

Doing Business 2008

Australia

COMPARING REGULATION IN 178 ECONOMIES

Doing Business 2008 **Australia**

A Project Benchmarking the Regulatory Cost of
Doing Business in 178 Economies

Doing Business Project
World Bank Group



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1818 H Street NW
Washington, DC 20433
Telephone 202-473-1000
Internet www.worldbank.org
E-mail feedback@worldbank.org

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Copies of *Doing Business 2008*, *Doing Business 2007: How to Reform*, *Doing Business in 2006: Creating Jobs*, *Doing Business in 2005: Removing Obstacles to Growth* and *Doing Business in 2004: Understanding Regulation* may be purchased at www.doingbusiness.org.

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Introduction

Doing Business 2008 is the fifth in a series of annual reports investigating the regulations that enhance business activity and those that constrain it. *Doing Business* presents quantitative indicators on business regulations and the protection of property rights that can be compared across 178 economies—from Afghanistan to Zimbabwe—and over time.

Regulations affecting 10 stages of a business's life are measured: starting a business, dealing with licenses, employing workers, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and closing a business. Data in *Doing Business 2008* are current as of June 1, 2007. The indicators are used to analyze economic outcomes and identify what reforms have worked, where, and why.

The *Doing Business* methodology has limitations. Other areas important to business -- such as a country's proximity to large markets, the quality of its infrastructure services (other than those related to trading across borders), the security of property from theft and looting, the transparency of government procurement, macroeconomic conditions, and the underlying strength of institutions -- are not studied directly by *Doing Business*. To make the data comparable across countries, the indicators refer to a specific type of business -- generally a limited liability company operating in the largest business city.

Because standard assumptions are used in the data collection, comparisons and benchmarks are valid across economies. The data not only highlight the extent of obstacles to doing business; they also help identify the source of those obstacles, supporting policymakers in designing reform.

The data set covers 178 economies: 46 in Sub-Saharan Africa, 31 in Latin America and the Caribbean, 28 in Eastern Europe and Central Asia, 24 in East Asia and Pacific, 17 in the Middle East and North Africa and 8 in South Asia—as well as 24 OECD high-income economies as benchmarks. Some of the regions have been divided into subregions to generate a total of 13 regional profiles.

The following pages present the summary *Doing Business* indicators for Australia along with the comparator economies selected. The data used for this country profile come from the *Doing Business* database and are summarized in graphs and tables. This report allows a comparison of the economies not only with one another but also with the “best practice” economy for each indicator.

The best-practice economies are identified by their position in each indicator as well as their overall ranking and by their capacity to provide good examples of business regulation to other economies. These best-practice economies do not necessarily rank number 1 in the topic or indicator, but they are in the top 5.

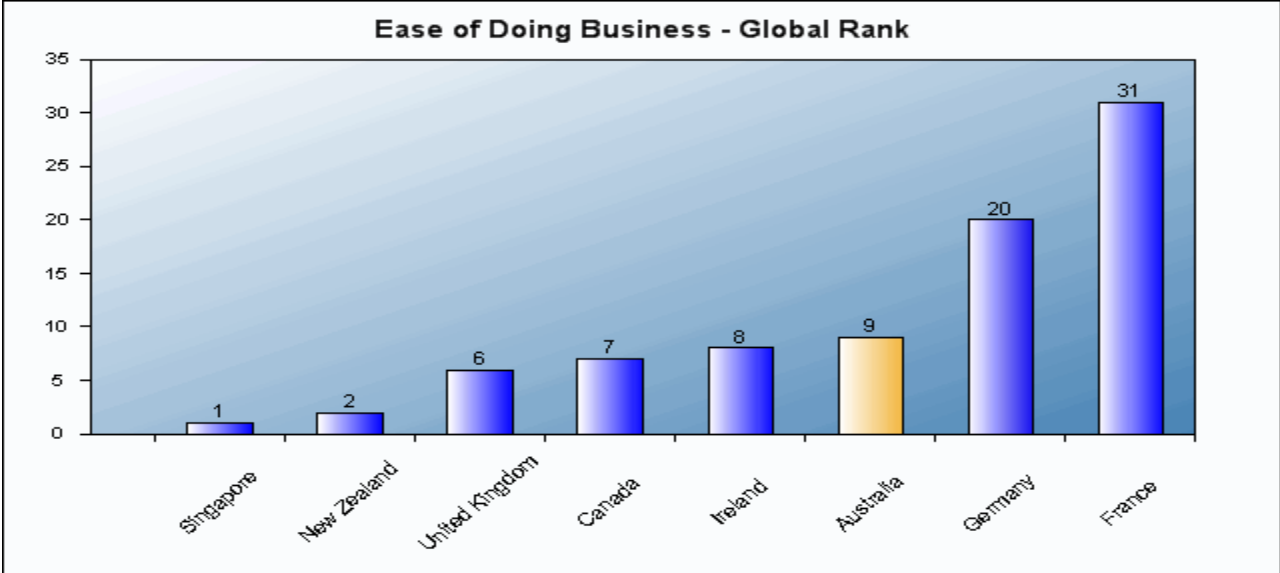
More information is available in the full report. *Doing Business 2008* presents the indicators, analyzes their relationship with economic outcomes and recommends reforms. The data, along with information on ordering the report, are available on the *Doing Business* website

<http://www.doingbusiness.org>

Economy Rankings - Ease of Doing Business

Australia is ranked 9 out of 178 economies. Singapore is the top ranked economy in the Ease of Doing Business.

Australia - Compared to Global Best / Selected Economies:



Australia's ranking in Doing Business 2008

Rank	Doing Business 2008
Ease of Doing Business	9
Starting a Business	1
Dealing with Licenses	52
Employing Workers	8
Registering Property	27
Getting Credit	3
Protecting Investors	51
Paying Taxes	41
Trading Across Borders	34
Enforcing Contracts	11
Closing a Business	14

Reforms - Who is reforming?

This year Egypt tops the list of reformers that are making it easier to do business. Egypt's reforms went deep with reforms in 5 of the 10 areas studied by Doing Business, and it greatly improved its position in the global rankings as a result. Besides Egypt, the other top 10 reformers are, in order, Croatia, Ghana, FYR Macedonia, Georgia, Colombia, Saudi Arabia, Kenya, China, and Bulgaria.

1. **Egypt**, the top reformer in the region and worldwide, greatly improved its position in the global rankings on the ease of doing business. Its reforms went deep. Egypt cut the minimum capital required to start a business, from 50,000 Egyptian pounds to just 1,000 and halved the time and cost of start-up. It reduced fees for registering property from 3 percent of the property value to a low, fixed amount. It eased the bureaucracy that builders face in getting construction permits. It launched new one-stop shops for traders at Egyptian ports, cutting the time to import by seven days and the time to export by five. And it established a new private credit bureau that will soon be making it easier for borrowers to get credit.

2. **Croatia** reformed in four of the 10 areas studied by Doing Business. Two years ago, registering property in Croatia took 956 days. Now it takes 174. Company start-up also became faster, with procedures consolidated at a "one-stop shop" and pension and health services registration now online. Credit became easier to access: a new credit bureau was launched, and a unified registry now records charges against movable property in one place. In its first two months, €1.4 billion in credit was registered. In addition, amendments to the country's insolvency law introduced professional requirements for bankruptcy trustees and shorter timelines.

3. **Ghana**, a top 10 reformer for the second year running, continues to increase the efficiency of its public services. It cut bottlenecks in property registration, reducing delays from six months to one. Greater efficiency at the company registry and the environment agency cut the time for business start-up to 42 days. Changes in the port authority's operations sped up imports. New civil procedure rules and mandatory arbitration and mediation reduced the time it takes to enforce contracts.

4. **FYR Macedonia** eliminated the minimum capital requirement for business start-up, sped up the process for getting construction permits, lowered the corporate income tax rate to 12 percent (with another cut to 10 percent planned for 2008), and simplified tax payment procedures. Its ranking on the ease of doing business rose from 96 to 75.

5. **Georgia** reformed in six areas. It strengthened investor protections, including through amendments to its securities law that eliminate loopholes that had allowed corporate insiders to expropriate minority investors. It adopted a new insolvency law that shortens timelines for reorganization of a distressed company or disposition of a debtor's assets. Georgia sped up approvals for construction permits and simplified procedures for registering property. It made starting a business easier by eliminating the paid-in capital requirement. In addition, the country's private credit bureau added payment information from retailers, utilities, and trade creditors to the data it collects and distributes.

6. **Colombia**, the region's top reformer, has made great strides in easing trade. By extending port operating hours and adopting more selective customs inspections, it reduced the time for port and terminal handling activities by three days. The country strengthened investor protections by increasing disclosure requirements for related-party transactions. It introduced an electronic tax filing system, cutting the average time businesses must spend on tax compliance each year by 188 hours, or 41 percent. And it is progressively reducing the corporate income tax rate, from 35 to 34 percent in 2007 and 33 percent in 2008.

7. **Saudi Arabia**, the runner-up reformer in the region, eliminated the minimum capital requirement of 1,057 percent of income per capita and reduced the days needed for company start-up from 39 to 15. It launched a commercial credit bureau whose reports include the credit exposure of companies. It also sped up trade, reducing the number of documents required for importing and cutting the time needed for handling at ports and terminals by two days for both imports and exports.

8. **Kenya**, the region's other top 10 reformer, launched an ambitious licensing reform program. So far the program has eliminated 110 business licenses and simplified eight others. The changes have streamlined business start-up and cut both the time and cost of getting building permits. The program will eventually eliminate or simplify at least 900 more of the country's 1,300 licenses. Property registration is also faster now, thanks to the introduction of competition among land valuers. And the country's private credit bureau now collects a wider range of data.

9. In **China**, a new property law put private property rights on equal footing with state property rights. The law also expanded the range of assets that can be used as collateral to include inventory and accounts receivable. The new bankruptcy law gives secured creditors priority to the proceeds from their collateral. Construction also became easier, with electronic processing of building permits reducing delays by two weeks.

10. **Bulgaria** eased the tax burden on businesses and made it easier to pay taxes online. Bulgaria also introduced private bailiffs to improve efficiency in enforcing judgments. And it made building inspections less burdensome.

Number of reforms in Doing Business 2008

Rank	Economy	Starting a Business	Dealing with Licenses	Employing Workers	Registering Property	Getting Credit	Protecting Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts	Closing a Business	Total number of reforms
1	Egypt	✓	✓		✓	✓			✓			5
2	Croatia	✓			✓	✓					✓	4
3	Ghana	✓			✓	✓			✓	✓		5
4	Macedonia, FYR	✓	✓					✓				3
5	Colombia						✓	✓	✓			3
6	Georgia	✓	✓		✓	✓	✓				✓	6
7	Saudi Arabia	✓				✓			✓			3
8	Kenya	✓	✓		✓	✓						4
9	China		✓			✓					✓	3
10	Bulgaria		✓					✓		✓		3
	Australia	✓										1
	Canada											0
	France				✓	✓						2
	Germany	✓			✗							0
	Ireland											0
	New Zealand											0
	United Kingdom											0

Note: Economies are ranked on the number and impact of reforms, Doing Business selects the economies that reformed in 3 or more of the Doing Business topics. Second, it ranks these economies on the increase in rank in Ease of Doing Business from the previous year. The larger the improvement, the higher the ranking as a reformer.

Summary of Indicators - Australia

Starting a Business	Procedures (number)	2
	Duration (days)	2
	Cost (% GNI per capita)	0.8
	Paid in Min. Capital (% of GNI per capita)	0.0
Dealing with Licenses	Procedures (number)	16
	Duration (days)	221
	Cost (% of income per capita)	13.2
Employing Workers	Difficulty of Hiring Index	0
	Rigidity of Hours Index	0
	Difficulty of Firing Index	10
	Rigidity of Employment Index	3
	Nonwage labor cost (% of salary)	20
	Firing costs (weeks of wages)	4
Registering Property	Procedures (number)	5
	Duration (days)	5
	Cost (% of property value)	4.9
Getting Credit	Legal Rights Index	9
	Credit Information Index	5
	Public registry coverage (% adults)	0.0
	Private bureau coverage (% adults)	100.0
Protecting Investors	Disclosure Index	8
	Director Liability Index	2
	Shareholder Suits Index	7
	Investor Protection Index	5.7
Paying Taxes	Payments (number)	12
	Time (hours)	107
	Profit tax (%)	26.9
	Labor tax and contributions (%)	22.2
	Other taxes (%)	1.5
	Total tax rate (% profit)	50.6

Trading Across Borders	Documents for export (number)	6
	Time for export (days)	9
	Cost to export (US\$ per container)	930
	Documents for import (number)	6
	Time for import (days)	12
	Cost to import (US\$ per container)	1120
Enforcing Contracts	Procedures (number)	28
	Duration (days)	262
	Cost (% of claim)	20.7
Closing a Business	Time (years)	1.0
	Cost (% of estate)	8
	Recovery rate (cents on the dollar)	79.2

Starting a Business in Australia: Entry Regulation

When entrepreneurs draw up a business plan and try to get under way, the first hurdles they face are the procedures required to incorporate and register the new firm before they can legally operate. Economies differ greatly in how they regulate the entry of new businesses. In some the process is straightforward and affordable. In others the procedures are so burdensome that entrepreneurs may have to bribe officials to speed the process—or may decide to run their business informally.

The data on starting a business are based on a survey and research investigating the procedures that a standard small to medium-size company needs to complete to start operations legally. These include obtaining all necessary permits and licenses and completing all required inscriptions, verifications and notifications with authorities to enable the company to formally operate. The time and cost required to complete each procedure under normal circumstances are calculated, as well as the minimum capital that must be paid in. It is assumed that all information is readily available to the entrepreneur, that there has been no prior contact with officials and that all government and nongovernment entities involved in the process function without corruption.

