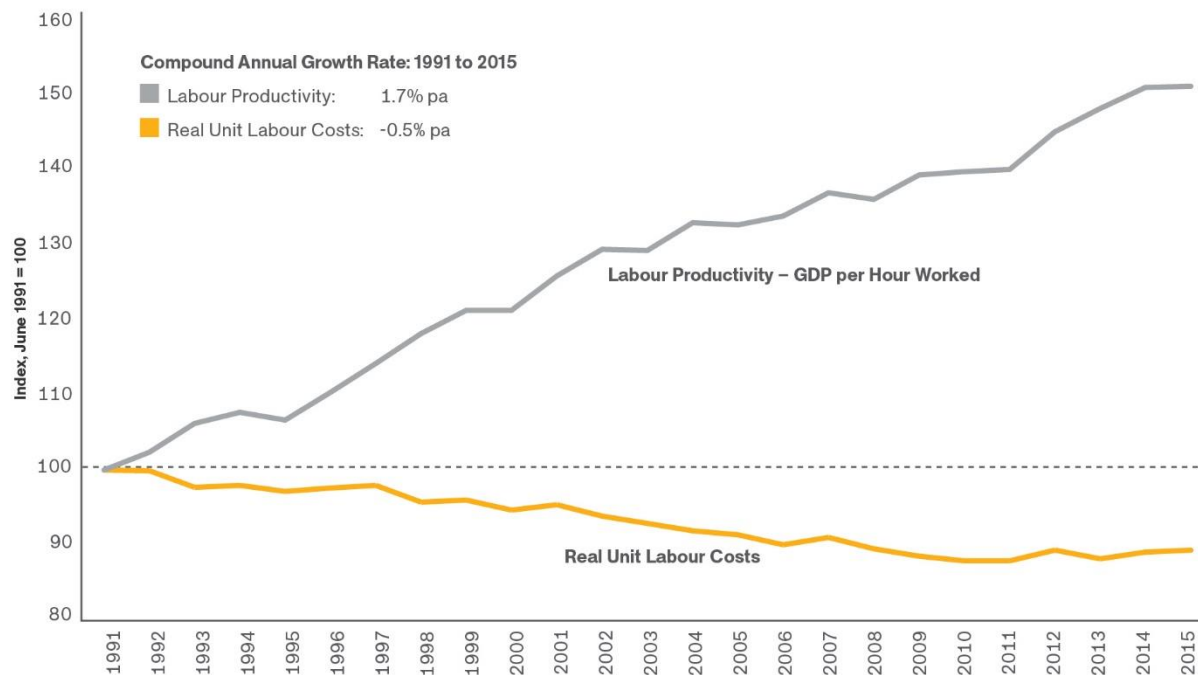
1. In this statistical release, tertiary education refers to Advanced Diploma/Diploma or higher

Sources: Australian Bureau of Statistics, Cat. No. 6227DOO001\_201405 Education and Work, Australia, May 2014, Table 10 (released 12 December 2014); Austrade

# Growth in productivity outpacing labour costs

## AUSTRALIA'S LABOUR PRODUCTIVITY AND COSTS – 1991–2015

As at 30 June each year, trend terms

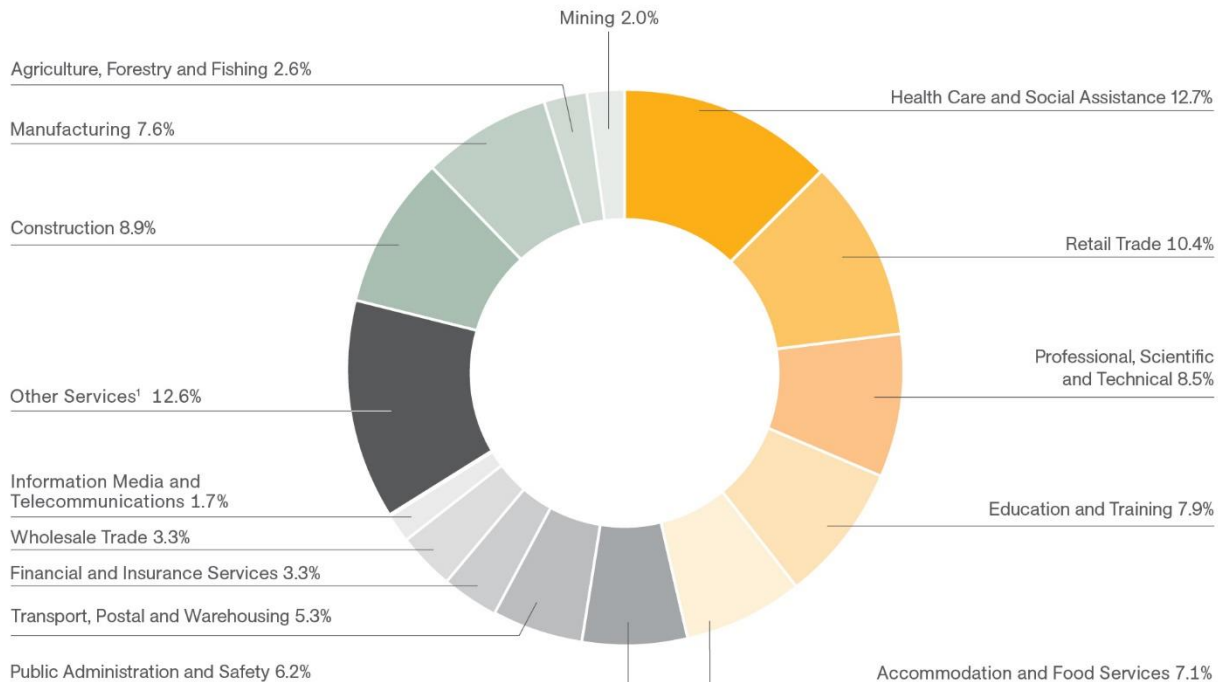


Sources: Australian Bureau of Statistics, Cat. No. 5206.0 – Australian National Accounts: National Income, Expenditure and Product, Table 1. Key National Account Aggregates, Time Series Workbook (released 2 September 2015); Austrade

# A highly diverse workforce

## AUSTRALIA'S EMPLOYED PERSONS BY INDUSTRY – 2015

August 2015, trend terms



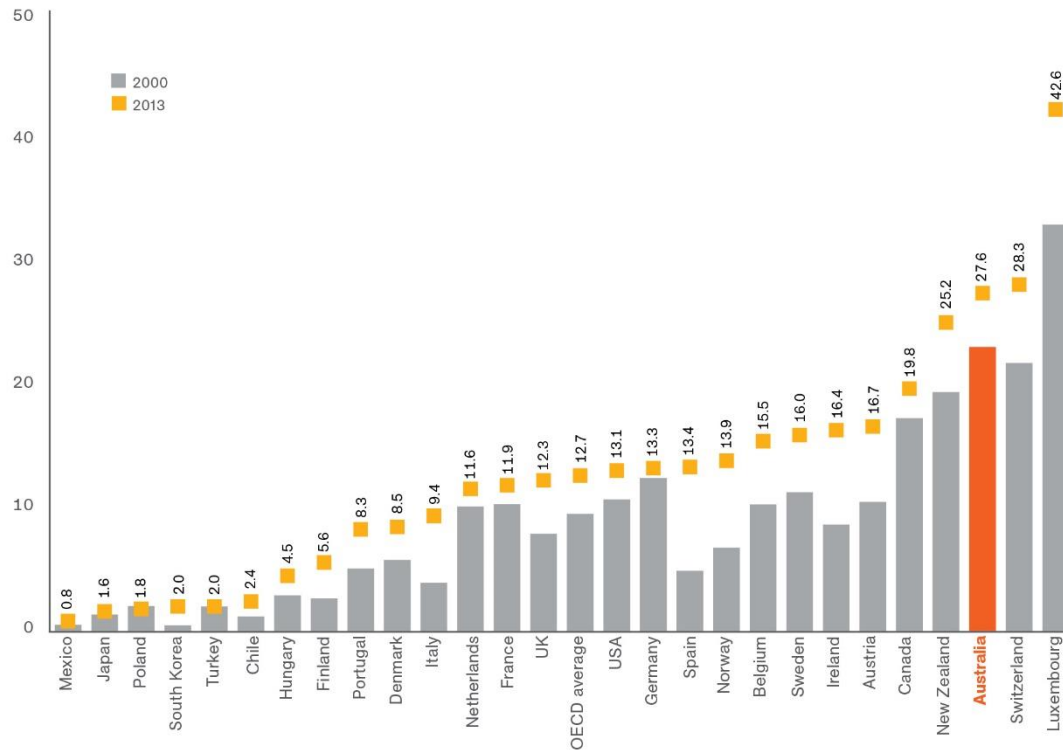
1. Including Administrative and Support Services (3.5%), Arts and Recreation Services (2.0%), Rental, Hiring and Real Estate Services (1.7%), Electricity, Gas, Water and Waste Services (1.2%) and Other (4.1%)

