



Australian Government

Austrade

# Private Equity and Venture Capital in Australia 2007



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## Introduction

The Australian private equity and venture capital industry is one of the leaders in the Asia-Pacific region and ranks 11th globally.

Many of the world's leading international financial institutions are investors in Australian private equity funds. They have been attracted by the stable political and legal environment, the fast growing and diversified economy, the healthy Initial Public Offer market, the expanding debt market, the high calibre of Australian fund managers, tax efficient investment vehicles, and the quality and diversity of investment opportunities.

A number of the world's leading private equity fund managers have established offices in Australia, and some have already completed several exits and generated internationally competitive returns from their Australian portfolios.

The Australian early stage venture capital sector offers investment and co-investment opportunities in world leading intellectual property areas, including life sciences and biotechnology, information technology and software, financial services, and environmental investment and cleantech.

A number of Australian-developed technologies are now being successfully commercialised in North America, Europe and Asia, creating opportunities for experienced international venture capitalists.

### **The Main Drivers of Growth in the Australian Private Equity and Venture Capital Industry**

1. Increased awareness among institutional investors of private equity as an asset class
2. Growing interest in private equity from major institutional debt providers
3. An increase in management buyouts and public to private investment
4. Increased participation of major overseas private equity firms
5. A growing number of private investment companies in the sector
6. Internationally competitive returns by Australian private equity funds
7. A number of Australian Government programs aimed at encouraging the sector

*Source: Private Equity Media, Australian Venture Capital Guide 2007*

## The Australian Private Equity Sector

From the late 1980s to mid 1990s the most successful area of the private equity and venture capital industry was the expansion capital sector, which provided expansion capital for established businesses. Most private equity managers at that time also undertook buyouts as part of a diversified investment strategy. The expansion capital sector continues to do well today.

Growth in specialised buyout funds began in the mid 1990s and continued due to top quartile investment returns, a sophisticated economy with limited previous exposure to management buyout activity, growing institutional interest in private equity as an asset class, the arrival of major international buyout firms, and a transparent tax vehicle for international investors. Since the early 2000s, leveraged buyouts have taken over from early expansion capital as the leading sector within the private equity and venture capital industry.

## The Australian Venture Capital Sector

Over the past twenty years, a pool of experienced managers backed by supportive investors has developed. The Australian venture capital sector is well established with a number of leading firms, several of whom have successfully raised third and fourth funds. Between them, the leading managers have well over A\$3 billion in capital under management, and some 300 current portfolio companies.<sup>(1)</sup>

For many years Australia has been one of the leading venture capital markets in the Asia-Pacific region, and ranks well globally.

## The Australian Infrastructure Sector

Australia has also been a leader in the development of unlisted infrastructure as an asset class. In many countries unlisted infrastructure is reported as part of the private equity sector. However, in Australia it is seen as separate for several reasons: the much larger deal size, the return characteristics that focus more on yield than capital gain, and its focus on property-based, asset intensive monopolies.

The first unlisted infrastructure funds began in Australia in the early 1990s and the sector enjoyed spectacular growth that made it a world leader for many years. The growth was driven by Australia's geographical expanse, its increasing and dispersed population, and its rapidly growing economy.

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(1) Private Equity Media, *Australian Venture Capital Guide 2007*.

# The Size of the Australian Private Equity and Venture Capital Industry

By late 2006, the Australian private equity and venture capital industry included 139 investment firms managing A\$17 billion in capital. The vast majority of capital under management was in the buyout sector.

Of the 139 firms:

- 53 were predominantly early stage investors
- 32 were mostly expansion stage investors
- 31 focused mainly on buyouts
- 21 were diversified investors across most business stages, and
- 2 were focused on turnarounds

These firms had invested capital of A\$9 billion and available capital of over A\$8 billion, with total capital under management of more than A\$17 billion. The invested capital was disbursed among 1,097 portfolio companies and the industry had completed exits from another 740 businesses.

