



THE GLOBAL
FOUNDATION

Australia and the World

**Dialogue with
The Hon Wayne Swan MP, Federal Treasurer
on 'Promoting and Measuring Australia's Global Competitiveness'**

Monday 11 August, Sydney

REPORT

The Global Foundation convened a dialogue with The Hon Wayne Swan, MP, Treasurer of the Australian Government, and 40 Global Foundation members on Monday 11 August, on the theme of **promoting Australia's global competitiveness** as part of its *Australia Unlimited* 2008 program. The dinner with the Treasurer was preceded by a Forum with Mr Enrico Giovannini, Chief Statistician of the Organisation for Economic and Co-operative Development (OECD), on the global project of measuring the progress of society. The forum and dinner were kindly hosted by Mr Peter Watson, Chief Executive Officer, Transfield Services at the Royal Sydney Yacht Squadron, Kirribilli, Sydney.

The Treasurer welcomed the opportunity to talk about Australia's long-term competitiveness, stating that 'it is important that we know where we stand in the global community – where we excel and where we can do better.' He noted that Australia's ability to prosper depends on our ability to sustain and enhance global competitiveness. The Treasurer said the Government is determined to build on reforms to create an economy that is 'more open, more dynamic and better placed to succeed in a constantly changing world.' Referring to the transformation of the region, the Treasurer noted that in the new era where India and China are dominant, Australia will find itself closer to the centre of the world economy than Europe or North America.

Having recently hosted the APEC Finance Ministers' Structural Reform meeting, the Treasurer said he was struck by the success of APEC and by how many economies in the region looked to the Australian structural reform experience to enhance trade and competition and to harness the power of markets to increase growth. The Treasurer said he is optimistic about the future of the region and is confident that the APEC economic community will rival that of Europe and North America in terms of productivity, depth of markets, deployment of capital, technological command and innovation. He stressed the government's commitment to a reform agenda that will modernise the economy and affirmed that the government is prepared to face the challenge of lifting productivity to climb up the ladder of international competitiveness.

Key aspects of the government's reform agenda are: COAG, the Carbon Pollution Reduction Scheme and tax. The Treasurer said that 'many of the challenges facing the economy can be addressed through more effective Commonwealth-State working relationships.' Referring to the recently launched Treasury discussion paper on tax reform, the Treasurer noted that long-term modernisation of the tax system is 'key to our efforts to underwrite Australia's global competitiveness and to lift productivity.' In relation to climate change, the Treasurer stated that he believes Australian businesses have the ingenuity and skill to be world leaders in this area and that climate change represents both a big challenge and a massive opportunity.

The Treasurer concluded by reiterating the government's commitment to reforms that pass the test of time, that modernise the economy and make Australia more competitive in the global community. He looks forward to continued discussions with the Foundation about an agenda for the future in the months and years ahead.

In discussion Mr Swan added that Treasury's wellbeing framework ensures competitiveness is anchored in a context over and above efficiency and that the government is committed to creating prosperity to create opportunities for individuals and for the country. He stressed that the future lies in our people and noted that in the coming decades 50% of the world's economy will be in our region. The [full text](#) of the Treasurer's speech is available.

The dialogue informed Foundation members of the government's longer term strategy for sustaining Australia's global competitiveness, affirming its importance to Australia maintaining a world-class standard of living and to Australia remaining respected and engaged in the world.