Sources: Australian Bureau of Statistics, Cat. No. 6291.0.55.003 Labour Force, Australia, Detailed, Quarterly, Table 04. Employed persons by Industry division of main job (ANZSIC) – Trend, Seasonally Adjusted and Original Time Series Workbook (released 17 September 2015); Austrade

# A culturally diverse country

## FOREIGN-BORN POPULATION

As a percentage of the total population, 2000 and 2013



**Note:** Data refers to 2000 or to the closest year with available data and to 2013 or most recent available year.

**Sources:** OECD International Migration Database; Austrade

# One in 10 Australians speak an Asian language and almost 1.3 million speak a European language

Major Asian Languages <sup>2</sup>	2,164,235	Major European Languages <sup>2</sup>	1,273,420
Chinese	651,328	Italian	299,833
Indo-Aryan	382,844	Greek	252,217
Arabic	287,178	Spanish	117,497
Vietnamese	233,388	German	80,370
Tagalog and Filipino	136,860	Macedonian	68,846
Dravidian (including Tamil)	100,375	Croatian	61,548
Korean	79,786	Turkish	59,624
Iranic languages	71,933	French	57,740
Indonesian	55,869	Serbian	55,116
Japanese	43,692	Polish	50,692
Thai	36,680	Russian	44,059
Assyrian	31,323	Dutch	37,249

1. This list of languages consists of the 'Most common languages spoken at home' responses reported in the 2006 Census. The count is based on place of usual residence

2. Excluding languages not identified individually, 'Inadequately described' and 'Non-verbal, so described'. Total includes other languages not in the table

Source: Australian Bureau of Statistics, Cat. No. 2001, *Census of Population and Housing, Basic Community Profiles* (released 21 June 2012); Austrade

**LOCATION**



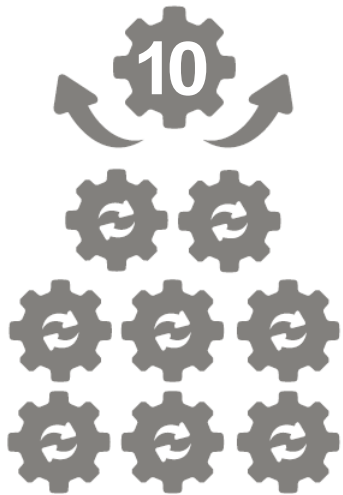
**TOP**  
**TRADING**  
**PARTNERS**

---

**CHINA JAPAN USA**  
**SOUTH KOREA**  
**SINGAPORE**



# Location



10 free trade agreements  
plus 8 under development



Top trading partners –  
China, Japan, USA,  
South Korea, Singapore



A bridge across time zones  
from the USA to Asia  
and Europe

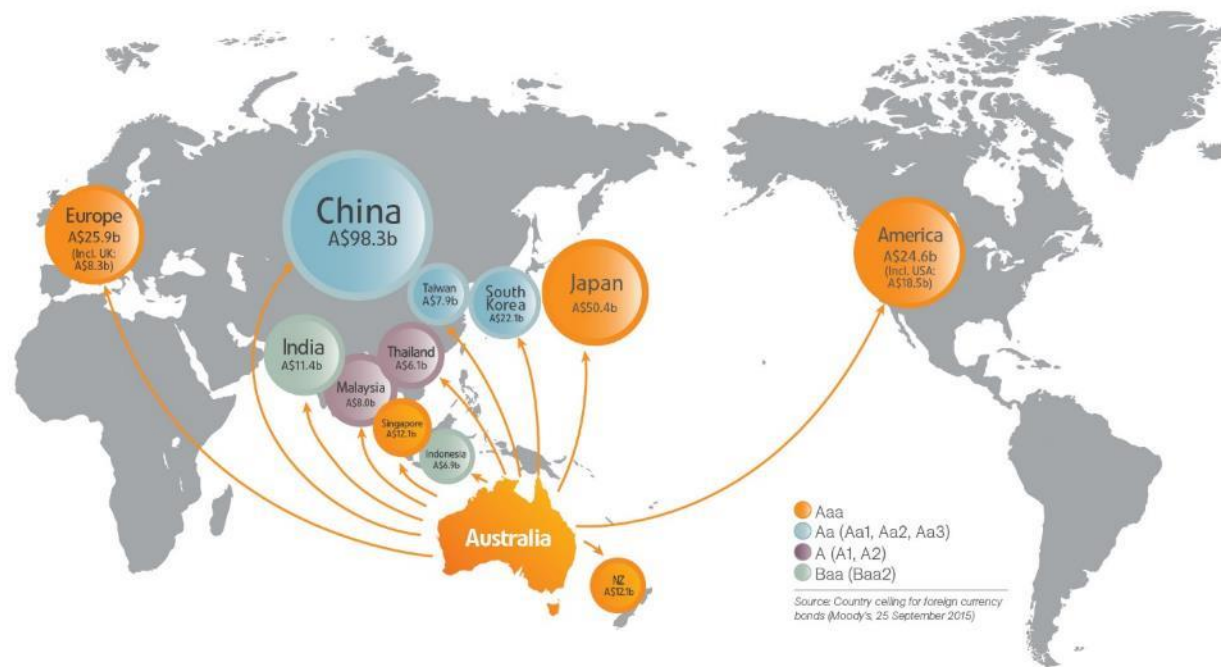


Enviably lifestyle –  
4 of the top 10 most liveable  
cities in the world

# Asian demand driving trade growth

## AUSTRALIA: A PARTNER FOR GROWTH IN ASIA

Ten of Australia's top 12 goods and services export markets were in the Asian region in 2014