The Australian unlisted equities sector – combining venture capital, expansion capital, buyouts and infrastructure – had 159 firms with total funds under management of A\$84.1 billion. It had invested capital of A\$48.5 billion in 1,448 current investments and had exited another 810 investments. It had 1,512 professional staff.

## Australian Private Equity and Venture Capital Industry

Number of Firms	139
Total Capital	A\$17.06 billion minimum
Invested Capital	A\$9.34 billion minimum
Available Capital	A\$8.91 billion minimum
Total Number of Investments	1,837
Comprising Current Portfolio Companies	1,097
Completed Divestments	740
Professional Staff	835

## Australian Unlisted Infrastructure Investment Sector

Number of Firms	20
Total Capital	A\$67 billion minimum
Invested Capital	A\$39.13 billion minimum
Available Capital	As required
Total Number of Investments	421
Comprising Current Portfolio Assets	351
Completed Divestments	70
Professional Staff	677

Source: Private Equity Media, Australian Venture Capital Guide 2007

## How the Australian Industry Compares Internationally

The Australian private equity and venture capital industry is one of the leaders in the Asia-Pacific region and ranks 11th globally.

### Global Private Equity and Venture Capital Investments, by Nation<sup>(2)</sup>

Rank	Firm Nation	No. of Deals	No. of Investee Companies	No. of Investor Companies	Sum Invested (US\$ Million)
1	United States	4,986	4,154	1,906	65,057.6
2	United Kingdom	923	747	304	8,952.1
3	France	514	464	245	4,301.5
4	Germany	306	263	182	3,299.4
5	Bermuda	5	5	14	3,009.7
6	Netherlands	230	181	77	2,307.1
7	China	160	144	115	2,191.3
8	Denmark	128	98	61	2,031.0
9	India	105	103	63	1,466.6
10	Sweden	422	302	110	1,383.6
<b>11</b>	<b>Australia</b>	<b>166</b>	<b>150</b>	<b>67</b>	<b>1,320.6</b>
12	Singapore	15	13	16	1,089.1
13	Canada	132	120	145	1,078.0
14	Switzerland	82	63	61	952.5
15	South Korea	245	229	34	839.4

Source: Thomson Financial, as at 24 July 2007

The Australian private equity and venture capital industry is the second most active market in the Asia-Pacific region, behind China.

### Asia-Pacific Private Equity and Venture Capital Investments, by Nation

Rank	Firm Nation	No. of Deals	No. of Investee Companies	No. of Investor Companies	Sum Invested (US\$ Million)
1	China	160	144	115	2,191.3
<b>2</b>	<b>Australia</b>	<b>166</b>	<b>150</b>	<b>67</b>	<b>1,320.6</b>
3	Singapore	15	13	16	1,089.1
4	South Korea	245	229	34	839.4
5	Japan	26	23	30	586.8

Source: Thomson Financial, as at 24 July 2007

(2) Investments are for deals completed as at 24 July 2007 by private equity firms situated within the nominated country.

## Australian Private Equity Managers

The Australian private equity sector has many well-established firms, some of which are managing their fourth and fifth funds. The leading managers have well over A\$11.3 billion of current capital under management, and 177 current portfolio investments between them.<sup>(3)</sup>

The sector is well diversified with specialist firms that invest in all of the key buyout markets from international scale mega buyouts through to large, mid market and small management buyouts.

Investment activity is also well diversified by industry, ranging from traditional asset intensive sectors such as industrial and consumer manufacturing through to retailing, transport, communications, and service-based sectors such as medical, financial and business services.

In 2005-06, later stage leveraged buyout, management buyout and management buyin backed portfolio companies comprised the largest category of private equity investment, accounting for 31 per cent (A\$1.3 billion) of all industry investments by value.