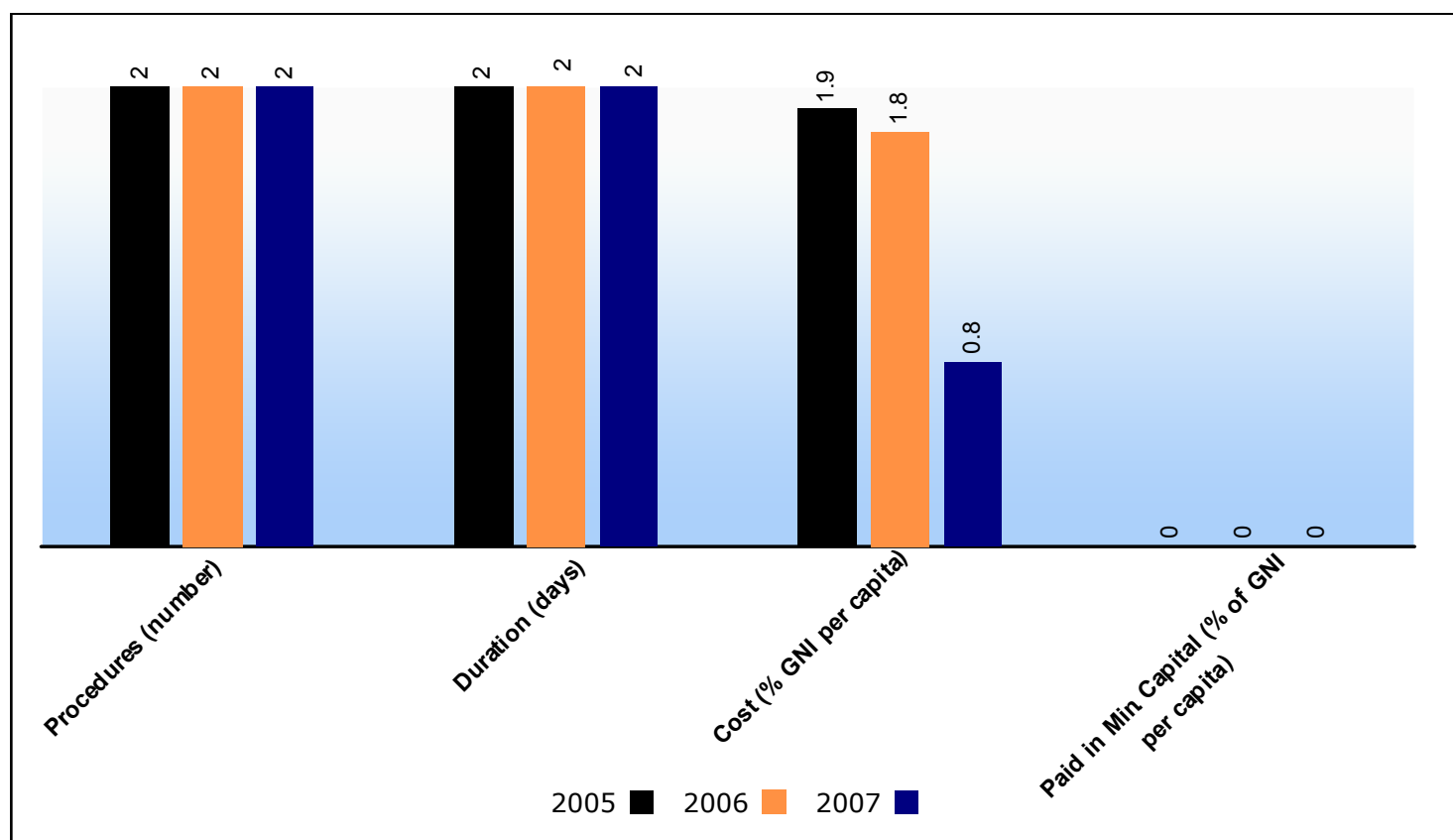
To make the data comparable across economies, detailed assumptions about the type of business are used. Among these assumptions are the following: the business is a limited liability company conducting general commercial activities in the largest business city; it is 100% domestically owned, with start-up capital of 10 times income per capita, turnover of at least 100 times income per capita and between 10 and 50 employees; and it does not qualify for any special benefits, nor does it own real estate. Procedures are recorded only where interaction is required with an external party. It is assumed that the founders complete all procedures themselves unless professional services (such as by a notary or lawyer) are required by law. Voluntary procedures are not counted, nor are industry-specific requirements and utility hook-ups. Lawful shortcuts are counted.

Cumbersome entry procedures are associated with more corruption, particularly in developing countries. Each procedure is a point of contact—an opportunity to extract a bribe. Analysis shows that burdensome entry regulations do not increase the quality of products, make work safer or reduce pollution. Instead, they constrain private investment; push more people into the informal economy; increase consumer prices; and fuel corruption.

1. Historical data: Starting a Business in Australia

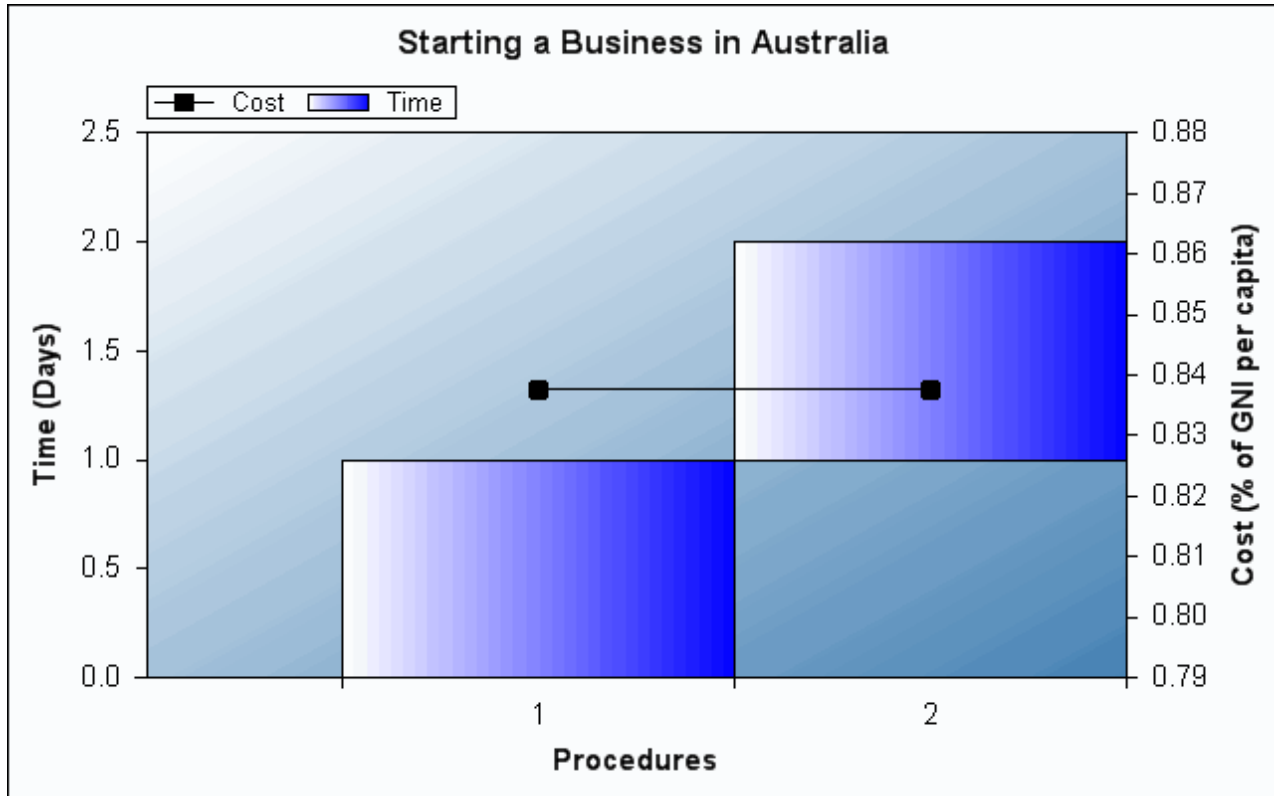
Starting a Business data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		2	1
Procedures (number)	2	2	2
Duration (days)	2	2	2
Cost (% GNI per capita)	1.9	1.8	0.8
Paid in Min. Capital (% of GNI per capita)	0.0	0.0	0.0

2. The following graph illustrates the Starting a Business indicators in Australia over the past 3 years:



3. Steps to Starting a Business in Australia

It requires 2 procedures, takes 2 days, and costs 0.84% GNI per capita to start a business in Australia.



List of Procedures:

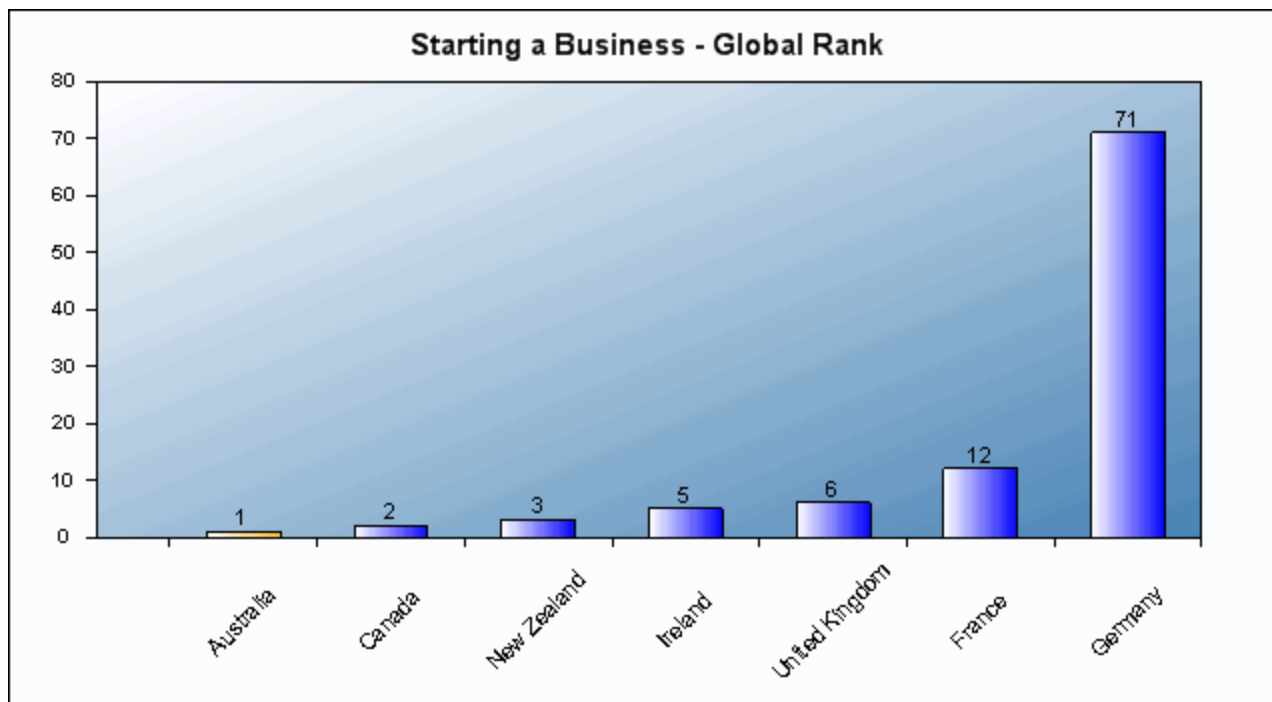
1. Incorporate the company
2. Register with tax authority

More details are available in the appendix.

4. Benchmarking Starting a Business Regulations:

Australia is ranked 1 overall for Starting a Business. Australia is the top ranked economy followed by Canada, New Zealand and United States.

Ranking of Australia in Starting a Business - Compared to best practice and selected economies:



The following table shows Starting a Business data for Australia compared to best practice and comparator economies:

<i>Best Practice Economies</i>	Procedures (number)	Duration (days)	Cost (% GNI per capita)	Paid in Min. Capital (% of GNI per
Australia*	2	2		0.0
Denmark			0.0	

<i>Selected Economy</i>				
Australia	2	2	0.8	0.0

<i>Comparator Economies</i>				
Canada	2	3	0.9	0.0
France	5	7	1.1	0.0
Germany	9	18	5.7	42.8
Ireland	4	13	0.3	0.0
New Zealand	2	12	0.1	0.0
United Kingdom	6	13	0.8	0.0

* The following economies are also best practice economies for :

Procedures (number): **Canada, New Zealand**

Paid in Min. Capital (% of GNI per capita): **Canada, Ireland, Israel, Mauritius, New Zealand, Puerto Rico, Thailand, Trinidad and Tobago, United Kingdom, United States**

Dealing with Licenses in Australia: Building a Warehouse

Once entrepreneurs have registered a business, what regulations do they face in operating it? To measure such regulation, Doing Business focuses on the construction sector. Construction companies are under constant pressure—from government to comply with inspections and with licensing and safety regulations and from customers to be quick and cost-effective. These conflicting pressures point to the tradeoff in building regulation—the tradeoff between protecting people (construction workers, tenants, passersby) and keeping the cost of building affordable.

In many countries, especially poor ones, complying with building regulations is so costly in time and money that many builders opt out. Builders may pay bribes to pass inspections or simply build illegally—leading to hazardous construction. In other countries compliance is simple, straightforward and inexpensive—yielding better results.