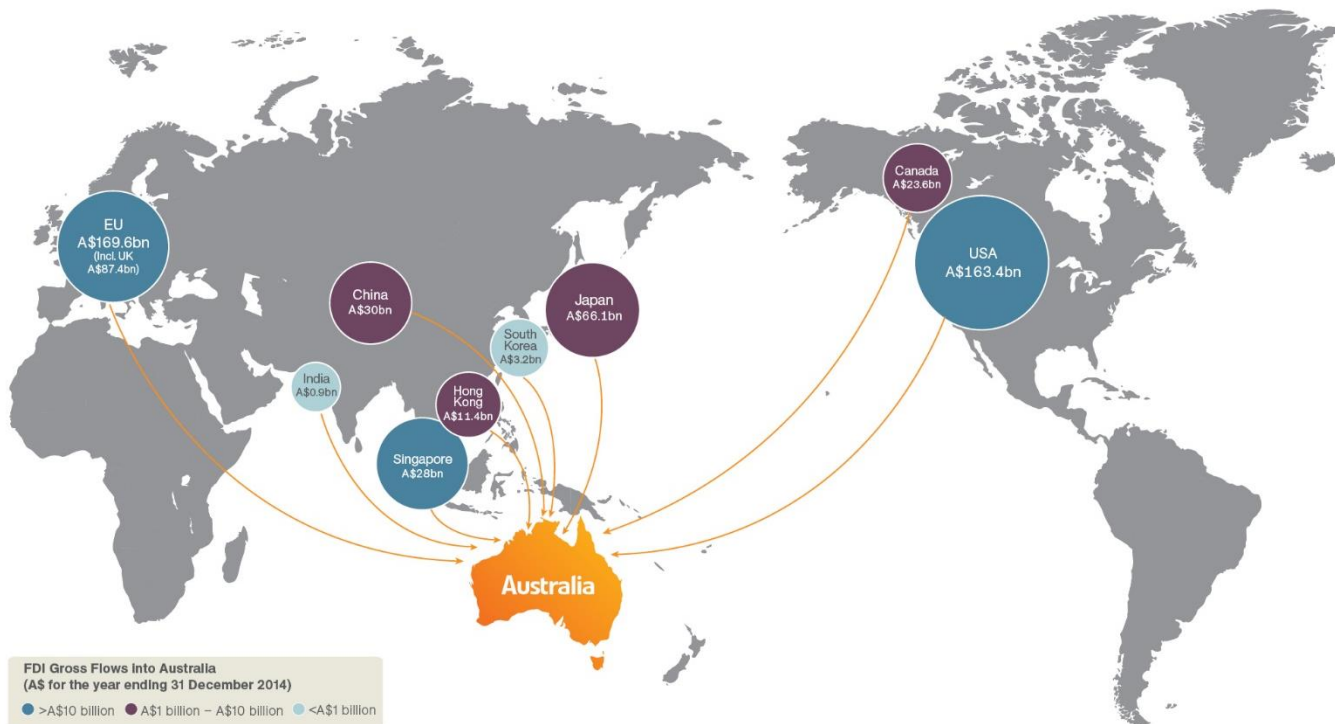
**Note:** Country ceiling for Europe and North America only reflect the UK and the USA.

**Sources:** Department of Foreign Affairs and Trade, *Composition of Trade 2014*, pages 43 and 46 (released 4 August 2015); Austrade

# Traditional markets still strongest, but investment from Asia is increasing

## FOREIGN DIRECT INVESTMENT STOCK IN AUSTRALIA

(A\$, as at 31 December 2014)



Source: DFAT, International Investment Australia, 2014; ABS Cat. No. 5352.0; Austrade

# An attractive destination for FDI

## AUSTRALIA'S SHARE OF GLOBAL FOREIGN DIRECT INVESTMENT STOCK – 2004–14

Economy	Inward FDI Stock (US\$ billion)		Inward FDI Stock as % of GDP		Inward FDI Stock % of Market Share		% Change		% CAGR 2004–14
	2004	2014	2004	2014	2004	2014	2004–09	2009–14	
<b>World</b>	<b>10,192</b>	<b>26,039</b>	<b>23.7</b>	<b>33.6</b>	<b>100.0</b>	<b>100.0</b>	<b>72.8</b>	<b>47.9</b>	<b>9.8</b>
<b>Developed economies</b>	<b>7,755</b>	<b>17,004</b>	<b>23.6</b>	<b>37.4</b>	<b>76.1</b>	<b>65.3</b>	<b>56.3</b>	<b>40.3</b>	<b>8.2</b>
<b>Developing economies</b>	<b>2,256</b>	<b>8,310</b>	<b>24.0</b>	<b>28.3</b>	<b>22.1</b>	<b>31.9</b>	<b>117.4</b>	<b>69.4</b>	<b>13.9</b>
South-East Asia (ASEAN)	373	1,687	43.9	68.1	3.7	6.5	139.3	89.1	16.3
<b>Transition economies</b>	<b>181</b>	<b>725</b>	<b>22.7</b>	<b>27.8</b>	<b>1.8</b>	<b>2.8</b>	<b>224.1</b>	<b>23.7</b>	<b>14.9</b>
USA	2,717	5,410	22.1	31.1	26.7	20.8	10.2	80.6	7.1
UK	740	1,663	32.2	56.5	7.3	6.4	42.1	58.1	8.4
Hong Kong	427	1,550	252.5	535.1	4.2	6.0	111.8	71.4	13.8
China	245	1,085	12.6	10.5	2.4	4.2	92.7	129.4	16.0
Singapore	216	912	189.1	296.2	2.1	3.5	135.2	79.6	15.5
Brazil	161	755	24.1	32.1	1.6	2.9	148.5	88.3	16.7
Germany	512	744	18.2	19.3	5.0	2.9	36.9	6.0	3.8
France	403	729	19.0	25.6	4.0	2.8	60.6	12.5	6.1
Spain	407	722	38.0	51.3	4.0	2.8	55.2	14.2	5.9
Switzerland	198	682	50.3	95.8	1.9	2.6	152.7	36.5	13.2
Netherlands	545	664	84.3	76.7	5.3	2.6	30.3	-6.5	2.0
Canada	315	631	31.0	35.3	3.1	2.4	73.9	15.1	7.2
<b>Australia</b>	<b>291</b>	<b>565</b>	<b>44.3</b>	<b>39.1</b>	<b>2.9</b>	<b>2.2</b>	<b>51.0</b>	<b>28.5</b>	<b>6.9</b>
Russia	122	379	20.7	20.4	1.2	1.5	209.8	-0.1	12.0
Italy	232	374	12.9	17.4	2.3	1.4	57.2	2.6	4.9
Indonesia	16	253	5.7	28.5	0.2	1.0	586.1	132.6	31.9
India	38	252	5.3	12.3	0.4	1.0	349.9	47.4	20.8
Thailand	54	199	33.4	53.3	0.5	0.8	98.5	86.4	14.0
South Korea	88	182	11.5	12.8	0.9	0.7	38.9	49.3	7.6
Japan	97	171	2.1	3.7	1.0	0.7	106.4	-14.8	5.8
Malaysia	43	134	34.5	40.9	0.4	0.5	83.5	69.3	12.0
Vietnam	20	91	41.4	48.9	0.2	0.3	139.2	85.7	16.1
New Zealand	44	77	43.6	38.8	0.4	0.3	27.9	35.5	5.7
Taiwan	38	69	11.0	13.0	0.4	0.3	45.4	23.3	6.0
Philippines	13	57	13.9	20.0	0.1	0.2	80.0	149.0	16.2

CAGR = compound annual growth rate

Sources: United Nations Conference Trade and Development (UNCTAD), FDI/TNC database ([www.unctad.org/fdistatistics](http://www.unctad.org/fdistatistics)), Web tables 3 and 7; Austrade