### The Largest Australian Private Equity Managers

Firm	Current Capital Under Management A\$ Million
Pacific Equity Partners	1,800
Ironbridge Capital	1,373
CHAMP Private Equity	1,196
Macquarie Capital Alliance	1,000
Archer Capital	703
CHAMP Ventures	551
Allco Equity Partners	550
ANZ Capital	510
Advent Private Capital	450
TPG Capital	429
DB Capital Partners	380
AMP Capital Investors	350
Gresham Private Equity	325
RMB Capital Partners	300
ABN AMRO Capital Advisory (Australia)	300
Babcock & Brown Direct Investment Fund	285
Nikko Principal Investments Australia	285
Next Capital	265
Quadrant Private Equity	265

Source: Private Equity Media, Australian Venture Capital Guide 2007

Late stage expansion companies were the third largest category after early expansion, accounting for around 25 per cent of industry investments by value. In addition, over A\$300 million was invested in turnaround companies.

During 2005-06, A\$1 billion was invested by the industry in 123 new and follow-on leveraged buyouts and expansion stage investments.<sup>(4)</sup>

(3) Private Equity Media, Australian Venture Capital Guide 2007.

(4) Australian Bureau of Statistics, cat. no. 5678.0, 2005-06 Venture Capital and Later Stage Private Equity Australia.

## Australian Venture Capital Managers

The Australian venture capital sector is active and includes diversified early stage investors, and specialist managers in the key areas of information technology and software, life sciences and biotechnology, general technology, and resources and mining.

Of the A\$4.3 billion invested in 902 companies as at 30 June 2006, nearly:

- A\$100 million was invested in seed stage businesses
- A\$400 million was invested in start-up companies, and
- A\$1.2 billion was invested in companies at the early expansion stage of their development

Forty-nine per cent of all companies with venture capital or private equity backing were between two and four years old.

During 2005-06, A\$1.4 billion was invested by the industry, of which A\$443 million or 31 per cent went to seed, start-up and early expansion stage companies. By number, 295 new and follow-on investments were made into early stage companies. This was 71 per cent of all investments, by number.<sup>(5)</sup>

### The Largest Australian Venture Capital Managers

Firm	Current Capital Under Management A\$ Million
Sentient	769
GBS Venture Partners	278
CM Capital Investments	224
Allen & Buckeridge	220
CVC Managers	200
Lion Manager	198
Technology Venture Partners	170
Starfish Ventures	163
Pitt Capital Partners	160
Southern Cross Venture Partners	135
LinQ Capital	134
MGroup/Mooroolbark Investments	100
Accede Capital	90
Innovation Capital	86
Kestrel Capital	80
Neo Technology Ventures	74
Uniseed Management	61

Source: Private Equity Media, Australian Venture Capital Guide 2007

Australia also has an active business angel market including 24 business angel networks.

■ Angels Institute	■ Enterprise Angels	■ Strategon Capital Pty Ltd
■ AusFirst Angels	■ Exponential Markets	■ Sustaintech Ltd
■ Australia Pacific Exchange Ltd	■ Founders Forum	■ T3 Capital Pty Ltd
■ BioAngels Inc	■ Indigenous Stock Exchange (ISX)	■ The Australian Small Scale Offerings Board Ltd
■ BSI Capital and Investor Forum	■ IniPax	■ The ICE Angels
■ Business Angels Pty Ltd	■ National Investor Database Ltd	■ Vantage Asset Management Pty Ltd
■ Capital Angels	■ National Stock Exchange of Australia Ltd (NSX)	■ Venture Capital Market Place Pty Ltd
■ CAPstart Private Equity Market Pty Ltd	■ Netequity Pty Ltd	
■ Corporation Builders Pty Ltd		

Source: Private Equity Media, Australian Venture Capital Guide 2007

(5) Australian Bureau of Statistics, cat. no. 5678.0, 2005-06 Venture Capital and Later Stage Private Equity Australia.

## International Private Equity Firms in Australia

International private equity firms and investment banks with private equity operations began establishing offices in Australia in the mid 1990s. Early arrivals included Deutsche Bank, ABN AMRO, CVC Asia-Pacific and RMB Capital Partners.