The indicators on dealing with licenses record all procedures officially required for an entrepreneur in the construction industry to build a warehouse. These include submitting project documents (building plans, site maps) to the authorities, obtaining all necessary licenses and permits, completing all required notifications and receiving all necessary inspections. They also include procedures for obtaining utility connections, such as electricity, telephone, water and sewerage. The time and cost to complete each procedure under normal circumstances are calculated. All official fees associated with legally completing the procedures are included. Time is recorded in calendar days. The survey assumes that the entrepreneur is aware of all existing regulations and does not use an intermediary to complete the procedures unless required to do so by law.

To make the data comparable across economies, several assumptions about the business and its operations are used. The business is a small to medium-size limited liability company, located in the most populous city, domestically owned and operated, in the construction business, with 20 qualified employees. The warehouse to be built:

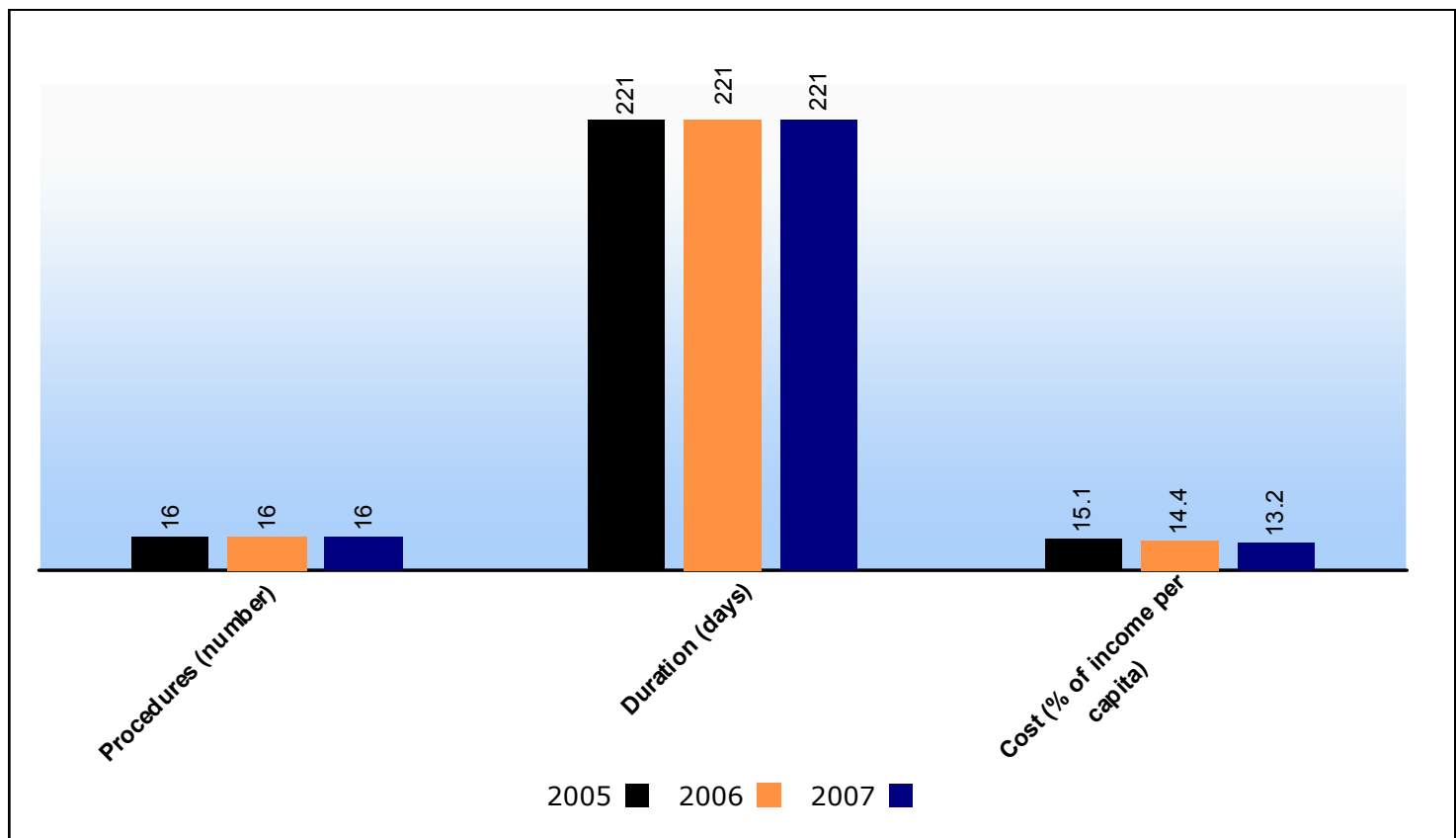
- Is a new construction (there was no previous construction on the land).
- Has complete architectural and technical plans prepared by a licensed architect.
- Will be connected to electricity, water, sewerage (sewage system, septic tank or their equivalent) and one land phone line. The connection to each utility network will be 32 feet, 10 inches (10 meters) long.
- Will be used for general storage, such as of books or stationery. The warehouse will not be used for any goods requiring special conditions, such as food, chemicals or pharmaceuticals.
- Will take 30 weeks to construct (excluding all delays due to administrative and regulatory requirements).

Where the regulatory burden is large, entrepreneurs move their activity into the informal economy. There they operate with less concern for safety, leaving everyone worse off.

1. Historical data: Dealing with Licenses in Australia

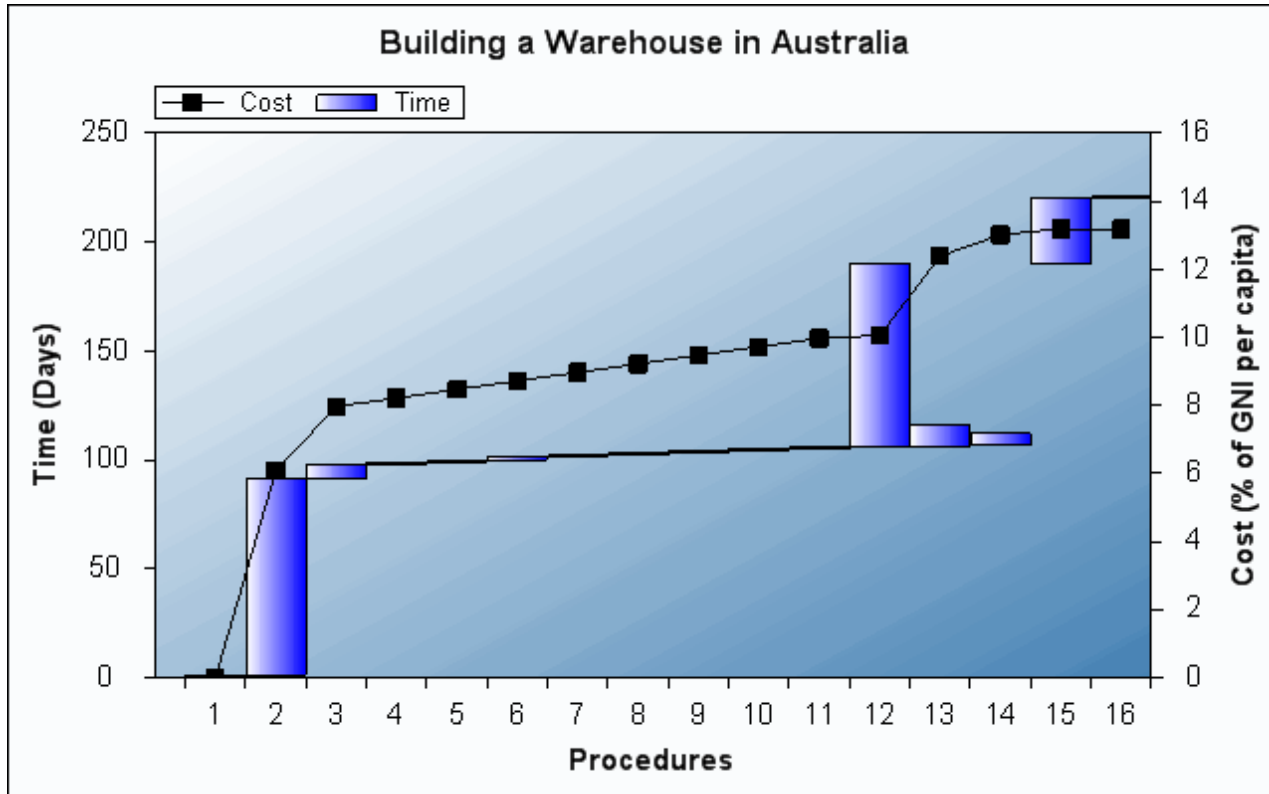
Dealing with Licenses data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		52	52
Procedures (number)	16	16	16
Duration (days)	221	221	221
Cost (% of income per capita)	15.1	14.4	13.2

2. The following graph illustrates the Dealing with Licenses indicators in Australia over the past 3 years:



3. Steps to Building a Warehouse in Australia

It requires 16 procedures, takes 221 days, and costs 13.19% GNI per capita to build a warehouse in Australia.



List of Procedures:

1. The local council determines if a development application is required
2. Developer files development application with consent authority
3. Appoint the Principal Certifying Authority and apply for a construction certificate with the Principal Certifying Authority
4. The Principal Certifying Authority inspects the construction for footings/ structure
5. The Principal Certifying Authority inspects the construction for timber framing
6. The Principal Certifying Authority inspects the construction for site drainage
7. The Principal Certifying Authority inspects the construction for fire safety measures
8. The Principal Certifying Authority inspects the construction for wet areas
9. The Principal Certifying Authority inspects the construction for lighting/ ventilation
10. The Principal Certifying Authority inspects the construction for sound transmission class rating
11. The Principal Certifying Authority inspects the construction for stair construction and balustrades
12. Request and receive connection to electricity

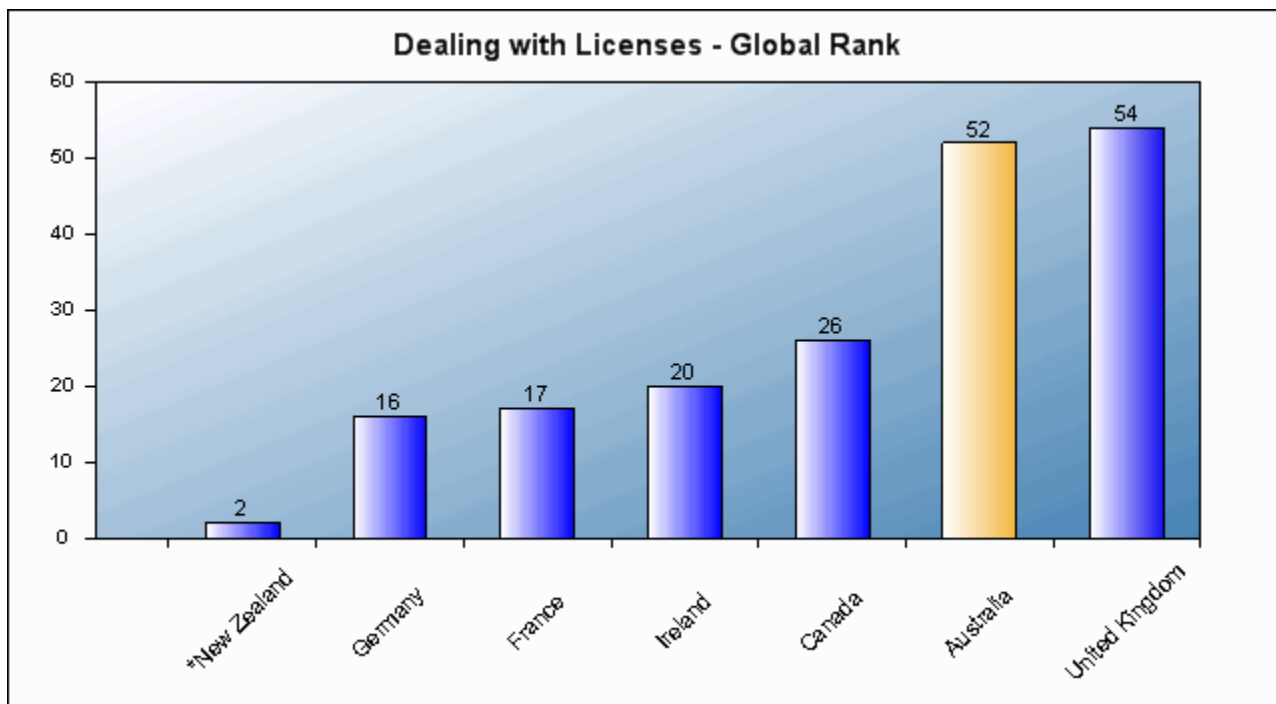
- 13. Request and receive connection to water/sewage services with Sydney Water
- 14. Request and receive connection to telephone
- 15. Request and obtain the occupation certificate from the Principal Certifying Authority
- 16. Compliance check by the authority

More details are available in the appendix.

4. Benchmarking Dealing with Licenses Regulations:

Australia is ranked 52 overall for Dealing with Licenses. St. Vincent and the Grenadines is the top ranked economy followed by New Zealand, Belize and Marshall Islands.