# Traditional markets still strongest, but investment from Asia is increasing

## MAIN SOURCES OF FOREIGN DIRECT INVESTMENT STOCK IN AUSTRALIA – 2009–14

	Economy	2009	2010	A\$ billion 2011	2012	2013	2014	% Share 2014	% Change 2013–14	% Change 2009–14	% CAGR 2009–14
1	USA	98.2	110.3	113.5	125.5	144.9	163.4	23.7	12.8	66.4	10.7
2	UK	61.0	53.7	68.2	78.8	87.6	87.4	12.7	-0.3	43.3	7.5
3	Japan	45.6	51.1	54.1	62.2	64.4	66.1	9.6	2.7	44.9	7.7
4	Netherlands	31.4	27.6	29.7	29.7	29.1	38.4	5.6	32.1	22.4	4.1
5	China	9.1	12.9	14.4	16.4	23.4	30.0	4.4	28.3	230.9	27.0
6	Singapore	16.7	18.7	19.9	22.4	23.3	28.0	4.1	20.2	67.5	10.9
7	Canada	12.2	14.9	19.0	21.0	16.8	23.6	3.4	40.7	92.9	14.0
8	Switzerland	17.8	20.9	22.9	22.5	19.4	19.0	2.8	-1.8	7.0	1.4
9	Germany	18.1	16.8	14.1	13.6	13.5	15.8	2.3	16.8	-13.0	-2.7
10	UAE	np	np	np	np	np	14.6	2.1	na	na	na
11	Hong Kong	5.4	6.6	7.6	7.4	7.9	11.5	1.7	44.5	110.8	16.1
12	Malaysia	4.5	3.7	–	7.1	9.1	9.6	1.4	4.8	114.7	16.5
13	Bermuda	9.5	7.5	5.8	6.4	9.8	9.2	1.3	-6.1	-3.2	-0.6
14	France	13.0	13.0	7.2	6.9	5.5	5.8	0.8	5.1	-55.3	-14.9
15	New Zealand	6.2	6.4	5.6	4.5	5.4	5.4	0.8	-0.8	-13.0	-2.7
16	Thailand	np	np	np	np	4.6	4.6	0.7	-1.7	na	na
17	Belgium	5.6	6.2	5.7	4.5	4.8	4.3	0.6	-8.7	-22.7	-5.0
18	South Korea	1.3	2.1	–	2.6	2.9	3.2	0.5	7.2	144.9	19.6
<b>Total all countries</b>		<b>489.9</b>	<b>518.6</b>	<b>545.4</b>	<b>587.3</b>	<b>633.4</b>	<b>688.4</b>	<b>100.0</b>	<b>8.7</b>	<b>40.5</b>	<b>7.0</b>
<b>EU</b>		<b>144.8</b>	<b>133.8</b>	<b>140.1</b>	<b>149.9</b>	<b>155.9</b>	<b>169.6</b>	<b>24.6</b>	<b>8.8</b>	<b>17.2</b>	<b>3.2</b>
<b>ASEAN</b>		<b>22.1</b>	<b>25.8</b>	<b>28.0</b>	<b>32.7</b>	<b>37.1</b>	<b>42.3</b>	<b>6.1</b>	<b>13.9</b>	<b>91.7</b>	<b>13.9</b>

ASEAN = The Association of Southeast Asian Nations; CAGR = compound annual growth rate from 2009 to 2014; np = not available for publication but included in totals where applicable, unless otherwise indicated; na = not applicable; UAE = United Arab Emirates

Sources: Australian Bureau of Statistics, Cat. No. 5352.0 – International Investment Position, Australia: Supplementary Statistics, 2014 (released 8 May 2015), Table 2. Foreign Investment in Australia: Level of Investment by Country and Country Groups by type of investment and year (\$million); Austrade

# Record number of visitors provides greater opportunity for tourism infrastructure investment

## AUSTRALIA'S INTERNATIONAL VISITORS AND TOTAL TRIP EXPENDITURE BY COUNTRY OF RESIDENCE<sup>1</sup> – 2014–15

Country of Residence	Year Ending June 2015 Visitors ('000)	% of Visitors <sup>2</sup>	% Change Year Ending June 2014 to Year Ending 2015	Year Ending June 2015 Trip Expenditure (A\$m)	% of Trip Expenditure <sup>2</sup>	% Change Year Ending June 2014 to Year Ending 2015
<b>Total</b>	<b>6,567</b>	<b>100.0</b>	<b>6.6</b>	<b>33,422</b>	<b>100.0</b>	<b>10.4</b>
New Zealand	1,154	17.6	3.5	2,493	7.5	5.4
China	864	13.2	21.7	6,996	20.9	32.1
UK	629	9.6	0.4	3,507	10.5	-2.0
USA	544	8.3	8.7	3,028	9.1	14.5
Singapore	325	5.0	2.1	1,216	3.6	12.5
Japan	297	4.5	-0.2	1,337	4.0	-1.3
Malaysia	293	4.5	5.7	1,100	3.3	7.5
India	207	3.2	19.9	1,041	3.1	38.9
South Korea	197	3.0	7.4	1,179	3.5	6.6
Hong Kong	186	2.8	2.9	1,074	3.2	14.1
Germany	181	2.8	4.6	1,015	3.0	-1.7
Indonesia	137	2.1	2.7	593	1.8	-7.7
Canada	135	2.1	5.7	818	2.4	6.5
Taiwan	114	1.7	4.6	708	2.1	13.4
France	113	1.7	3.7	755	2.3	5.3
Scandinavia	95	1.4	1.3	596	1.8	9.9
Thailand	70	1.1	-2.4	325	1.0	-13.8
Italy	70	1.1	-1.8	469	1.4	-9.6
Switzerland	51	0.8	9.1	366	1.1	16.0
Netherlands	43	0.7	-4.6	241	0.7	-8.7
Other countries	435	6.6	7.9	2,217	6.6	9.2
Other Asia	216	3.3	16.4	1,083	3.2	10.3
Other Europe	211	3.2	1.1	1,264	3.8	-3.3

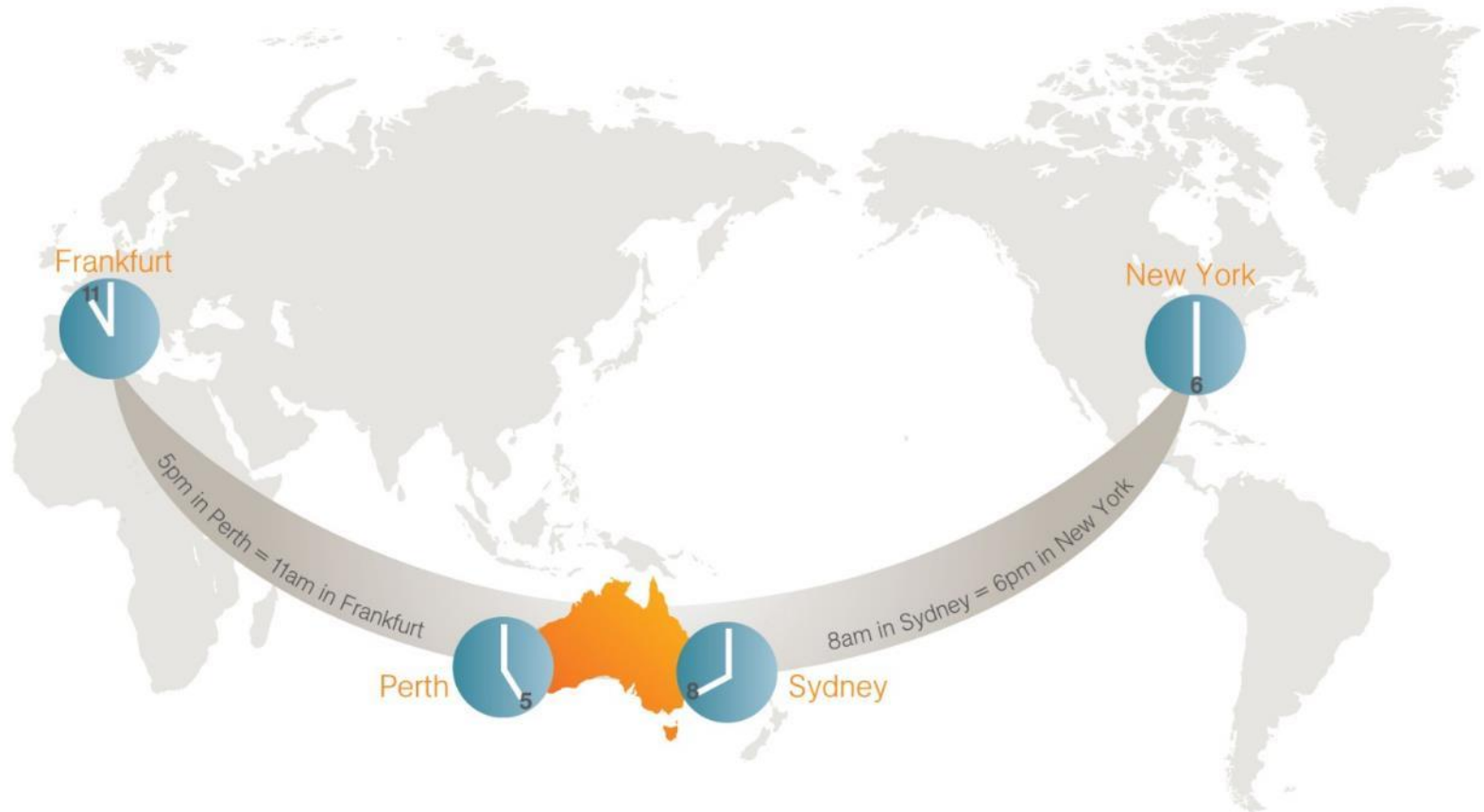
1. Estimates are for international visitors aged 15 years and over 2. Individual percentages may not add to 100 due to rounding

