

## Why Invest in Canberra?

### 1. Strong and secure economy

Canberra has one of the most strong and secure economies in Australia, with the long-term rate of economic growth (GDP) out performing that of the nation (**Figure 1**). Indeed GDP growth has tracked at about 3% pa over the last 5 years, with GDP now standing at in excess of (AUD) \$31 billion pa.

GDP per capita is more than (AUD) \$85,000 pa, more than (AUD) \$20,000 higher than the national average; reflecting Canberra's prosperity.

This prosperity is also reflected by the rate of unemployment and labour force participation, which again outperform the Australian results (**Figure 2**). Unemployment has been below 5% for nearly a decade and participation rates have consistently been above 72%.

### 2. Strong population growth forecasts

The resident population of Canberra is 375,000 and when combined with the surrounding Capital region, this grows to 800,000 people.

Population forecasts (to 2050) highlight that the Capital region's resident base will grow to more than a million people, with an average annual growth for Canberra of 0.95% underpinning this increase. This compares to Australia's more modest forecasts of 0.66% growth (**Figure 3**).

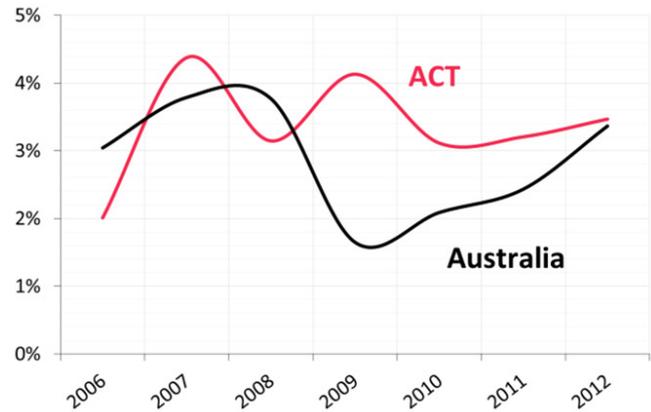
More residents of Canberra (37%) are aged between 18 and 40 years than in Australia overall (31%). In future, this relatively youthful orientation is expected to remain, with Canberra expected to have 31% in this age group at 2050, compared with Australia's 26% (**Figure 4**).

### 3. Well educated and productive labour force

In terms of labour force productivity, Canberra rates extremely well, with each worker generating over (AUD) \$90 of value added per hour. This compares favourably to Australia's already high labour productivity rate of (AUD) \$75 per hour.

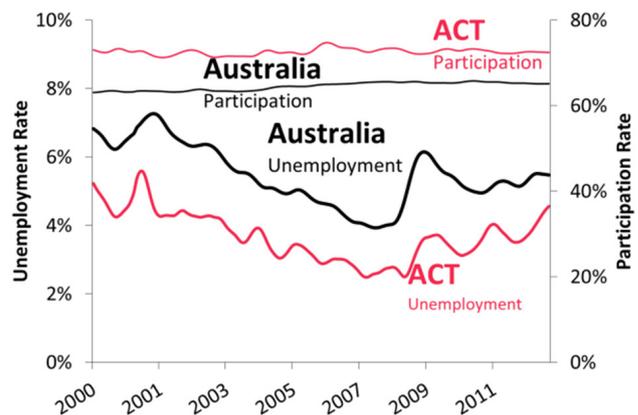
This productivity is underpinned by the skills embodied in the labour force (**Figure 5**). Canberra's adult population has a much higher orientation towards post-graduate (12%) and bachelor degrees (21%) when compared to the nation (5% and 13% respectively).