Ranking of Australia in Dealing with Licenses - Compared to best practice and selected economies:



* The following economies are also best practice economies for Building a Warehouse: St. Vincent and the Grenadines

The following table shows Dealing with Licenses data for Australia compared to best practice and comparator economies:

<i>Best Practice Economies</i>	Procedures (number)	Duration (days)	Cost (% of income per capita)
Denmark	6		
Korea		34	
United Arab Emirates			1.5

<i>Selected Economy</i>			
Australia	16	221	13.2

<i>Comparator Economies</i>			
Canada	14	75	125.4
France	13	137	24.9
Germany	12	100	63.1
Ireland	11	185	19.8
New Zealand	7	65	25.0
United Kingdom	19	144	64.6

Employing Workers in Australia: Labor Regulations

Every economy has established a complex system of laws and institutions intended to protect workers and guarantee a minimum standard of living for its population. This system encompasses four bodies of law: employment, industrial relations, social security and occupational health and safety laws. Doing Business examines government regulation in the area of employment and social security laws.

Three measures are presented: a rigidity of employment index, a nonwage labor cost measure and a firing cost measure. The rigidity of employment index is the average of three subindices: difficulty of hiring, rigidity of hours and difficulty of firing. Each index takes values between 0 and 100, with higher values indicating more rigid regulation. The difficulty of hiring index measures the flexibility of contracts and the ratio of the minimum wage to the value added per worker. The rigidity of hours index covers restrictions on weekend and night work, requirements relating to working time and the workweek, and mandated days of annual leave with pay. The difficulty of firing index covers workers' legal protections against dismissal, including the grounds permitted for dismissal and procedures for dismissal (individual and collective).

The nonwage labor cost covers all social security payments and payroll taxes associated with hiring an employee, expressed as a percentage of the worker's salary. The firing cost indicator measures the cost of advance notice requirements, severance payments and penalties due when terminating a redundant worker, expressed in weeks of salary.

The indicators on employment regulations are based on a detailed study of employment laws. Data are also gathered on the specific constitutional provisions governing the two areas studied. To ensure accuracy, both the actual laws and the applicable collective bargaining agreements are used. Finally, all data are verified and completed by local law firms through a detailed survey of employment regulations.

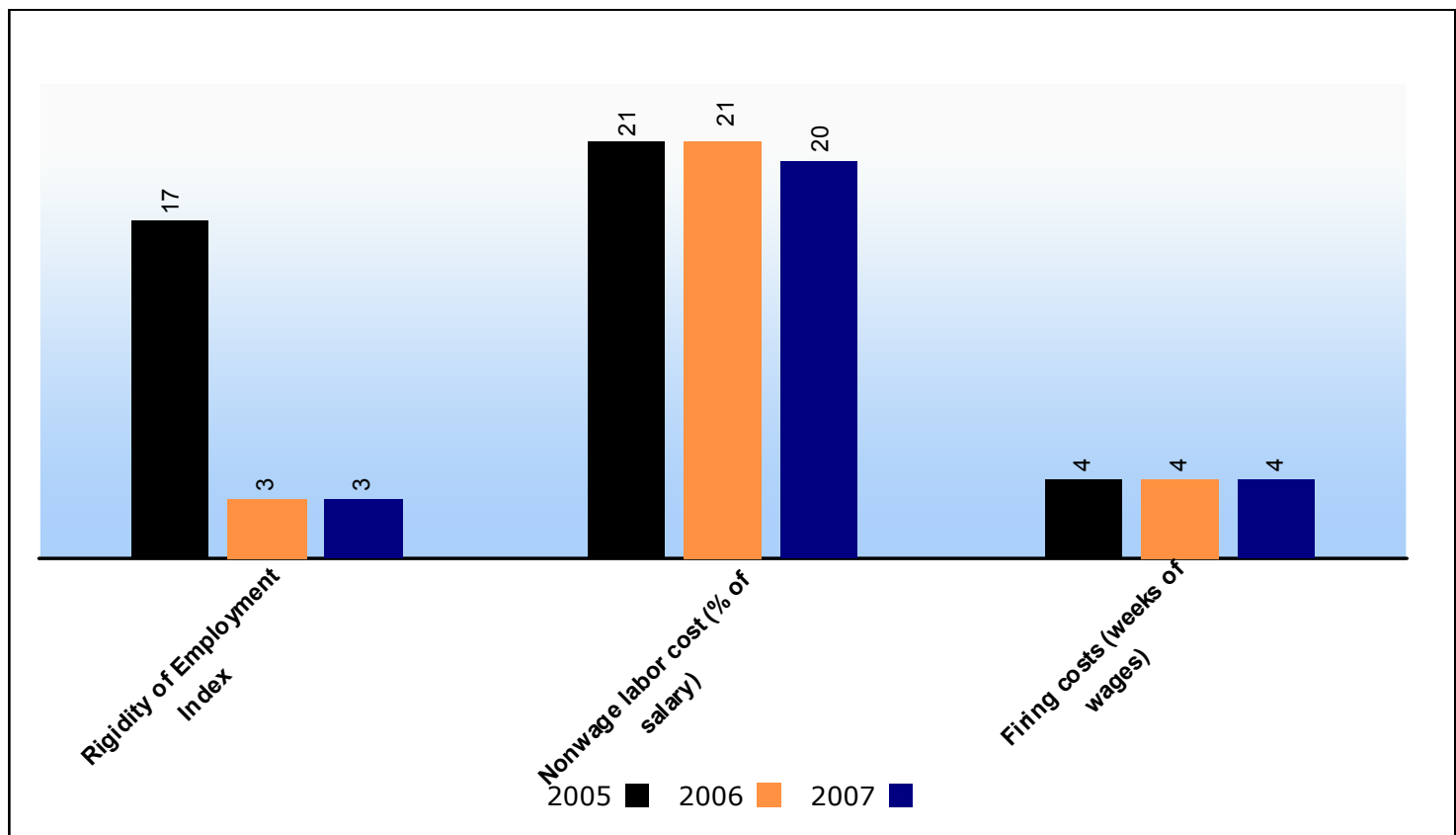
To make the data comparable across economies, a range of assumptions about the worker and the company are used. Assumptions about the worker include that he is a nonexecutive, full-time male employee who has worked in the same company for 20 years and is not a member of the labor union (unless membership is mandatory). The company is assumed to be a limited liability manufacturing corporation that operates in the country's most populous city, is 100% domestically owned and has 201 employees. The company is also assumed to be subject to collective bargaining agreements in countries where such agreements cover more than half the manufacturing sector and apply even to firms not party to them.

Most employment regulations are enacted in response to market failures. But that does not mean that today's regulations are optimal. Analysis across countries shows that while employment regulation generally increases the tenure and wages of incumbent workers, rigid regulations have many undesirable side effects. These include less job creation, smaller company size, less investment in research and development, and longer spells of unemployment and thus the obsolescence of skills—all of which may reduce productivity growth. Many countries err on the side of excessive rigidity, to the detriment of businesses and workers alike.

1. Historical data: Employing Workers in Australia

Employing Workers data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		8	8
Rigidity of Employment Index	17	3	3
Nonwage labor cost (% of salary)	21	21	20
Firing costs (weeks of wages)	4	4	4

2. The following graph illustrates the Employing Workers indicators in Australia over the past 3 years:



3. Benchmarking Employing Workers Regulations:

Australia is ranked 8 overall for Employing Workers. Marshall Islands is the top ranked economy followed by Brunei, Georgia and Tonga.

Ranking of Australia in Employing Workers - Compared to best practice and selected economies:



* The following economies are also best practice economies for Employing Workers: Marshall Islands, Singapore

The following table shows Employing Workers data for Australia compared to best practice and comparator economies:

Best Practice Economies	Rigidity of Employment Index	Nonwage labor cost (% of salary)	Firing costs (weeks of wages)
Bangladesh*		0	
Denmark*			0
Hong Kong, China*	0		

Selected Economy			
Australia	3	20	4

Comparator Economies			
Canada	4	13	28
France	56	47	32
Germany	44	19	69
Ireland	17	11	24
New Zealand	7	1	0
United Kingdom	7	11	22

* The following economies are also best practice economies for :

Rigidity of Employment Index: Singapore, United States

Nonwage labor cost (% of salary): Botswana, Ethiopia, Maldives

Firing costs (weeks of wages): New Zealand, United States

Registering Property in Australia: Regulation of Property Transfer

Property registries were first developed to help raise tax revenue. Defining and publicizing property rights through registries has also proved to be good for entrepreneurs. Land and buildings account for between half and three-quarters of the wealth in most economies. Securing rights to this property strengthens incentives to invest and facilitates commerce. And with formal property titles, entrepreneurs can obtain mortgages on their home or land and start businesses.

Doing Business measures the ease of registering property based on a standard case of an entrepreneur who wants to purchase land and a building in the largest business city. It is assumed that the property is already registered and free of title dispute. The data cover the full sequence of procedures necessary to transfer the property title from the seller to the buyer. Every required procedure is included, whether it is the responsibility of the seller or the buyer or must be completed by a third party on their behalf.

Local property lawyers and officials in property registries provide information on required procedures as well as the time and cost to complete each one. For most countries the data are based on responses from both. Based on the responses, three indicators are constructed:

- Number of procedures to register property.
- Time to register property (in calendar days).
- Official costs to register property (as a percentage of the property value).

A large share of the property in developing countries is not formally registered, limiting financing opportunities for businesses. Recognizing this constraint, some developing country governments have embarked on extensive property titling programs. Yet bringing assets into the formal sector is of little value unless they stay there.

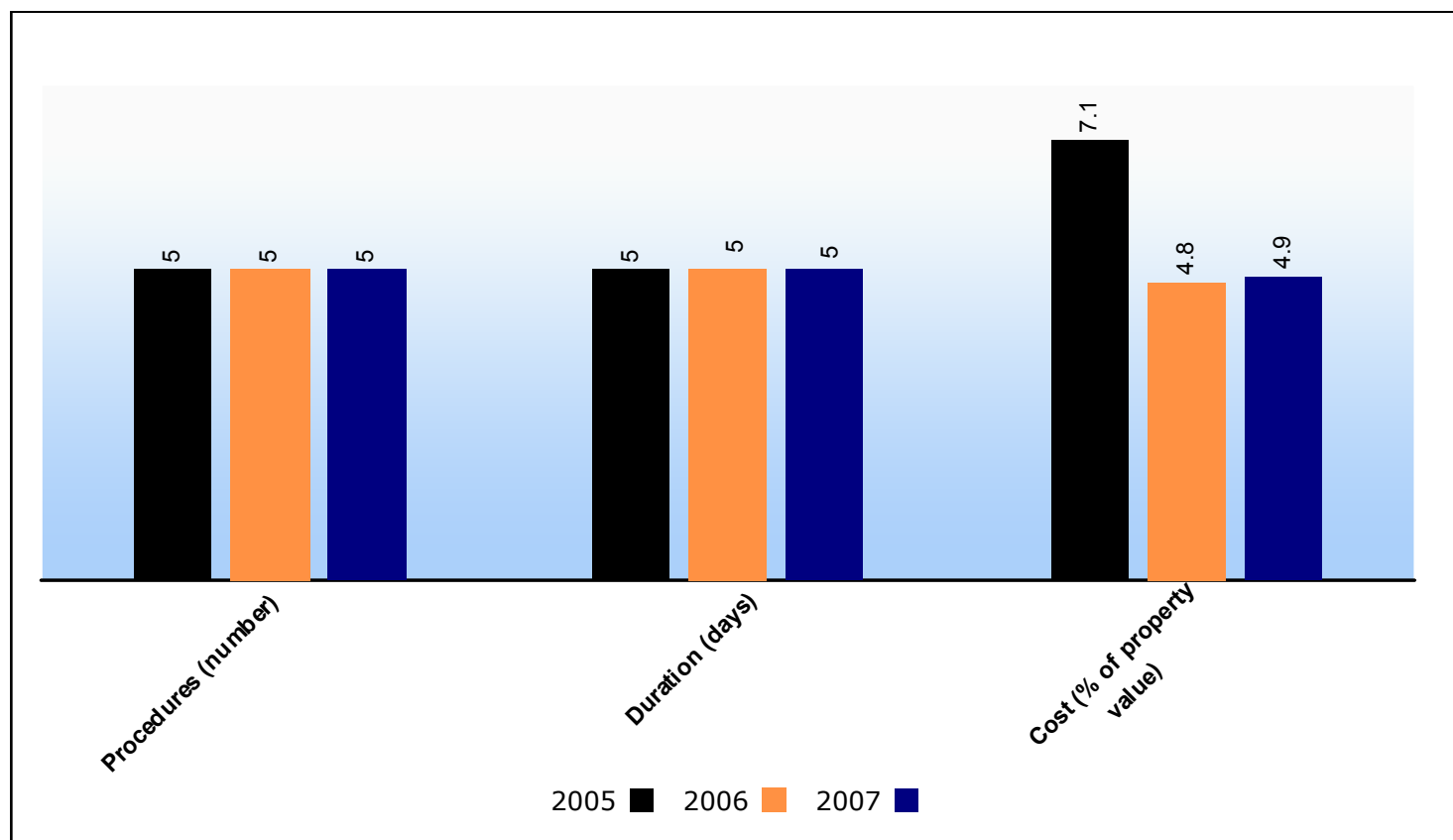
Many titling programs in Africa were futile because people bought and sold property informally—neglecting to update the title records in the property registry. Why? Doing Business shows that completing a simple formal property transfer in the largest business city of an African country costs 12% of the value of the property and takes more than 100 days on average. Worse, the property registries are so poorly organized that they provide little security of ownership. For both reasons, formalized titles quickly go informal again.

Efficient property registration reduces transaction costs and helps keep formal titles from slipping into informal status. Simple procedures to register property are also associated with greater perceived security of property rights and less corruption. That benefits all entrepreneurs, especially women, the young and the poor. The rich have few problems protecting their property rights. They can afford to invest in security systems and other measures to defend their property. But small entrepreneurs cannot. Reform can change this.