Today Australia hosts international operators from the United States, United Kingdom, Germany, Netherlands, Japan and South Africa, together with a number of Asia-Pacific regional fund managers headquartered in Hong Kong.

Many other global and regional firms invest and co-invest in Australia on a fly-in fly-out basis prior to establishing an office as transaction volumes increase. Among these is one of the world's largest private equity firms, Kohlberg Kravis Roberts (KKR), which has already completed two of the largest deals in Australia and has made offers on several other businesses.

International firms invest in the full range of private equity deals from mega buyouts through to large and mid market transactions, and public to private as well as unlisted companies.

The most successful Australian private equity exit so far, Pacific Brands, was undertaken by CVC Asia-Pacific, a subsidiary of Europe's CVC Capital Partners, and its Australian co-investor Catalyst Investment Managers. The exit delivered a profit of over A\$1.1 billion and an internal rate of return of 140 per cent per annum over the investment period of two years and five months.

### International Private Equity Firms with Offices in Australia

ABN AMRO Capital Advisory (Australia)

Affinity Equity Partners

CCMP Capital Asia

CVC Asia-Pacific

DB Capital Partners

DSM Venturing

Goldman Sachs JB Were Private Equity

Merrill Lynch Global Private Equity

Nikko Principal Investments Australia

RMB Capital Partners

The Carlyle Group

TPG Capital (formerly Newbridge)

*Source: Private Equity Media, Australian Venture Capital Journal, various editions*

While the majority of international arrivals have been private equity firms, there is also interest from international venture capital firms. One of the first to set up office in Australia has been DSM Venturing of the Netherlands.

Other venture capital firms – including leading US venture firms – co-invest in Australian businesses alongside Australian venture capital firms, particularly when those businesses are ready to enter the US market. An example is Alta Partners, a US west coast life science specialist firm that co-invested with GBS Venture Partners in several deals based on Australian technologies. Also, an example of a leading European venture capital firm with Australian portfolio companies is Emerald Technology Ventures, which is headquartered in Switzerland.

## Opportunities for Private Equity

The Australian private equity sector has grown rapidly from its relatively low base of a few years ago, providing significant opportunities for overseas private equity firms and industry professionals to take advantage.

Overseas private equity practitioners have the opportunity to invest in Australia by establishing a local office, by co-investing with Australian based private equity firms, or both.

The most recent example of overseas influence was in 2006 and the instant creation of a mega buyout sector with the arrival in Australia of KKR. The firm joined other very large international buyout firms such as The Carlyle Group, Texas Pacific Group, and Bain Capital that had begun looking for opportunities in the Australian market. Individually and in syndicates, such large firms are able to participate in transactions involving some of the largest unlisted and listed companies in Australia.

There are also opportunities in the large, mid market and small end of the buyout market, particularly if firms want to look beyond the larger Sydney and Melbourne markets to the smaller states and capital cities. There are also opportunities to lead or participate in industry consolidations which have been growing in number in recent years, in succession planning for family businesses, in overseas expansions including cross border co-investment, and in turnarounds.

The Australian debt market for buyouts has improved significantly in recent years, both through increased participation by major local banks and institutions and by the arrival and participation of major offshore banks and institutions. There is, however, a need for further capacity, particularly in regard to mega buyouts.

### Fund of Funds

International investors also have a choice of well-established fund of fund managers through which they can access the Australian market. Some are part of major financial institutions and others are boutiques. As well as having a track record with unlisted wholesale fund of funds, some managers also have listed retail fund of funds. Most fund of fund managers have international fund of funds.

#### Australian Private Equity Fund of Fund Managers

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Barwon Investment Partners
Industry Funds Management
ING Investment Management
Macquarie Investment Management
Quay Partners
Queensland Private Capital Group
Vantage Asset Management
Wilshire Australia

*Source: Private Equity Media, Australian Venture Capital Journal, various editions*

## Asset Consultants

Australia has a well-established group of asset consultants who specialise in private equity and are able to advise on key issues including the market, managers, performance, strategy, diversification, investment vehicles, fee structures, and international tax issues.