Sources: Tourism Research Australia: International Visitors Survey; Austrade



# Location bridges major time zones

## Time Zone Advantage



**BUSINESS**

**MORE THAN**  
**21,000**  
**FOREIGN COMPANIES**



**REGISTERED IN**  
**AUSTRALIA**

---



# Business



Financial services assets  
A\$7.1 trillion



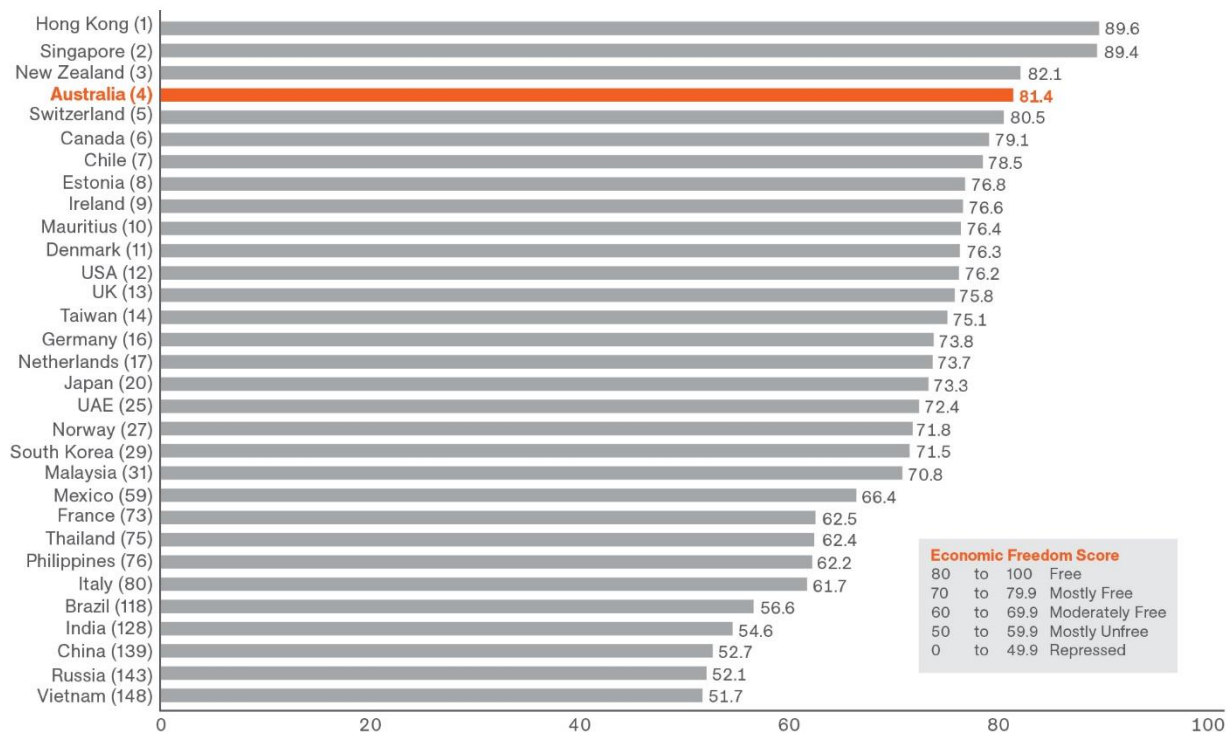
9th largest liquid stock market;  
3rd in Asia-Pacific



4th out of 186 countries –  
Index of Economic Freedom

# Australia's policies create an environment of economic freedom

## INDEX OF ECONOMIC FREEDOM WORLD RANKING – 2015<sup>1</sup>



1. The 2015 *Index of Economic Freedom* covers 186 economies and measures 10 components of economic freedom (Business Freedom, Trade Freedom, Fiscal Freedom, Government Spending, Monetary Freedom, Investment Freedom, Financial Freedom, Property Rights, Freedom from Corruption and Labour Freedom). The 10 component scores are equally weighted and averaged to get an overall economic freedom score for each economy. The number in brackets in the chart indicates the country's world ranking

Sources: *The Wall Street Journal* and *The Heritage Foundation*, 2015 *Index of Economic Freedom*; *Austrade*

# A good place to do business

## KEY INDICATORS OF EASE OF DOING BUSINESS<sup>1</sup>

Ease of Doing Business		Starting a Business			Getting Credit			Enforcing Contracts			Resolving Insolvency		
Overall Ranking Out of 189 Economies		Rank	Procedures (number)	Time (days)	Rank	Strength of Legal Rights Index (0-12)	Depth of Credit Information Index (0-8)	Rank	Time (days)	Quality of Judicial Processes Index (0-18)	Rank	Recovery Rate (cents in the dollar)	Time (years)
Singapore	1	10	3	2.5	19	8	7	1	150	15.5	27	89.7	0.8
New Zealand	2	1	1	0.5	1	12	8	15	216	11.0	31	83.3	1.3
Denmark	3	29	4	3.0	28	8	6	37	410	10.0	9	87.8	1.0
South Korea	4	23	3	4.0	42	5	8	2	230	13.5	4	83.6	1.5
Hong Kong	5	4	2	1.5	19	8	7	22	360	11.0	26	87.2	0.8
UK	6	17	4	4.5	19	7	8	33	437	15.0	13	88.6	1.0
USA	7	49	6	5.6	2	11	8	21	420	13.8	5	80.4	1.5
Sweden	8	16	3	7.0	70	6	5	24	321	12.0	19	76.6	2.0
Norway	9	24	4	4.0	70	5	6	8	280	10.0	6	92.5	0.9
Finland	10	33	3	14.0	42	7	6	30	375	9.0	1	90.1	0.9
Taiwan	11	22	3	10.0	59	4	8	16	510	13.0	21	81.8	1.9
<b>Australia</b>	<b>13</b>	<b>11</b>	<b>3</b>	<b>2.5</b>	<b>5</b>	<b>11</b>	<b>7</b>	<b>4</b>	<b>395</b>	<b>15.5</b>	<b>14</b>	<b>82.1</b>	<b>1.0</b>
Malaysia	18	14	3	4.0	28	7	7	44	425	12.0	45	81.3	1.0
Japan	34	81	8	10.2	79	4	6	51	360	7.5	2	92.9	0.6
Thailand	49	96	6	27.5	97	3	6	57	440	6.5	49	42.5	2.7
China	84	136	11	31.4	79	4	6	7	453	14.1	55	36.2	1.7
Vietnam	90	119	10	20.0	28	7	7	74	400	6.5	123	20.1	5.0
Philippines	103	165	16	29.0	109	3	5	140	842	7.5	53	21.4	2.7
Indonesia	109	173	13	47.8	70	5	6	170	471	6.3	77	31.2	1.9
India	130	155	13	29.0	42	6	7	178	1,420	7.5	136	25.7	4.3

**Note:** Australia's 2015 ranking was changed from the 10th position to the 12th because of changes to the methodology and data revisions due to new information.

