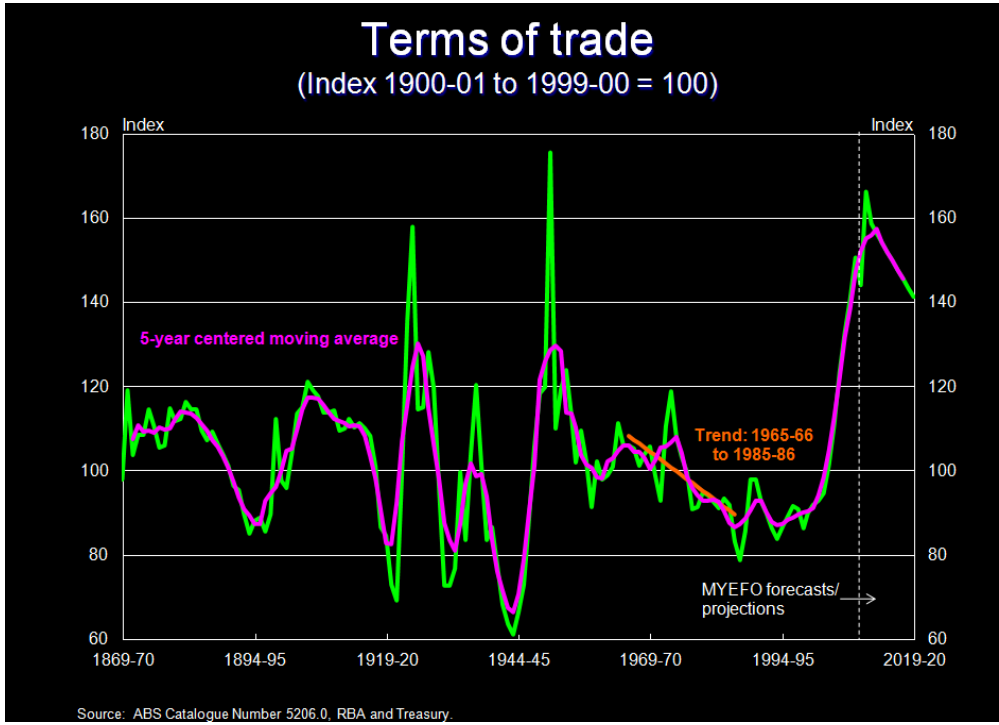
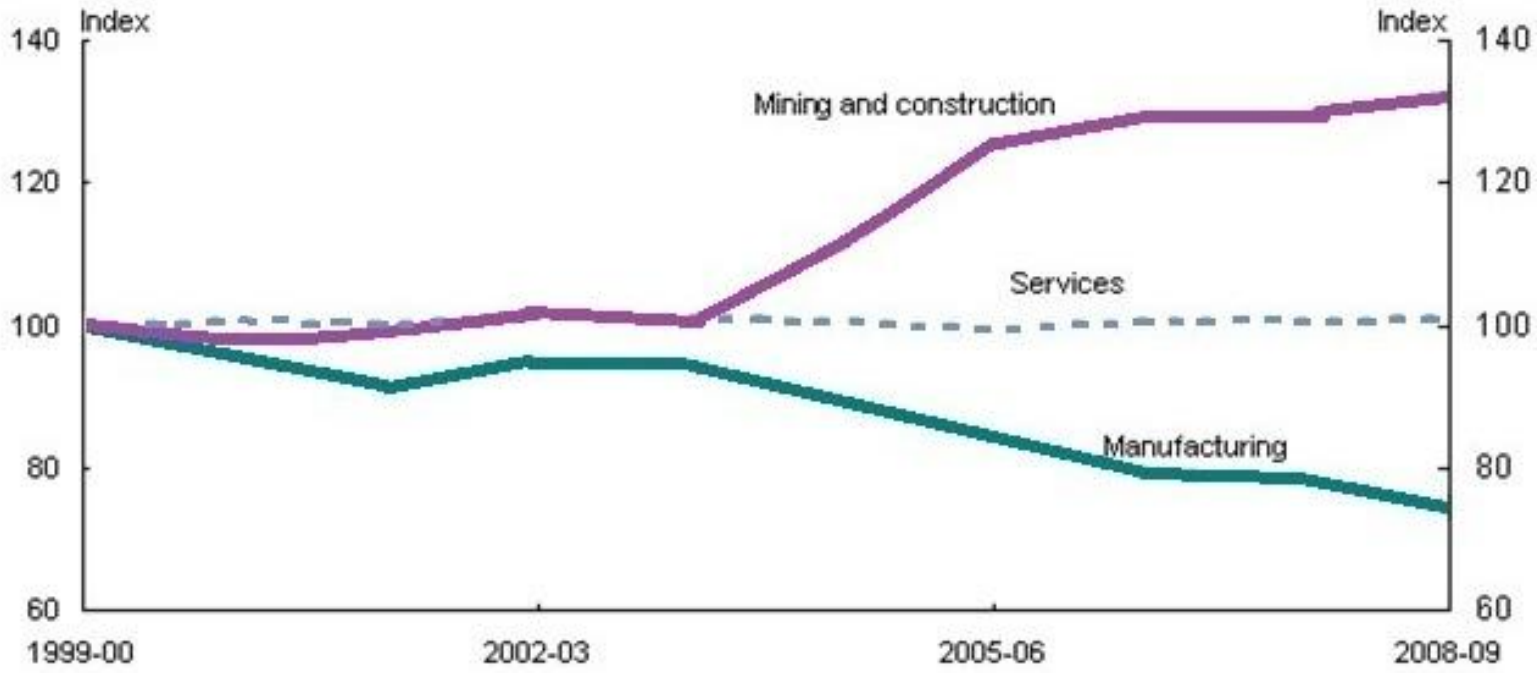
Australia - the challenge of prosperity
(so far)

Glenn Stevens
Governor of Reserve Bank of Australia



- To put it in very simplified terms, five years ago, a ship load of Australian iron ore was worth about the same as about **2,200** flat screen television sets.
- Today it is worth about **22,000** flat-screen TV sets – partly due to TV prices falling but more due to the price of iron ore rising by a factor of six.

Australia - Three Speed Economy
Output by selected industry sector



Source: ABS cat. no. 5204.0 and Treasury. Dr Ken Henry, Post Budget address to the Australian Business Economists 18 May 2010

To avoid skill shortages

- Increase tertiary enrolments by 3% per annum until 2025
- Increase workforce participation by 4% by 2025
- Entitlement (voucher) system for tertiary enrolments by individual learners
- Demand based and sectoral National Workforce Development Fund for enterprises
- Subsidies vary by size of enterprise
- Improve skills utilisation and quality