1. Historical data: Registering Property in Australia

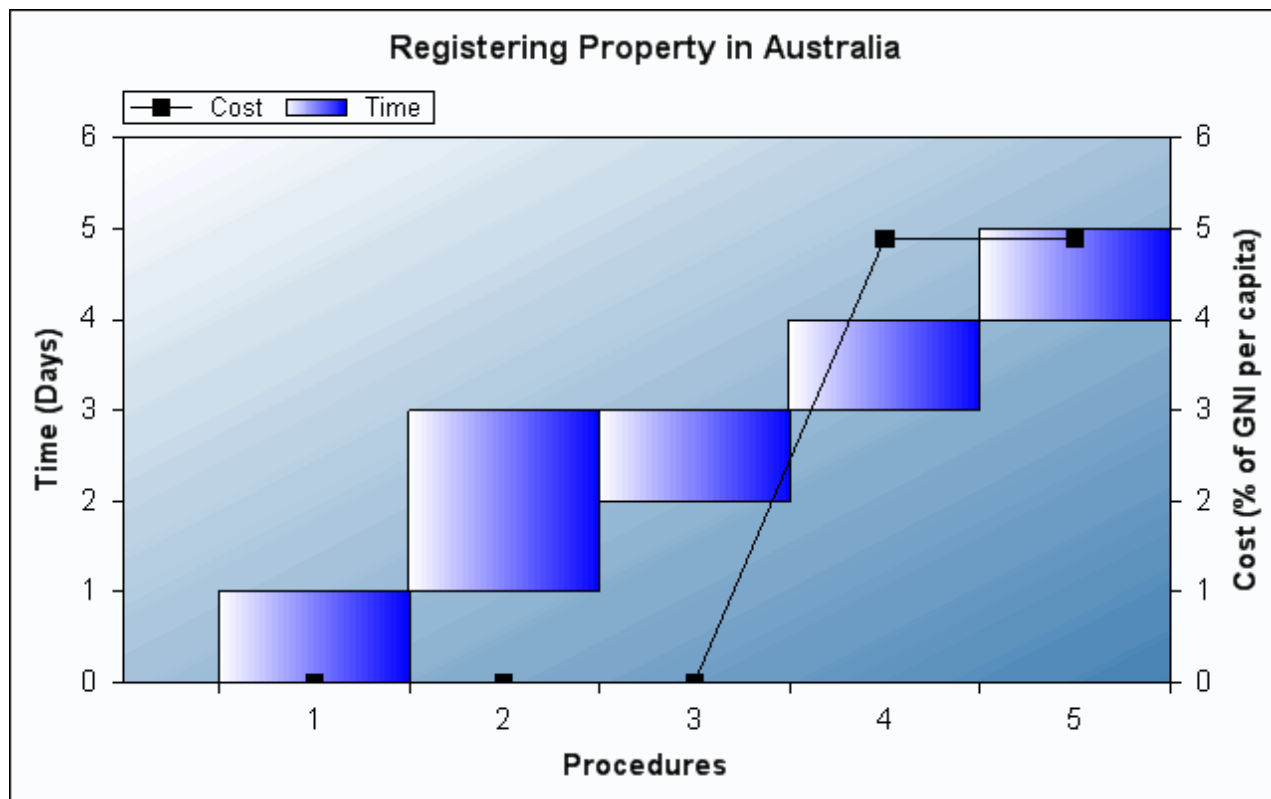
Registering Property data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		27	27
Procedures (number)	5	5	5
Duration (days)	5	5	5
Cost (% of property value)	7.1	4.8	4.9

2. The following graph illustrates the Registering Property indicators in Australia over the past 3 years:



3. Steps to Registering Property in Australia

It requires 5 procedures, takes 5 days, and costs 4.90% GNI per capita to register the property in Australia.



List of Procedures:

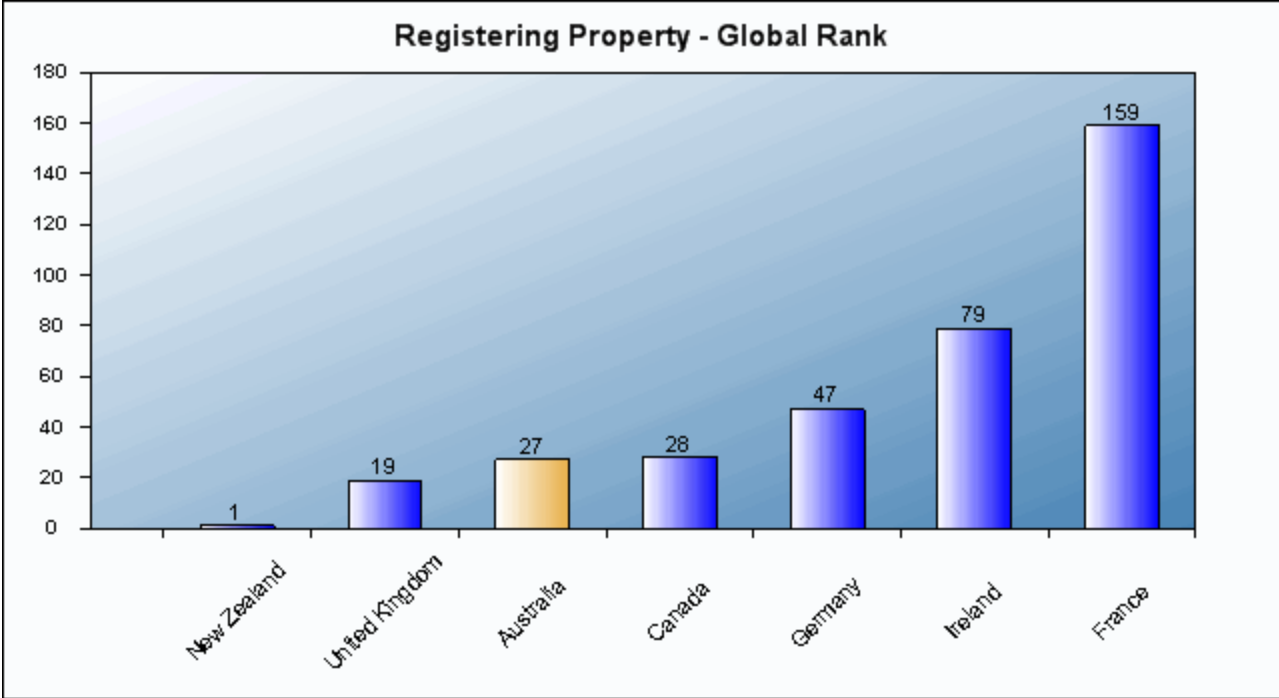
1. File for a title search certificate, maps, land tax certificate, easements and covenants recorded on the title from the Land and Property Information
2. File for a zoning certificate from the Municipal Council
3. File for a drainage diagram from the local water authority
4. Stamp contract with ad valorem stamp duty (i.e. according to value) at the Office of State Revenue
5. Notice of Sale, Transfer and Certificate of Title are lodged with Land and Property Information by the buyer

More details are available in the appendix.

4. Benchmarking Registering Property Regulations:

Australia is ranked 27 overall for Registering Property. New Zealand is the top ranked economy followed by Armenia, Saudi Arabia and Lithuania.

Ranking of Australia in Registering Property - Compared to best practice and selected economies:



The following table shows Registering Property data for Australia compared to best practice and comparator economies:

Best Practice Economies	Procedures (number)	Duration (days)	Cost (% of property value)
New Zealand*		2	
Norway*	1		
Saudi Arabia*			0.0

Selected Economy			
Australia	5	5	4.9

Comparator Economies			
Canada	6	17	1.8
France	9	123	6.1
Germany	4	40	5.2
Ireland	5	38	10.2
New Zealand	2	2	0.1
United Kingdom	2	21	4.1

* The following economies are also best practice economies for :

Procedures (number): Sweden

Duration (days): Sweden, Thailand

Cost (% of property value): Bhutan

Getting Credit in Australia: Legal Rights and Credit Information

Firms consistently rate access to credit as among the greatest barriers to their operation and growth. Doing Business constructs two sets of indicators of how well credit markets function—one on credit registries and the other on legal rights of borrowers and lenders.

Credit registries—institutions that collect and distribute credit information on borrowers—can greatly expand access to credit. By sharing credit information, they help lenders assess risk and allocate credit more efficiently. And they free entrepreneurs from having to rely on personal connections alone when trying to obtain credit. Three indicators are constructed to measure the sharing of credit information:

- Public registry coverage, which reports the number of individuals and firms covered by a public credit registry as a percentage of the adult population.
- Private bureau coverage, which reports the number of individuals and firms covered by a private credit bureau as a percentage of the adult population.
- Depth of credit information index, which measures the extent to which the rules of a credit information system facilitate lending based on the scope of information distributed, the ease of access to information and the quality of information.

The data are from surveys of public registries and the largest private credit bureau in the country.

Effective regulation of secured lending—through collateral and bankruptcy laws—can also ease credit constraints. By giving a lender the right to seize and sell a borrower’s secured assets upon default, collateral limits the lender’s potential losses and acts as a screening device for borrowers. The strength of legal rights index measures 10 aspects of the rights of borrowers and creditors in collateral and bankruptcy laws, including whether:

- General rather than specific description of assets and debt is permitted in collateral agreements (expanding the scope of assets and debt covered).
- Any legal or natural person may grant or take security in assets.
- A unified registry operates that includes charges over movable property.
- Secured creditors have priority both within bankruptcy and outside it.
- Parties may agree on out-of-court enforcement of collateral by contract.
- Creditors may both seize and sell collateral out of court, no automatic stay or “asset freeze” applies upon bankruptcy, and the bankrupt debtor does not retain control of the firm.

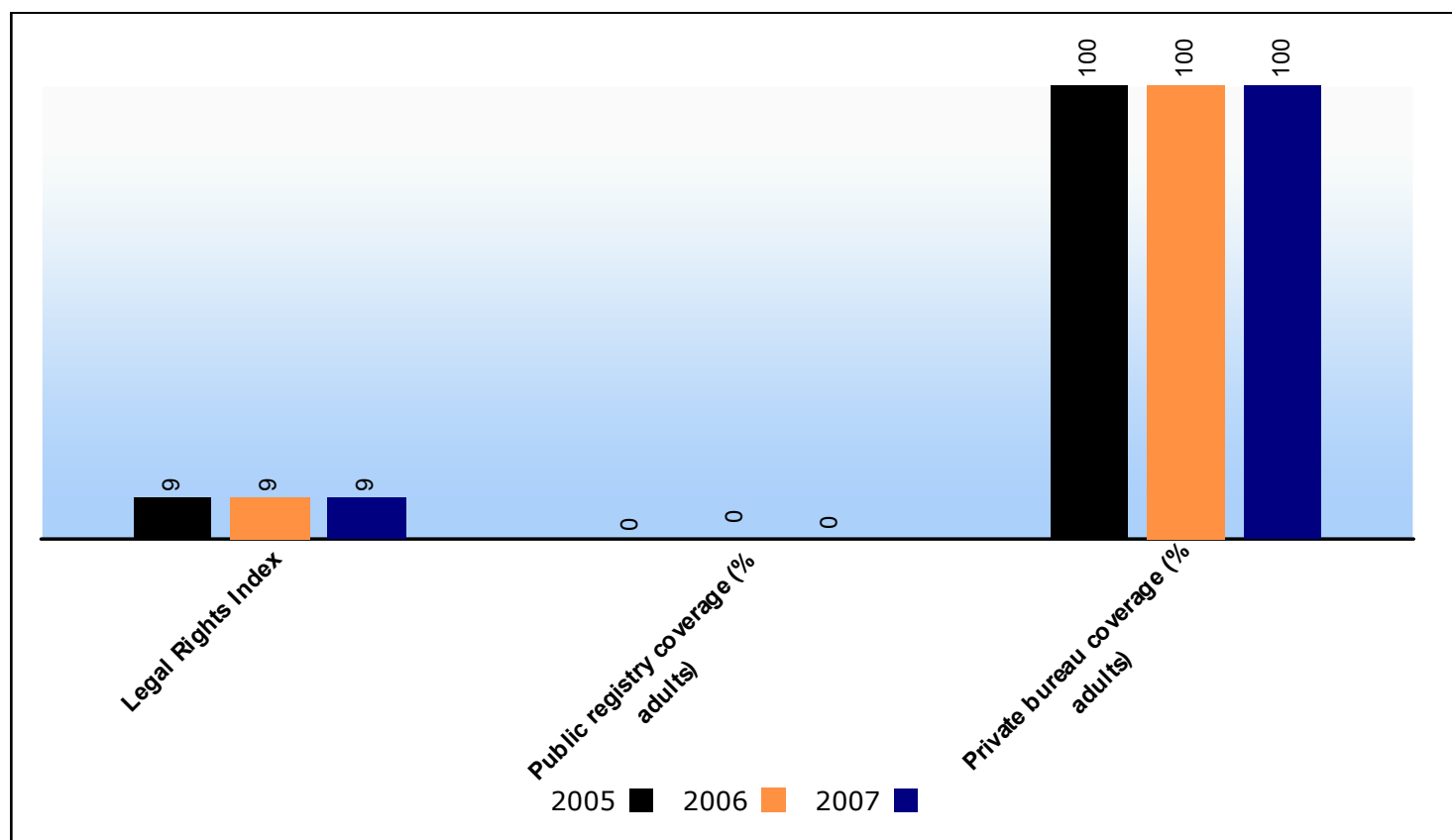
The index ranges from 0 (weak legal rights) to 10 (strong legal rights). The data were obtained by examining collateral and bankruptcy laws and legal summaries and verified through a survey of financial lawyers.