### Australian Private Equity Asset Consultants

Access Capital Advisers
Frontier Investment Consulting
Industry Funds Management
JANA Investment Advisers
Macquarie Investment Management
Mercer Investment Consulting
Quentin Ayers
Russell Investment Group
Sovereign Investment Research
Watson Wyatt
Wilshire Australia

Source: *Private Equity Media, Australian Venture Capital Journal, various editions*

## Opportunities for Venture Capital

Australia produces a significant amount of intellectual property in key areas of interest to venture firms, including information technology and software, health and biotechnology, communications and environmental technology.

Commercialising the best of these remains a challenge for several reasons:

- the Australian capital markets are still not large enough to support the volume and range of innovation
- there are not enough venture capital firms and venture capitalists with specialised expertise in Australia, and
- access to overseas markets means travelling large distances and operating in different time zones

Australia's venture capital funds are often not large enough to support their portfolio companies through all the rounds of capital needed to achieve international success. For this reason, co-investment is common, including with international venture capital firms. Australian venture capital firms and their portfolio companies are often in need of strategically placed co-investors with global knowledge and networks.

Overseas venture capital firms can invest in Australia either by establishing a local office, by co-investing with Australian venture capital firms, or both.

While most Australian venture capital firms have some specialisation, gaps remain in the industry's spread of expertise, for example in clean technology, nanotechnology, instrumentation and advanced materials.

## Government Programs and Support

The Australian Government has been a supporter of the private equity and venture capital industry in Australia since it began. Over that time the Government has developed a number of programs to assist the industry's progress.

### Venture Capital Limited Partnership

The Venture Capital Limited Partnership (VCLP) is an investment vehicle with a flow-through tax structure allowing international investors an exemption on Australian Capital Gains Tax (CGT). The exemption is particularly useful for pension and endowment funds whose home country has a lower CGT, or does not have one. The VCLP vehicle provides for international institutions to invest in Australian private equity and venture capital on an equal tax footing with investments in their own country. The Australian Fund of Funds (AFOF) investment vehicle has similar tax benefits to the VCLP.

### Early Stage Venture Capital Limited Partnership

The Early Stage Venture Capital Limited Partnership (ESVCLP) is a new investment vehicle with flow-through income tax treatment and no tax liability for investors (on both revenue and capital), international or Australian. ESVCLP vehicles have a maximum fund size of A\$100 million. The total assets of portfolio companies cannot exceed A\$50 million at the time of investment, and once total assets exceed A\$250 million the ESVCLP is required to realise its investment. The complete tax exemption is designed to attract funding to assist in the commercialisation of Australian technologies and innovations.

### Innovation Investment Fund Program

The Innovation Investment Fund (IIF) program assists in the development of new venture capital managers for the early stage end of the market. The IIF acts as a fund of funds and invests in private sector venture capital funds alongside institutional and other commercial investors. It provides these investors with an incentive to invest in early stage and technology funds by forgoing part of its own returns, allowing the other investors to enjoy a greater share of the fund's returns than they would otherwise receive.

### Pre-Seed Fund Program

The Pre-seed Fund (PSF) encourages the private sector to help fund and manage the commercialisation of research from universities and Australian Government research agencies. Acting as a fund of funds, the PSF invests on a concessional basis alongside institutional investors in very early stage venture capital funds managed by the private sector.

### ICT Incubators Program

The ICT Incubators Program provides funding to selected venture capital incubators specialising in early stage information and communications technology (ICT) businesses. The funding allows the incubators to provide seed capital and incubation services, including business advice and assistance with raising follow-on capital, to help accelerate the growth of the companies.

### The Renewable Energy Equity Fund

The Renewable Energy Equity Fund (REEF) is a specialised fund providing venture capital to assist small companies to commercialise research and development in renewable energy technologies. REEF is based on the IIF model.

### Other Programs

The Federal Government runs many other programs to assist businesses to become suitable for venture capital or to support research and development. Among these are the Commercialising Emerging Technologies program, R&D Start, Commercial Ready, Pharmaceuticals Partnerships Program, and Renewable Energy Development Initiative.