**FIGURE 1: GDP growth rates**



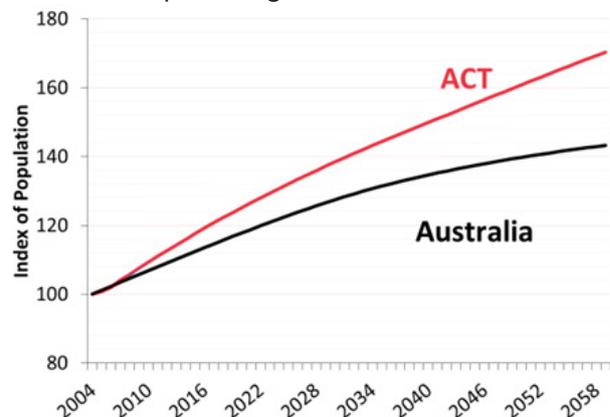
Source: ABS Cat. No. 5220.0

**FIGURE 2: Labour force participation and unemployment rates**



Source: ABS Cat. No. 3202.0

**FIGURE 3: Population growth forecasts**



Source: ABS Cat. No. 3222; ACT Government

Moreover, this highly productive adult population is committed to lifelong ongoing skills development, with 4% of adults aged over 40 enrolled in ongoing education at either universities or technology institutes (Figure 6). Again this compares favourably against the broader Australian results (2%).

#### 4. Innovation and R&D culture

Over 8% of Australian higher education institutional expenditure on R&D takes place in Canberra. As a portion of GDP, Canberra's rate of higher education R&D expenditure outstrips that in all other Australian jurisdictions by a factor greater than 3. Indeed more than (AUD) \$670 million is invested annually in R&D and this level of investment has consistently risen each and every year over the past decade.

Some of the country's leading research and development organisations are located in Canberra including:

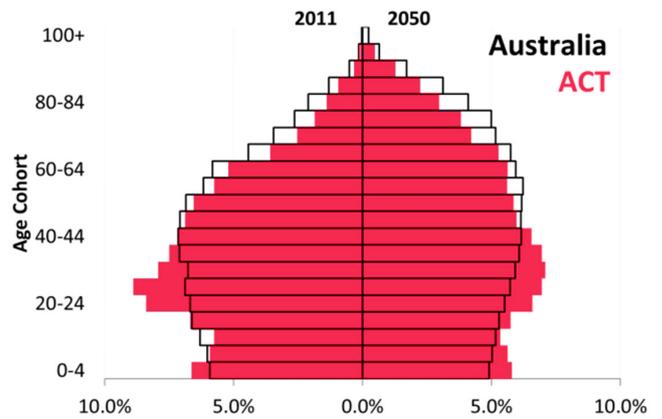
- The Australian National University.
- National ICT Australia (NICTA).
- The Energy Research Centre, attached to ANUTECH.
- CSIRO Divisions of Land and Water; Wildlife and Ecology; Entomology; and Plant Science.
- The Co-operative Research Centre at the University of Canberra in Freshwater Ecology.
- The Faculty of Environmental Design, University of Canberra.
- The Australian Defence Force Academy.

#### 5. Access to government

Canberra is Australia's national capital city. It is the place where Australia's important national political decisions are made. In turn the city hosts the nation's federal politicians and their advisors for a good part of the calendar year. It is the place where national organisations seek to reside and is also home to the key influencers of government policy.

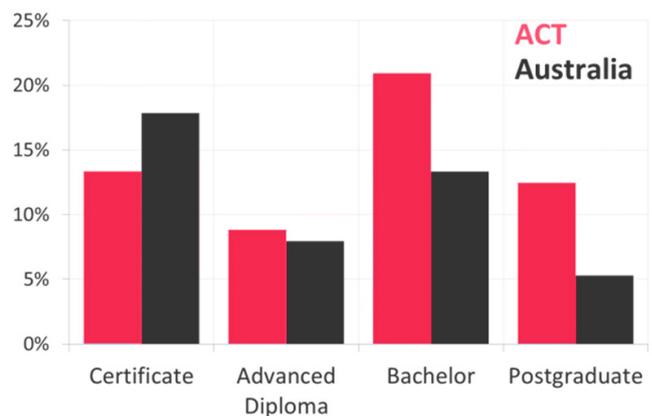
The full suite of federal government departments and agencies are also accommodated in Canberra. Not only do these agencies purchase significant volumes of goods and services from the private sector, they also administer programs that can facilitate business innovation, development and productivity enhancements.