Where good-quality credit information is available and legal rights are stronger, more credit is extended. Benefits flow beyond those gaining access to credit. With better-functioning credit markets, unemployment is lower, and women and low-income people benefit the most.

1. Historical data: Getting Credit in Australia

Getting Credit data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		3	3
Legal Rights Index	9	9	9
Public registry coverage (% adults)	0.0	0.0	0.0
Private bureau coverage (% adults)	100.0	100.0	100.0

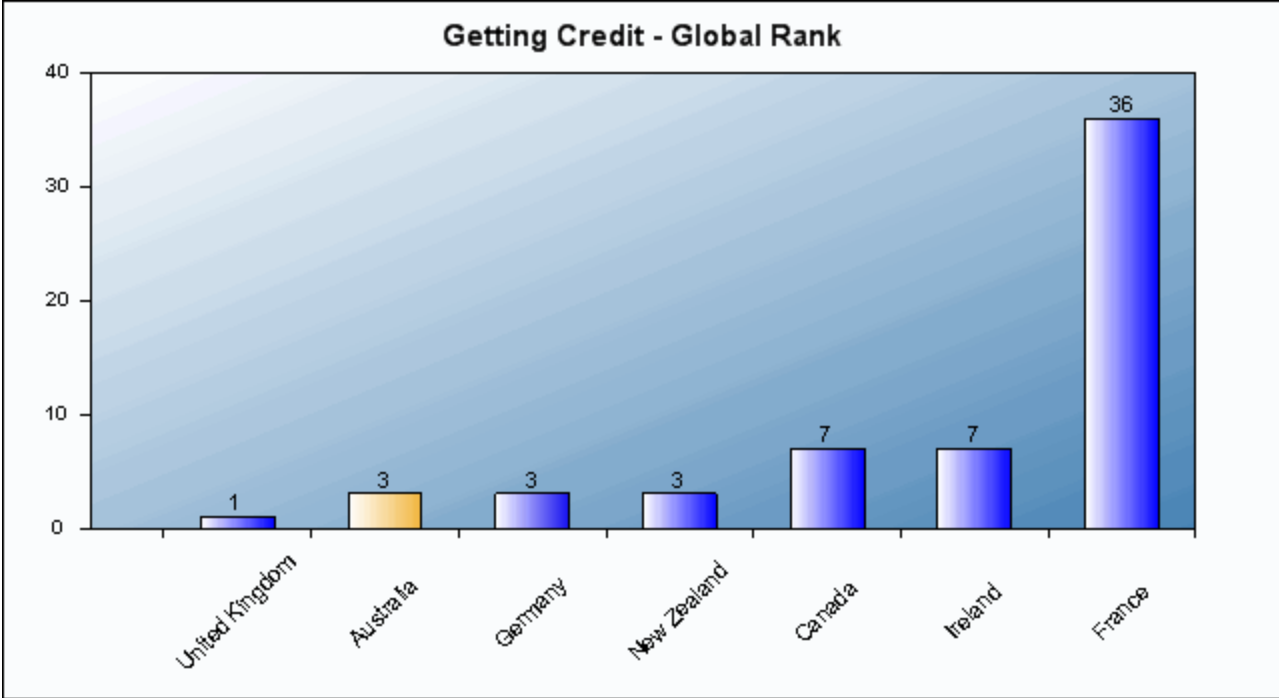
2. The following graph illustrates the Getting Credit indicators in Australia over the past 3 years:



3. Benchmarking Getting Credit Regulations:

Australia is ranked 3 overall for Getting Credit. United Kingdom is the top ranked economy followed by Hong Kong, China, Germany and Australia.

Ranking of Australia in Getting Credit - Compared to best practice and selected economies:



The following table shows Getting Credit data for Australia compared to best practice and comparator economies:

Best Practice Economies	Legal Rights Index	Public registry coverage (%)	Private bureau coverage (%)
Argentina*			100.0
Hong Kong, China*	10		
Portugal		67.1	

Selected Economy			
Australia	9	0.0	100.0

Comparator Economies			
Canada	7	0.0	100.0
France	6	24.8	0.0
Germany	8	0.7	98.1
Ireland	8	0.0	100.0
New Zealand	9	0.0	100.0
United Kingdom	10	0.0	84.6

* The following economies are also best practice economies for :

Legal Rights Index: United Kingdom

Private bureau coverage (% adults): Australia, Canada, Iceland, Ireland, New Zealand, Nicaragua, Norway, Sweden, United States

Protecting Investors in Australia

Officials at Elf Aquitaine, France's largest oil company, awarded business deals in return for large side payments. Along with the extra cash, they got seven years in jail and a €2 million fine for abuse of power. Russian oil firm Gazprom purchased materials for new pipelines through intermediaries owned by company officers. The high cost raised eyebrows, but not court battles.

Big cases make headlines. But looting by corporate insiders occurs every day on a smaller scale, and often goes unnoticed. To document the protections investors have, Doing Business measures how countries regulate a standard case of self-dealing—use of corporate assets for personal gain.

The case facts are simple. Mr. James, a director and the majority shareholder of a public company, proposes that the company purchase used trucks from another company he owns. The price is higher than the going price for used trucks. The transaction goes forward. All required approvals are obtained, and all required disclosures made, though the transaction is unfair to the purchasing company. Shareholders sue the interested parties and the members of the board of directors.

Several questions arise. Who approves the transaction? What information must be disclosed? What company documents can investors access? What do minority shareholders have to prove to get the transaction stopped or to receive compensation from Mr. James? Three indices of investor protection are constructed based on the answers to these and other questions. All indices range from 0 to 10, with higher values indicating more protections or greater disclosure.

The extent of disclosure index covers approval procedures, requirements for immediate disclosure to the public and shareholders of proposed transactions, requirements for disclosure in periodic filings and reports and the availability of external review of transactions before they take place.

The extent of director liability index covers the ability of investors to hold Mr. James and the board of directors liable for damages, the ability to rescind the transaction, the availability of fines and jail time associated with self-dealing, the availability of direct or derivative suits and the ability to require Mr. James to pay back his personal profits from the transaction.

The ease of shareholder suits index covers the availability of documents that can be used during trial, the ability of the investor to examine the defendant and other witnesses, shareholders' access to internal documents of the company, the appointment of an inspector to investigate the transaction and the standard of proof applicable to a civil suit against the directors.

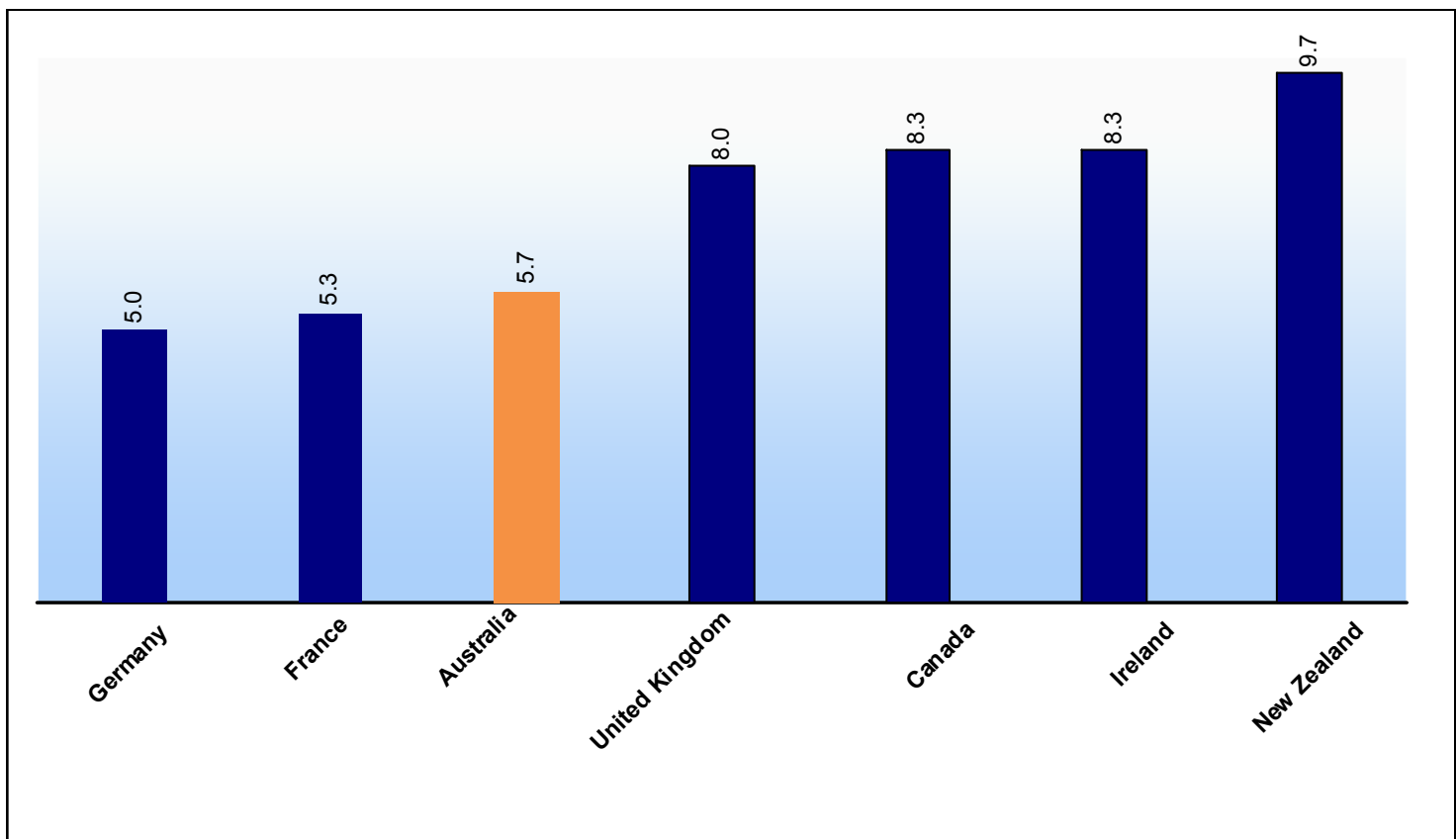
These three indices are averaged to create the strength of investor protection index. This index ranges from 0 to 10, with higher values indicating better investor protection.

If the rights of investors are not protected, majority ownership in a business is the only way to eliminate expropriation. But then investors must devote more oversight attention to fewer investments. The result: entrepreneurship is suppressed, and fewer profitable investment projects are undertaken. Where self-dealing is curbed, equity investment is higher, ownership concentration lower and trust in the business sector deeper. Investors gain portfolio diversification, and entrepreneurs gain access to cash.

1. Historical data: Protecting Investors in Australia

Protecting Investors data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		49	51
Investor Protection Index	5.7	5.7	5.7

2. The following graph illustrates the Protecting Investors index in Australia compared to best practice and selected Economies:

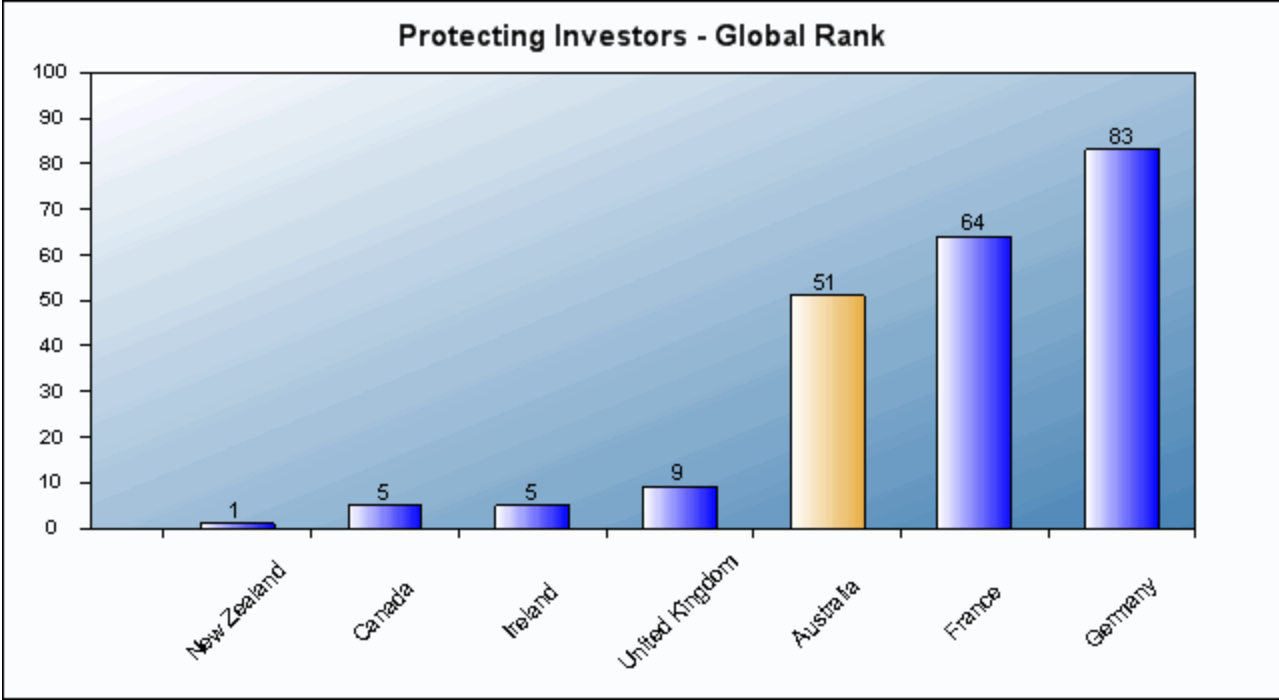


Note: The higher the score, the greater the investor protection.