# The Australian Environment

## Regulation and Taxation

Australia's financial regulatory environment has a world-class reputation. Its political and legal institutions are recognised globally for their transparency, impartiality and robustness.<sup>(6)</sup>

There are no specific regulations covering private equity funds in Australia. Similar to other types of managed funds, private equity funds fall under the scope of the *Corporations Act 2001*, which is administered by the Australian Securities and Investments Commission (ASIC). The provisions that apply will depend on whether the fund is structured as a trust or a company.

In the case of a trust, under which funds are not accepted from retail investors, private equity managers are subject to fewer requirements as their investors are considered to be more sophisticated and able to monitor and manage their investments.

If a private equity fund is marketed to retail investors, it must be registered with ASIC, and is subject to certain operational and disclosure requirements designed to protect investors' interests. These requirements include the appointment of a responsible entity charged with certain fiduciary duties, the provision of adequate product disclosure statements and annual or semi-annual reporting of financial statements.

Private equity funds structured as companies must comply with provisions covering capital raisings, corporate governance and disclosure requirements.

Most significantly, apart from registration of retail funds, all private equity fund managers (whether their funds are retail or wholesale) are required to hold an Australian Financial Services Licence issued by ASIC under Chapter 7 of the *Corporations Act 2001*. All licensees have ongoing compliance requirements. In its 2006-07 Budget, the Australian Government announced a suite of new measures to encourage venture capital investment, including the ESVCLP described earlier.

To encourage further offshore investment in Australia, the Australian Government announced changes to CGT arrangements for non-residents in June 2006. The amendments narrowed the range of assets on which a foreign resident is subject to Australian CGT to:

- Australian real property, and
- the business assets of Australian branches of a foreign resident

The Australian Government has also announced a further review of foreign source income anti-tax-deferral regimes, including the Foreign Investment Fund (FIF) rules. These rules seek to limit tax-deferral by Australian residents through investment in offshore funds that essentially provide no income stream to the investor. A previous review of Australia's international taxation arrangements resulted in changes to the FIF rules which were regarded as beneficial to the funds management industry in Australia, as they increased the accessibility for Australian residents to offshore investment vehicles.

## The Australian Securities Exchange (ASX)

The Australian equity market has grown substantially in recent years, due to a combination of significant Initial Public Offerings (IPOs), other equity market capital raisings, sustained national economic growth, and rising equity values. Total market capitalisation as at 30 June 2006 was A\$2,063 billion, with 1,896 companies listed.<sup>(7)</sup>

The ASX is the eighth largest equity market in the world (by floating stocks)<sup>(8)</sup> and has an international reputation for its best practice regulatory environment and sophistication, using world-class electronic trading, settlement and registry systems.

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(6) GovernanceMetrics International, *Press Release*, 18 September 2006.

(7) Australian Financial Markets Association, *Australian Financial Markets Report 2007*.

(8) Standard and Poor's, *S&P Global Stock Market Review: The World by Numbers*, June 2007.

## The Australian Debt Market

Australia is a regional leader in the issuance of both international and domestic debt securities. The country has more international debt securities outstanding than any other Asia-Pacific nation and ranks fourth in terms of domestic debt securities.<sup>(9)</sup>

## Robust and Resilient Economy

The strength and resilience of the Australian economy has been underpinned by 16 years of uninterrupted economic expansion at a rate above the global average. Australia's annual average real GDP growth rate from 1997 to 2007 was 3.5 per cent<sup>(10)</sup>, ahead of other developed economies such as the United States, United Kingdom, Japan, France and Germany. Australia was also ranked as the most resilient economy in the world for the fifth successive year in 2006.<sup>(11)</sup>

## Sophisticated Financial Markets and the Region's Largest Mutual Funds Pool

Australia is one of the key centres for capital market activity in the Asia-Pacific, with liquid markets in equities, debt, foreign exchange and derivatives. The sophistication of Australia's financial markets is ranked as the highest in the Asia-Pacific region and among the best in the world.