**FIGURE 4: Resident age breakdown**



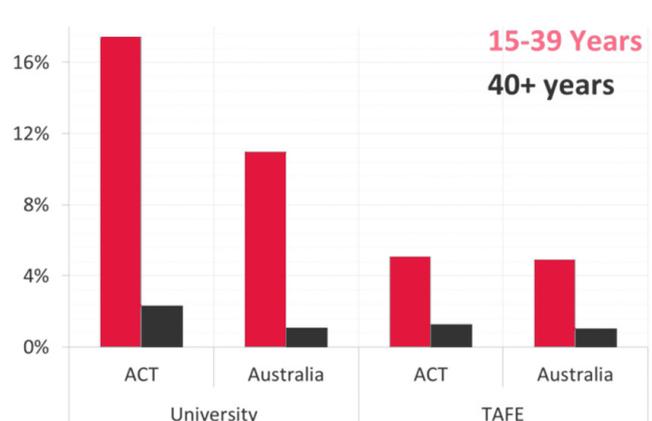
Source: ABS Cat. No. 3222, ACT Government

**FIGURE 5: Rates of educational attainment**



Source: ABS Census 2011

**FIGURE 6: Rates of ongoing education (enrolments)**



Source: ABS Census 2011

Canberra, located in the Australian Capital Territory is administered by one level of government. The unique integration of two levels of government engenders a more streamlined and coordinated process around planning and regulatory issues.

The Australian Capital Territory Government strongly collaborates with the business sector in a productive relationship, particularly to reduce red tape and make it easier to do business in the nation's capital.

## 6. Physical centrality and accessibility

Planned from its inception, Canberra's location is unique for an Australian city. The Nation Capital is 150km inland, 280 km from Sydney and 660 km from Melbourne, and well connected by roads to these and other significant Australian destinations.

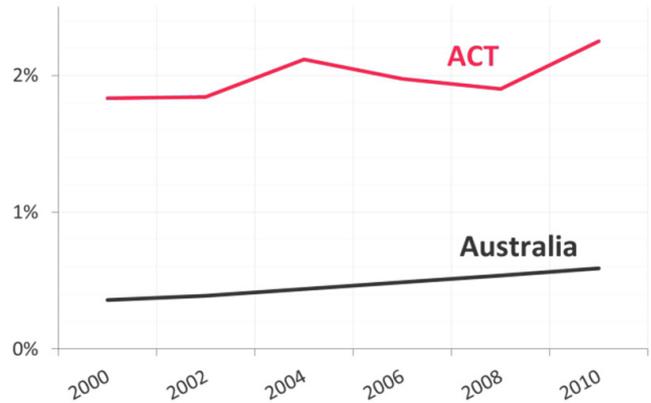
Canberra is surrounded by mountains, forests, grasslands, rivers and lakes. Indeed over 70 per cent of the Australian Capital Territory is open space.

Flight times to Australian state capital cities are short, positioning Canberra well as a head office location.

- Sydney 50 minutes.
- Melbourne 70 minutes.
- Brisbane 100 minutes.
- Adelaide 75 minutes.

Canberra is renowned as one of the great planned cities of the world, which means getting around is easy, convenient and quick. Traffic jams and pollution are virtually unheard of, there are no toll roads and most car journeys around Canberra will take less than 25 minutes. Even during peak 'hour', which is actually closer to half an hour, the excellent road system means that traffic still flows freely.

**FIGURE 7: Higher education spending on R&D as a percentage of GDP**



Source: ABS. Cat. No. 5206; ABS. Cat. No. 8111



*Invest Canberra is the Australian Capital Territory Government's official investment promotion agency. Invest Canberra coordinates investor facilitation across Government to provide a case-managed service for major investors.*