



Capital Access

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In 2008, new and existing businesses in Australia were assessed as having the ninth best access to capital out of 122 countries.

The Capital Access Index (CAI), compiled by the Milken Institute, an independent economic think tank in the United States, ranks countries according to the ability of businesses and entrepreneurs to finance their strategies and investments for job creation and capital formation. The index aims to measure the depth and breadth of each country's financial system, covering the macroeconomic environment, the strength of economic institutions, financial and banking institutions, equity and bond markets, availability of capital and ability to access funds internationally.

The strength of the institutional framework in Australia is well recognised and was rated equal second for the extent to which it supports and enhances business financing activities. Australia was ranked first in the world for its equity market development, and deposit-taking institutions were assessed as being very involved in financing businesses in Australia with a ranking of equal second. Australia was ranked equal fifth on the Alternative Sources of Capital sub-category of the index which measures a country's use of such financing tools as venture capital and private placements. Australia was also rated as the eleventh best location for businesses to access foreign capital. These high rankings demonstrate the strength of Australia's financial markets and the central role they play in generating new business activity and economic growth.

Capital Access Index 2008

Country	Rank	CAI
Hong Kong SAR	2	7.82
United Kingdom	4	7.7
Singapore	5	7.64
United States	6	7.56
Australia	9	7.26
Korea	12	7.06
Malaysia	=13	7.03
Japan	=15	6.96
France	=17	6.95
New Zealand	=19	6.92
Germany	23	6.67
Taiwan	24	6.63
Thailand	32	6.09
China	45	5.45
India	47	5.33
Philippines	=62	4.55
Indonesia	65	4.42

Source: 2008 *Capital Access Index*, Capital Studies, Milken Institute, April 2009.