Australia's investment funds have grown significantly, recently surging to over A\$1.3 trillion.<sup>(12)</sup> Total investment fund assets have increased more than five-fold since 1992, with a compound annual growth rate of 12 per cent. This impressive growth has been driven by the Australian Government's mandatory retirement income scheme and the favourable tax treatment of private pension savings. This large and rapidly growing pool of funds continues to draw global financial services firms to establish or expand their operations in Australia.

## Democratic and Politically Stable

Australia is one of the oldest and most stable democracies in the world. It was ranked the most politically stable in the world in 2007 and is the only country consistently ranked in the top five since 1999.<sup>(13)</sup>

## Sound Corporate Governance

Corporate governance in Australia ranks among the best in the world. A survey conducted by independent ratings agency GovernanceMetrics International (GMI) ranked Australia third in the world for its corporate governance standards. This survey covered 3,800 global companies from 48 countries.<sup>(14)</sup>

## Highly Skilled, Multilingual and Experienced Workforce

Australia has over 1.5 million people employed in the finance, insurance, real estate and business services sectors, which reflects a sizeable pool of skilled workers. International studies confirm the high level of skill, productivity and professionalism of Australia's workforce, particularly in financial services.

Australia has over 1.4 million people who speak an Asian language at home and almost 1.2 million who speak a European language at home.<sup>(15)</sup> With more than 25 per cent of its labour force born overseas, Australia is one of the most culturally diverse countries in the Asia-Pacific region.<sup>(16)</sup>

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(9) Bank for International Settlements, *Quarterly Review*, June 2007.

(10) International Monetary Fund, *World Economic Outlook Database*, April 2007.

(11) Institute for Management Development, *World Competitiveness Yearbook 2006*.

(12) Australian Bureau of Statistics, cat. no. 5655.0, *Managed Funds*, June 2007.

(13) Institute for Management Development, *World Competitiveness Yearbook 2007*.

(14) GovernanceMetrics International, *Press Release*, 18 September 2006.

(15) Australian Bureau of Statistics, cat. no. 2068.0, *2006 Census Tables, 2006 Census of Population and Housing*.

(16) Australian Bureau of Statistics, cat. no. 6105.0, *Australian Labour Market Statistics*, July 2007.

## Austrade

The Australian Trade Commission (Austrade) is the Australian Government's trade and investment development agency. Austrade provides advice on overseas markets, international opportunities, and Export Market Development Grants, to reduce the time, cost and risk for Australian businesses to successfully establish and grow their and international business, as well as promoting Australia's attractiveness as a destination for foreign direct investment.

Austrade operates through a global network of offices, with representatives overseas in over 110 locations in more than 60 countries. Across Australia, Austrade has 17 offices and a network more than 50 TradeStart offices.

## Useful Links

Austrade	<a href="http://www.austrade.gov.au">www.austrade.gov.au</a>
Australian Bureau of Statistics	<a href="http://www.abs.gov.au">www.abs.gov.au</a>
AusIndustry	<a href="http://www.ausindustry.gov.au">www.ausindustry.gov.au</a>
Australian Private Equity & Venture Capital Association	<a href="http://www.avcal.com.au">www.avcal.com.au</a>
Australian Taxation Office	<a href="http://www.ato.gov.au">www.ato.gov.au</a>
Private Equity Media	<a href="http://www.privateequitymedia.com.au">www.privateequitymedia.com.au</a>

## For further information

To learn more about what we can do to help you or to contact an investment specialist, call **13 28 78** (in Australia), email [invest@austrade.gov.au](mailto:invest@austrade.gov.au) or visit [www.austrade.gov.au/financialservices](http://www.austrade.gov.au/financialservices)

### NOTE:

As of 1 July 2008, the work of Invest Australia, formerly part of the Department of Innovation, Industry, Science and Research is performed by Austrade.

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**Australian Government**

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