3. Benchmarking Protecting Investors Regulations:

Australia is ranked 51 overall for Protecting Investors. New Zealand is the top ranked economy followed by Singapore, Hong Kong, China and Malaysia.

Ranking of Australia in Protecting Investors - Compared to best practice and selected economies:



The following table shows Protecting Investors data for Australia compared to best practice and comparator economies:

<i>Best Practice Economies</i>	Investor Protection Index
New Zealand	9.7

<i>Selected Economy</i>	
Australia	5.7

<i>Comparator Economies</i>	
Canada	8.3
France	5.3
Germany	5.0
Ireland	8.3
New Zealand	9.7
United Kingdom	8.0

Paying Taxes: Tax Payable and Compliance in Australia

Taxes are essential. Without them there would be no money to fund schools, hospitals, courts, roads, water, waste collection and other public services that help businesses to be more productive. Still, there are good ways and bad ways to collect taxes.

The Doing Business tax survey records the effective tax that a company must pay and the administrative costs of doing so. Imagine a medium-size business, TaxpayerCo, that started operations last year. Doing Business asked accountants in 178 economies to review TaxpayerCo's financial statements and a standard list of transactions the company completed during the year. Respondents were asked how much tax the business must pay and what the process is for doing so.

The business starts from the same financial position in each country. All the taxes and contributions paid during the second year of operation are recorded. Taxes and contributions are measured at all levels of government and include corporate income tax, turnover tax, all labor contributions paid by the company (including mandatory contributions paid to private pension or insurance funds), property tax, property transfer tax, dividend tax, capital gains tax, financial transactions tax, vehicle tax and other small taxes (such as fuel tax, stamp duty and local taxes). A range of standard deductions and exemptions are also recorded.

Three indicators are constructed:

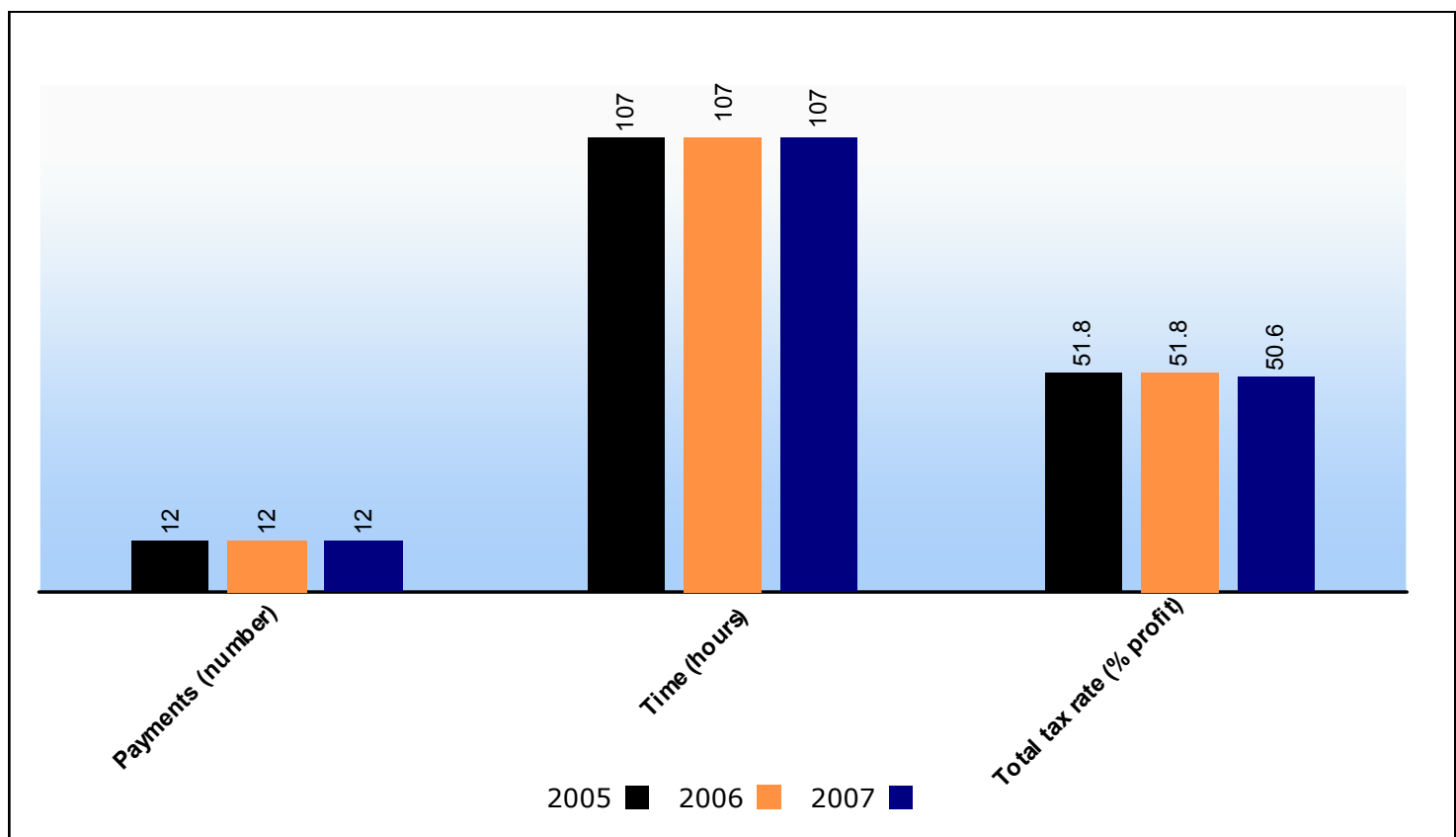
- Number of tax payments, which takes into account the method of payment or withholding, the frequency of payment or withholding and the number of agencies involved for the standard case.
- Time, which measures the hours per year necessary to prepare, file and pay the corporate income tax, value added or sales tax and labor taxes.
- Total tax rate, which measures the amount of taxes payable by the company during the second year of operation. This amount, expressed as a percentage of commercial profit, is the sum of all the different taxes payable after accounting for various deductions and exemptions.

Businesses care about what they get for their taxes and contributions, such as the quality of infrastructure and social services. Poor countries tend to use businesses as a collection point for taxes. Rich countries tend to have lower tax rates and less complex tax systems. And rich countries get more from their taxes. Simple, moderate taxes and fast, cheap administration mean less hassle for businesses—and also more revenue collected and better public services. More burdensome tax regimes create an incentive to evade taxes.

1. Historical data: Paying Taxes in Australia

Paying Taxes data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		43	41
Time (hours)	107	107	107
Total tax rate (% profit)	51.8	51.8	50.6
Payments (number)	12	12	12

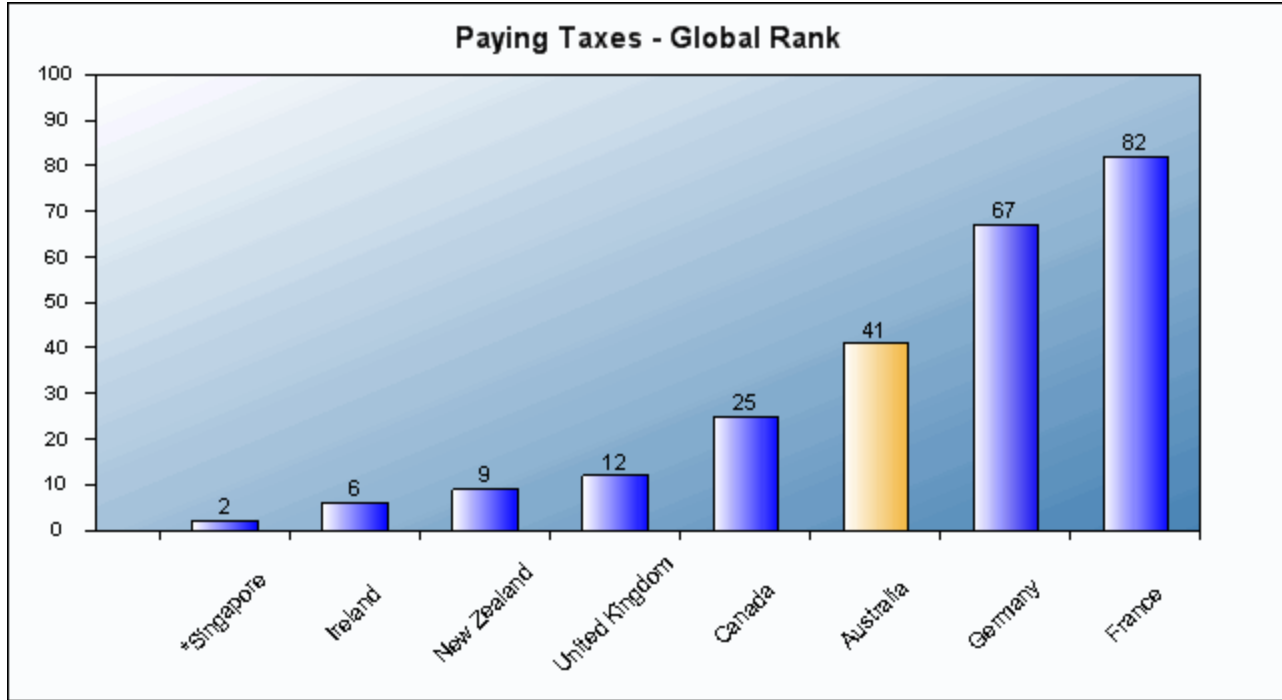
2. The following graph illustrates the Paying Taxes indicators in Australia over the past 3 years:



3. Benchmarking Paying Taxes Regulations:

Australia is ranked 41 overall for Paying Taxes. Maldives is the top ranked economy followed by Singapore, Hong Kong, China and United Arab Emirates.

Ranking of Australia in Paying Taxes - Compared to best practice and selected economies:



* The following economies are also best practice economies for Paying Taxes: Maldives

The following table shows Paying Taxes data for Australia compared to best practice and comparator economies:

Best Practice Economies	Payments (number)	Time (hours)	Total tax rate (% profit)
Sweden*	2		
United Arab Emirates*		12	
Vanuatu			8.4

Selected Economy			
Australia	12	107	50.6

Comparator Economies			
Canada	9	119	45.9
France	23	132	66.3
Germany	16	196	50.8
Ireland	9	76	28.9
New Zealand	8	70	35.1
United Kingdom	8	105	35.7

* The following economies are also best practice economies for :

Payments (number): Maldives

Time (hours): Maldives

Trading Across Borders: Importing and Exporting from Australia

The benefits of trade are well documented—as are the obstacles to trade. Tariffs, quotas and distance from large markets greatly increase the cost of goods or prevent trading altogether. But with faster ships and bigger planes, the world is shrinking. Global and regional agreements have brought down trade barriers. Yet Africa's share of global trade is smaller today than it was 25 years ago. So is the Middle East's, excluding oil exports. The reason is simple: many entrepreneurs face numerous hurdles to exporting or importing goods. They often give up. Others never try.

Doing Business compiles procedural requirements for trading a standard shipment of goods by ocean transport. Every official procedure—and the associated documents, time and cost—for importing and exporting the goods is recorded, starting with the contractual agreement between the two parties and ending with delivery of the goods. For importing the goods, the procedures measured range from the vessel's arrival at the port of entry to the shipment's delivery at the factory warehouse. For exporting the goods, the procedures measured range from the packing of the goods at the factory to their departure from the port of exit.

To make the data comparable across countries, several assumptions about the business and the traded goods are used. The business is of medium size, with 100 or more employees, and is located in the periurban area of the country's most populous city. It is a private, limited liability company, domestically owned, formally registered and operating under commercial laws and regulations of the country. The traded goods are ordinary, legally manufactured products, and they travel in a dry-cargo, 20-foot FCL (full container load) container.