**1. Doing Business 2016** is the 13th in a series of annual reports measuring the regulations that enhance business activity and those that constrain it. All *Doing Business 2015* rankings have been recalculated to reflect changes to the methodology and revisions of data due to new information. *Doing Business* measures regulations affecting 11 areas of the life of a business. Ten of these areas are included in this year's ranking on the ease of doing business: starting a business, dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. Data in *Doing Business 2016* is current as of 1 June 2015

**Sources:** World Bank Group, *Doing Business 2016: Measuring Regulatory Quality and Efficiency*. Washington, DC: World Bank Group (released 27 October 2015); Austrade

# A stable, friendly and efficient environment for doing business

## BUSINESS EFFICIENCY AND ENVIRONMENT – 2015

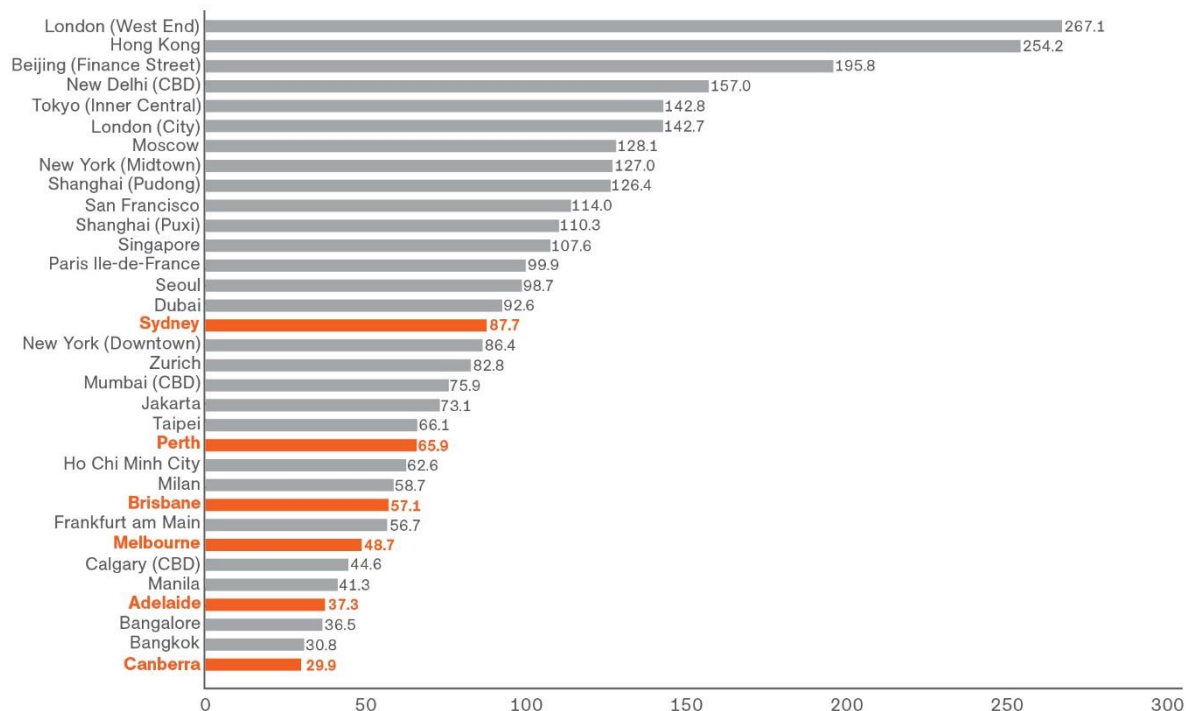
	Australia	USA	UK	China	Japan	South Korea	India	Hong Kong	Singapore
<b>Global Competitiveness Report 2015–16 Ranking<sup>(a)</sup> in:</b>									
Inflation, Annual % Change	=1	=1	=1	=1	=1	=1	105	93	=1
Soundness of Banks	3	39	63	78	28	113	100	7	5
Legal Rights Index	=4	=4	24	=80	=80	63	44	24	17
Number of Days to Start a Business	=4	27	28	117	58	10	110	=4	=4
Efficacy of Corporate Boards	9	15	16	105	22	120	96	26	6
Strength of Auditing and Reporting Standards	9	23	15	80	14	72	95	6	7
No. of Procedures to Start a Business	9	=57	=57	123	93	=9	129	=9	=9
Intensity of Local Competition	9	4	3	36	1	13	101	2	21
Regulation of Securities Exchanges	10	24	21	52	11	78	69	4	3
<b>World Competitiveness Yearbook 2015 Ranking<sup>(b)</sup> in:</b>									
Finance Management – Corporate Debt	3	7	21	43	20	51	35	6	15
Business Legislation – Openness – Tariff on Imports	4	6	15	54	12	57	60	1	2
Stock Market Efficiency – Stock Markets	5	4	19	38	9	35	24	1	15
Stock Market Efficiency – Shareholders' Rights	6	13	16	52	41	57	36	14	19
Bank Efficiency – Finance and Banking Regulation	7	23	38	40	39	51	29	2	1
Bank Efficiency – Regulatory Compliance (Banking Laws)	7	21	39	55	13	50	33	3	4
Business Legislation – Competition Legislation	7	23	12	46	22	31	42	16	4
Societal Framework – Justice	8	17	12	43	16	39	34	5	13
Institutional Framework – Rule of Law	8	19	=11	48	=11	14	45	15	10

Sources: (a) World Economic Forum, Switzerland and Harvard University, Global Competitiveness Report 2015–16 (released September 2015, 144 economies); (b) Institute for Management Development (IMD), Switzerland, World Competitiveness Yearbook 2015 (released May 2015, 61 economies); Austrade

# Cost-competitive location for office space

## GLOBAL PRIME OFFICE OCCUPANCY COSTS – 2015

US\$ per square feet/annum



**Note:** Occupancy costs include service charges and taxes and are standardised on a net internal area basis.

**Sources:** CB Richard Ellis Research, June 2015 Global Prime Office Occupancy Costs; Austrade

# Competitive remuneration rates for professionals

## REMUNERATION OF MANAGEMENT

Total base salary plus bonuses and long-term incentives, US\$'000

	CEO	Engineer	Director Manufacturing	Human Resources Director
	2014	2014	2014	2014
Switzerland	857	198	360	343
USA	757	112	321	267
Germany	602	165	275	270
UK	642	110	208	211
France	578	120	235	208
Italy	526	124	234	219
Netherlands	487	143	219	212
Japan	456	141	209	237
Singapore	459	97	249	236
Sweden	372	127	344	185
HongKong	456	100	233	212
Spain	406	93	219	176
SouthKorea	430	102	177	174
Canada	387	105	195	194
Mexico	362	69	219	187
<b>Australia</b>	<b>348</b>	<b>88</b>	<b>180</b>	<b>145</b>
NewZealand	383	55	117	189
UAE	303	90	150	190
Norway	274	122	157	156
Brazil	310	72	136	124
Taiwan	274	76	143	133
Thailand	277	55	132	138
Philippines	188	55	160	123
China	184	63	107	131
Malaysia	179	48	108	101
India	171	43	74	72
Indonesia	142	33	76	64

Sources: IMD World Competitiveness Online 1995–2015; Austrade

# Substantial finance sector provides access to capital

## ASSETS OF AUSTRALIAN FINANCIAL INSTITUTIONS

A\$ billion

Year Ending June	All Financial Systems (AFS) <sup>1</sup>	Reserve Bank of Australia (RBA)	Authorised Deposit-taking Institutions <sup>2</sup> and Registered Financial Corporations	Managed Fund Sources – Consolidated			Other Financial Institutions <sup>4</sup>
				Total Managed Funds Industry	Total Life Offices and Superannuation	Other Domestic Managed Funds <sup>3</sup>	
Jun-1995	982	38	561	336	241	95	47
Jun-2000	1,787	55	900	707	455	252	124
Jun-2005	3,100	84	1,579	1,149	662	487	287
Jun-2010	4,953	86	2,855	1,734	1,041	693	279
Jun-2015	7,092	165	3,995	2,622	1,734	888	309
% of AFS assets	100.0	2.3	56.3	37.0	24.5	12.5	4.4
% of nominal GDP	440.2	10.3	248.0	162.8	107.7	55.1	19.2
% CAGR since 1995	10.4	7.7	10.3	10.8	10.4	11.8	9.8

CAGR = compound annual growth rate

**Note:** The US\$/A\$ exchange rate was US\$0.768 as at 30 June 2015 (sourced from RBA statistics, Table F11); the nominal value of Australia's GDP in the year to June quarter 2015 was A\$1,611 billion.

1. The sum may not be accurate due to rounding errors

2. The combined assets of banks, building societies and credit unions

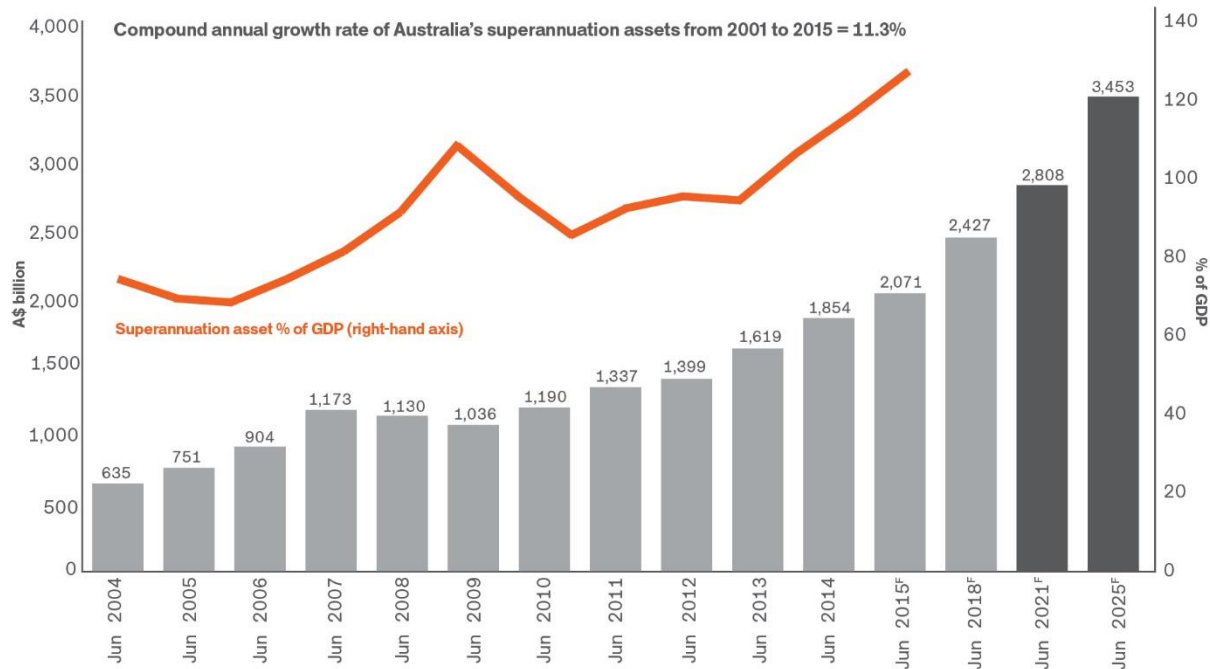
3. The combined assets of public unit trusts, cash management trusts, common funds, friendly societies and funds managed by Australian investment managers on behalf of Australian entities other than collective investment institutions, and overseas investors

4. The combined assets of general insurance offices and securitisation vehicles

**Sources:** Reserve Bank of Australia Statistics, B1 Assets of Financial Institutions (updated 1 October 2015); RBA Statistics, B18 Managed Funds (updated 28 August 2015); Australian Bureau of Statistics, Cat. No. 5206.0 – Australian National Accounts: National Income, Expenditure and Product, June 2015 (released 2 September 2015), Table 34; Austrade

# Long-term pension pool growth supports future investment opportunities

## AUSTRALIA'S SUPERANNUATION ASSETS – TRENDS AND PROJECTIONS – 2004–25<sup>F</sup>



F = KPMG projections

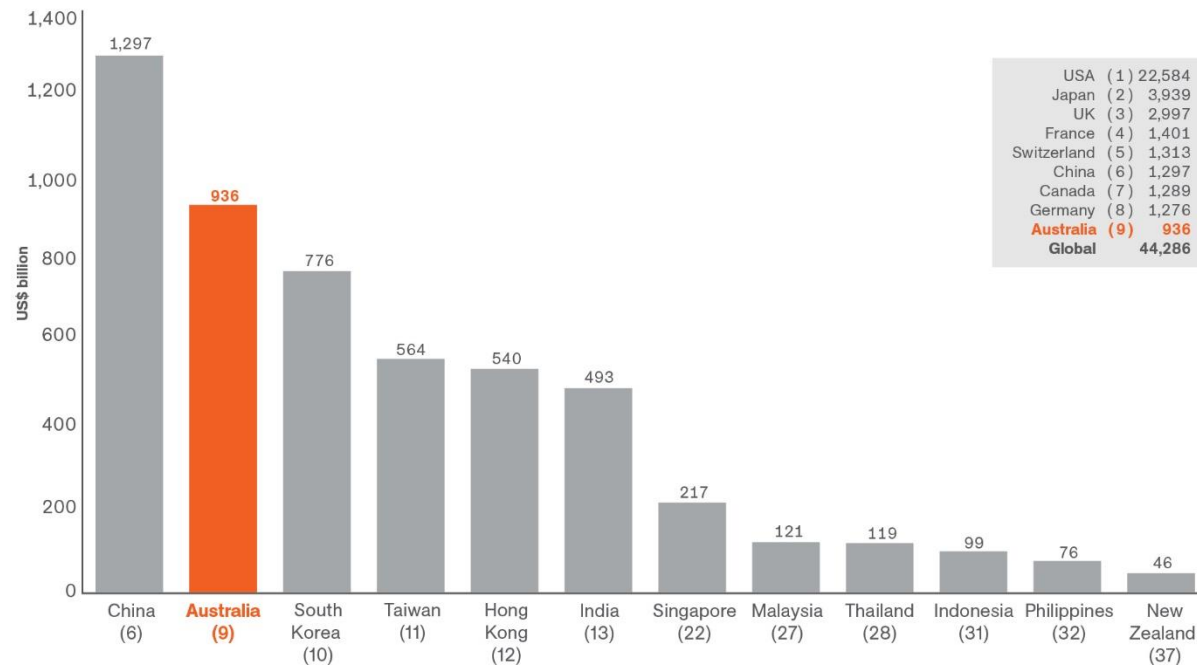
Sources: Australian Prudential Regulation Authority (APRA) Statistics – Annual Superannuation Bulletin June 2013, APRA Statistics – Quarterly Superannuation Performance, June 2015; asset projections for 2015 to 2025 by KPMG in the publication *Supertrends* (released May 2015), Figure 1, Page 8; Australia's GDP figures were sourced from Australian Bureau of Statistics, Cat. No. 5206.0 Australian National Accounts: National Income, Expenditure and Product; Austrade



# Australia has the third largest stock market in the Asian region

## SIZE OF KEY GLOBAL STOCK MARKETS – 2015

Market capitalisation of free-floating stocks (US\$ billion, 30 October 2015)



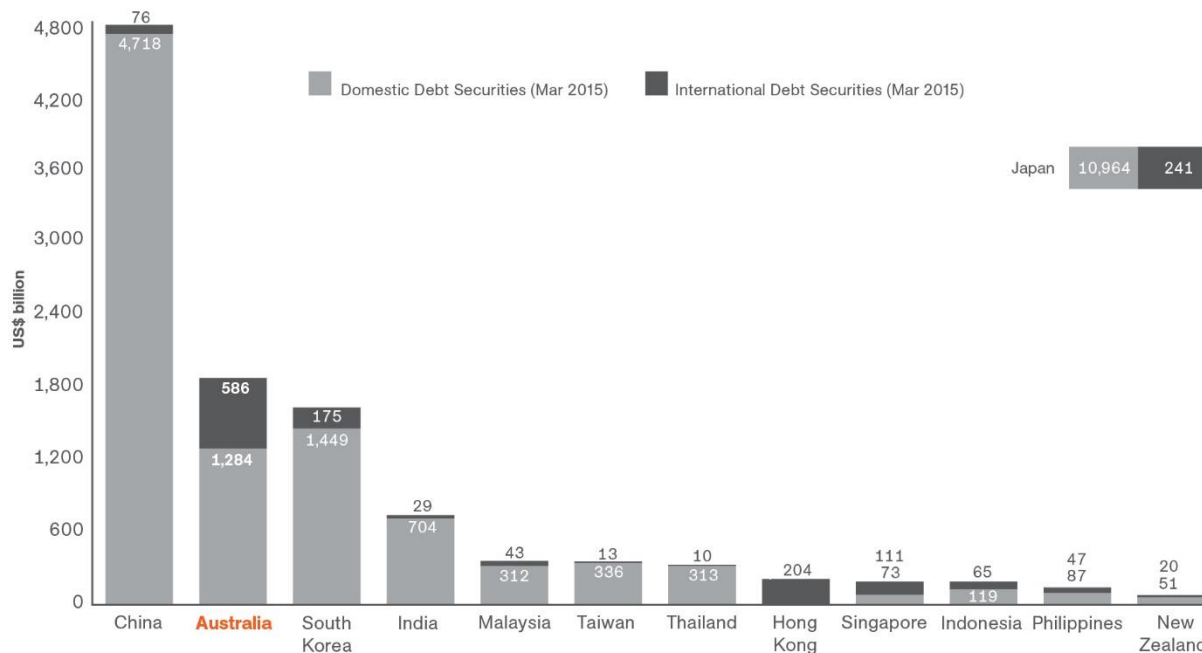
**Note:** The number in brackets is the world ranking of each country or economy (out of 47). Standard & Poor's capitalisation-weighted indices are float adjusted. Under float adjustment, the share counts used in calculating the indices reflect only those shares available to investors rather than all of a company's outstanding shares. Float adjustment excludes shares that are closely held by control groups, other publicly traded companies or government agencies.

**Sources:** Standard & Poor's, S&P Dow Jones Indices World-By-Numbers: October 2015; Austrade

# Regional leader in the issuance of international and domestic debt securities

## INTERNATIONAL AND DOMESTIC DEBT SECURITIES IN ASIA-PACIFIC REGION

Amount outstanding – residence of issuer, US\$ billion



Sources: Bank for International Settlements, Debt Security Statistics, Table C1 Summary of Debt Securities Outstanding; Austrade

**OPPORTUNITIES**



# Resources and Energy

## **Abundant mineral and primary energy resources**

- World's largest economic demonstrated resources of mineral sands (rutile and zircon), brown coal, uranium, nickel, zinc and lead
- Top six producer worldwide for bauxite, black coal, copper, gold, iron ore and industrial diamond
- Significant solar and wind resources

## **Unconventional gas (exploration and production)**

- Proven plus probable reserves of coal seam gas estimated at more than 130 years of production life

## **Oil and gas supply chains**

- World's third largest exporter of LNG
- Seven 'mega' committed LNG projects
- LNG exports projected to increase threefold by 2016–17

## **Energy efficiency**

- Opportunities in remote renewables, including servicing the resources sector



# Agriculture and Food

- A\$173.4 billion agrifood sector
- Global top seven food producer; 60 per cent of all agricultural and food production is exported

Australia is known for:

- producing safe, traceable and healthy food
- world-leading R&D backed by a highly skilled workforce
- access to and understanding of fast-growing Asian markets
- geographic diversity and temperate, varied climate



# Major Infrastructure

- The strong demand for infrastructure is driven by:
  - fast population growth creating a need for more and better economic and social infrastructure
  - high levels of urbanisation creating congestion and leading to rising economic costs
  - increase in freight volumes as a result of Australia's trade links and strong economic growth
- The Government's A\$5 billion Asset Recycling Initiative is creating a new wave of brownfield opportunities with an estimated value of A\$100 billion
- Long track record of privatising public assets and one of the world's most sophisticated PPP markets





# Tourism Infrastructure

- Tourism's direct contribution to GDP is A\$43.4 billion or 2.7%
- It directly employs 534,000 people in tourism related industries and is Australia's largest services export at \$27.2 billion or 8.2% of total Australian exports
- Globally, Australia is:
  - 11th for tourism receipts
  - 1st for spend per visitor<sup>2</sup>
- **Australia had 7.34 million visitor arrivals** for year ending November 2015, an **increase of 7.2 per cent** relative to the previous year<sup>3</sup>
- In January 2016 it was announced that in the year to November 2015 Chinese visitors to Australia surpassed 1 million for the first time<sup>3</sup>
- Chinese spending on tourism is now almost five times what it was eight years ago, with a move away from group to independent travel<sup>4</sup>



# Medical Technologies

Australia has world-class researchers developing medical technologies, devices and pharmaceutical goods. Australia has a long-standing track record for developing innovations such as Bionic ear, cervical cancer vaccine and extended wear contact lens.

Australian Biotech innovation ranked 4<sup>th</sup> globally in 2015.

Investors will find:

- quality universities, public and private research institutions and infrastructure
- world-leading companies: CSL, ResMed, Cochlear
- R&D strengths, including in:
  - human therapeutics including tropical medicine
  - medical devices
  - digital health.
- Secure funding for medical research and to assist commercialisation.
  - Medical Research Future Fund will build to a A\$20bn perpetual fund by 2022-23.
  - A\$250mill Biomedical Translation Fund, being set up in 2016.





# ICT and Digital Technologies

The Australian digital economy is worth A\$79bn, or 5.1 per cent of GDP — bigger than traditional sectors such as agriculture, retail and transport. This is forecast to grow to A\$139bn, or 7.3 per cent of GDP, by 2020 (Deloitte Access Economics).

Globally Australia is ranked:

- 2<sup>nd</sup> for cloud computing policies with recognised strong privacy and data regulations
- 9<sup>th</sup> in government online services
- 2<sup>nd</sup> behind the US for cybersecurity maturity
- 3<sup>rd</sup> for wireless broadband penetration.

Australia's ICT R&D is world class, with strengths in:

- sensing and monitoring
- data analytics
- automation.

These capabilities are applied in traditional industries like agriculture and mining, as well as emerging fields including logistics, finance, the environment and cybersecurity.

Global investments include regional headquarters, technical and security centres, and specialised R&D facilities.



# Advanced Materials

Manufacturing makes up 7 per cent of Australia's value-added GDP. Our aerospace industry alone generates around A\$4 billion a year, comprises 830 firms and employs over 14,000 people.

Australian research institutions are working with industry to develop advanced materials with unique properties, like carbon fibre and titanium that are lighter and stronger.

Australia has:

- an excellent track record in achieving commercial success, including:
  - carbon fibre for aerospace, automotive and industrial applications
  - light metals processing, including additive manufacturing
  - bioproducts for medical and industrial use
  - photovoltaic cells – silicon and polymer-based thin film solar
- world class research capabilities, institutions and infrastructure, including:
  - A\$100m Australian Future Fibres Research and Innovation Centre, exploring carbon fibres, polymers and nanofibres
  - Australian Advanced Manufacturing Research Centre, a collaboration between Boeing and Swinburne University.
  - Australia's national science agency CSIRO (inventor of polymer bank notes and high speed wifi).

**HOW WE HELP**

---

# How we can help you

The Australian Trade Commission, in cooperation with state and territory governments, provides free and confidential assistance:

- National coordination of Australian government investment services
- Information on the Australian business and regulatory environment
- Market intelligence and investment opportunities
- Identification of suitable investment locations and partners in Australia
- Advice on Australian Government programs and approval processes

**Want to learn more?**

**[www.austrade.gov.au/invest](http://www.austrade.gov.au/invest)**