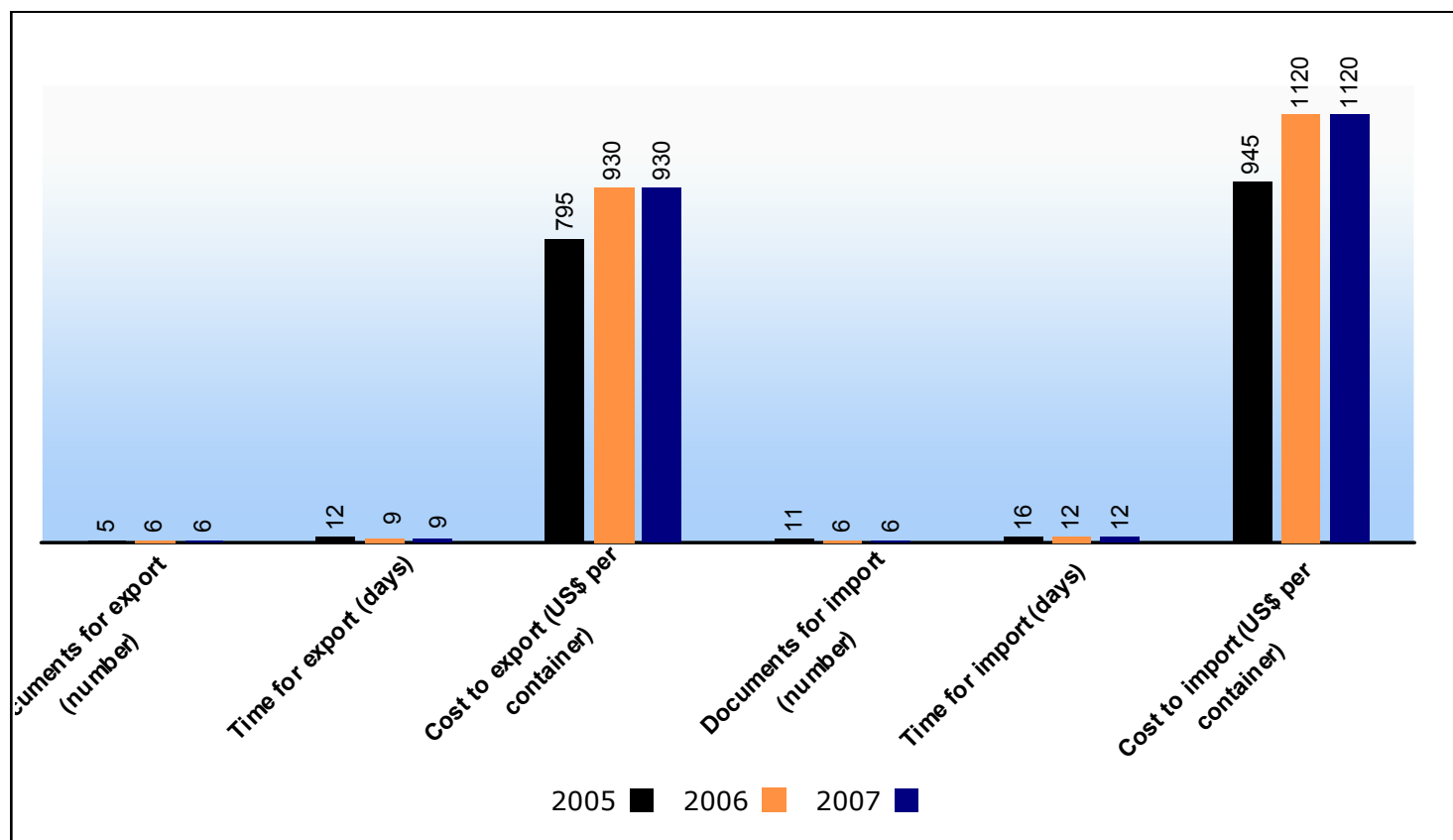
Documents recorded include port filing documents, customs declaration and clearance documents, and official documents exchanged between the concerned parties. Time is recorded in calendar days, from start to finish of each procedure. Cost measures the fees levied on a 20-foot container in U.S. dollars. All the fees associated with completing the procedures to export or import the goods are included, such as costs for documents, administrative fees for customs clearance and technical control, terminal handling charges and inland transport. The cost measure does not include tariffs or trade taxes.

Countries that have efficient customs, good transport networks and fewer document requirements—making compliance with export and import procedures faster and cheaper—are more competitive globally. That leads to more exports—and exports are associated with faster growth and more jobs. Conversely, a need to file many documents is associated with more corruption in customs. Faced with long delays and frequent demands for bribes, many traders avoid customs altogether. Instead, they smuggle goods across the border. That defeats the very purpose in having border control of trade—to levy taxes and ensure high quality of goods.

1. Historical data: Trading Across Borders in Australia

Trading Across Borders data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		32	34
Documents for export (number)	5	6	6
Time for export (days)	12	9	9
Cost to export (US\$ per container)	795	930	930
Documents for import (number)	11	6	6
Time for import (days)	16	12	12
Cost to import (US\$ per container)	945	1120	1120

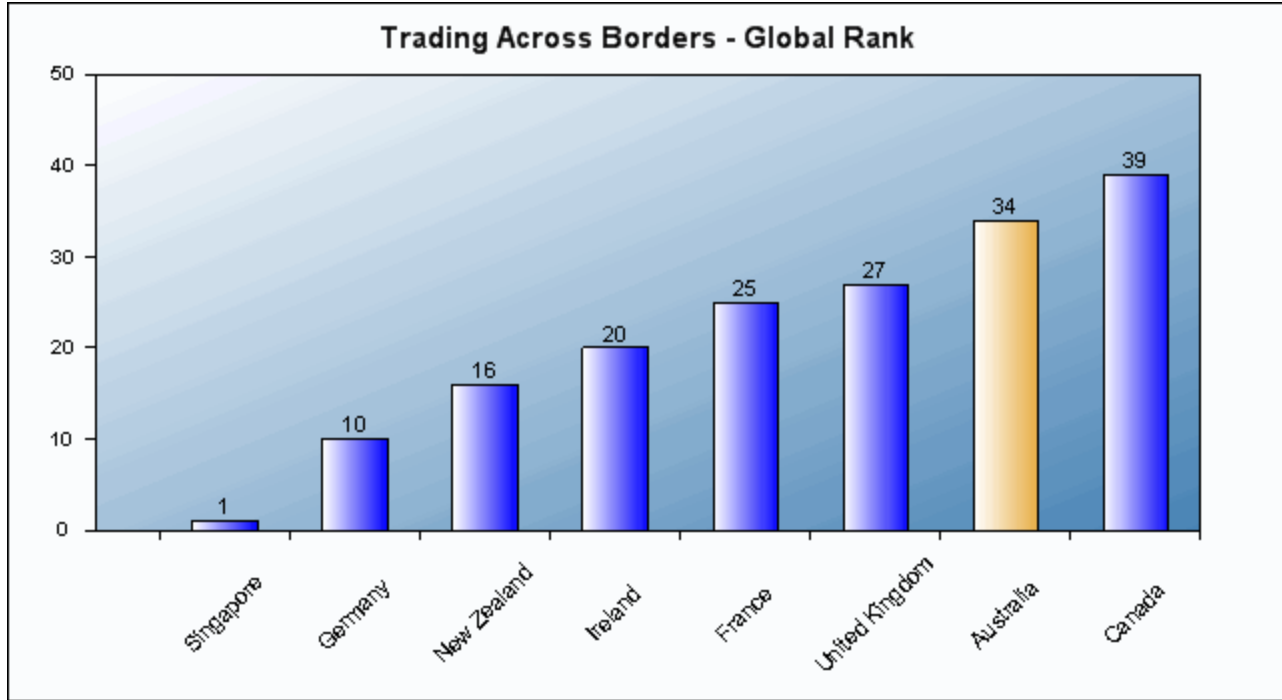
2. The following graph illustrates the Trading Across Borders indicators in Australia over the past 3 years:



3. Benchmarking Trading Across Borders Regulations:

Australia is ranked 34 overall for Trading Across Borders. Singapore is the top ranked economy followed by Denmark, Hong Kong, China and Norway.

Ranking of Australia in Trading Across Borders - Compared to best practice and selected economies:



The following table shows Trading Across Borders data for Australia compared to best practice and comparator economies:

<i>Best Practice Economies</i>	Documents for export (number)	Time for export (days)	Cost to export (US\$ per)	Documents for import (number)	Time for import (days)	Cost to import (US\$ per)
Canada*	3					
China			390			
Denmark*		5		3		
Singapore					3	367

<i>Selected Economy</i>						
Australia	6	9	930	6	12	1120

<i>Comparator Economies</i>						
Canada	3	7	1385	4	11	1425
France	4	11	1028	5	12	1148
Germany	4	7	740	5	7	765
Ireland	4	7	1090	4	12	1139
New Zealand	7	10	725	5	9	800
United Kingdom	4	13	940	4	13	1267

* The following economies are also best practice economies for :

Documents for export (number): **Estonia, Micronesia, Panama**

Time for export (days): **Estonia, Singapore**

Documents for import (number): **Sweden**

Enforcing Contracts: Court Efficiency in Australia

Where contract enforcement is efficient, businesses are more likely to engage with new borrowers or customers. Doing Business tracks the efficiency of the judicial system in resolving a commercial dispute, following the step-by-step evolution of a commercial sale dispute before local courts. The data are collected through study of the codes of civil procedure and other court regulations as well as surveys completed by local litigation lawyers (and, in a quarter of the countries, by judges as well).

The dispute, between two businesses (the Seller and the Buyer) located in the country's most populous city, concerns a contract for the sale of goods. The Seller agrees to deliver the goods, worth 200% of the country's income per capita, to the Buyer.

After receiving and inspecting the goods, the Buyer concludes that their quality is inadequate. The Buyer sends the goods back without paying for them. The Seller disagrees and argues that their quality is adequate. The Seller seeks full payment from the Buyer, arguing that the goods cannot be sold to a third party because they were custom-made for the Buyer. The Seller sues the Buyer before the court in the most populous city to recover the amount due under the sales agreement (200% of the country's income per capita).

Three indicators of the efficiency of commercial contract enforcement are developed:

- Number of procedures, which includes all those that demand interaction between the parties or between them and the judge or court officer.
- Time, which counts the number of days from the moment the plaintiff files the lawsuit in court until the moment of payment. This measure includes both the days on which actions take place and the waiting periods between actions.
- Cost, which measures the official cost of going through court procedures, expressed as a percentage of the claim (assumed to be equivalent to 200% of income per capita). The cost includes court costs, enforcement costs and attorney fees where the use of attorneys is mandatory or common.

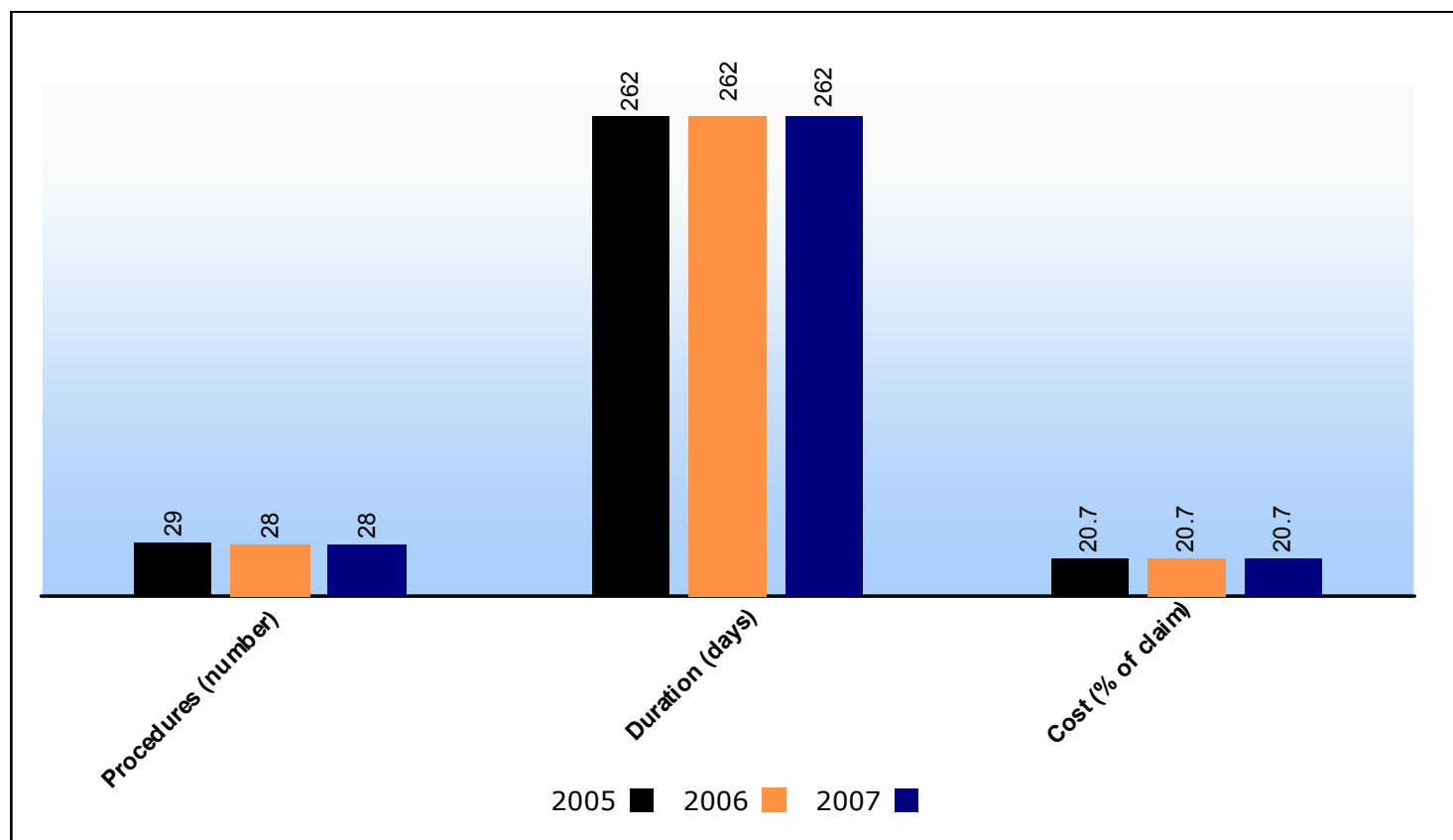
Businesses that have little or no access to efficient courts must rely on other mechanisms, both formal and informal—such as trade associations, social networks, credit bureaus or private information channels—to decide whom to do business with and under what conditions. Or they might adopt a conservative approach to business, dealing only with a small group of people linked through kinship, ethnic origin or previous dealings and structuring transactions to forestall disputes. In either case economic and social value may be lost.

The main reason to regulate procedures in commercial dispute resolution is that informal justice is vulnerable to subversion by the rich and powerful. But heavy regulation of dispute resolution backfires. Across countries, the more procedures it takes to enforce a contract, the longer the delays and the higher the cost. The result: less wealth is created.

1. Historical data: Enforcing Contracts in Australia

Enforcing Contracts data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		11	11
Procedures (number)	29	28	28
Duration (days)	262	262	262
Cost (% of claim)	20.7	20.7	20.7

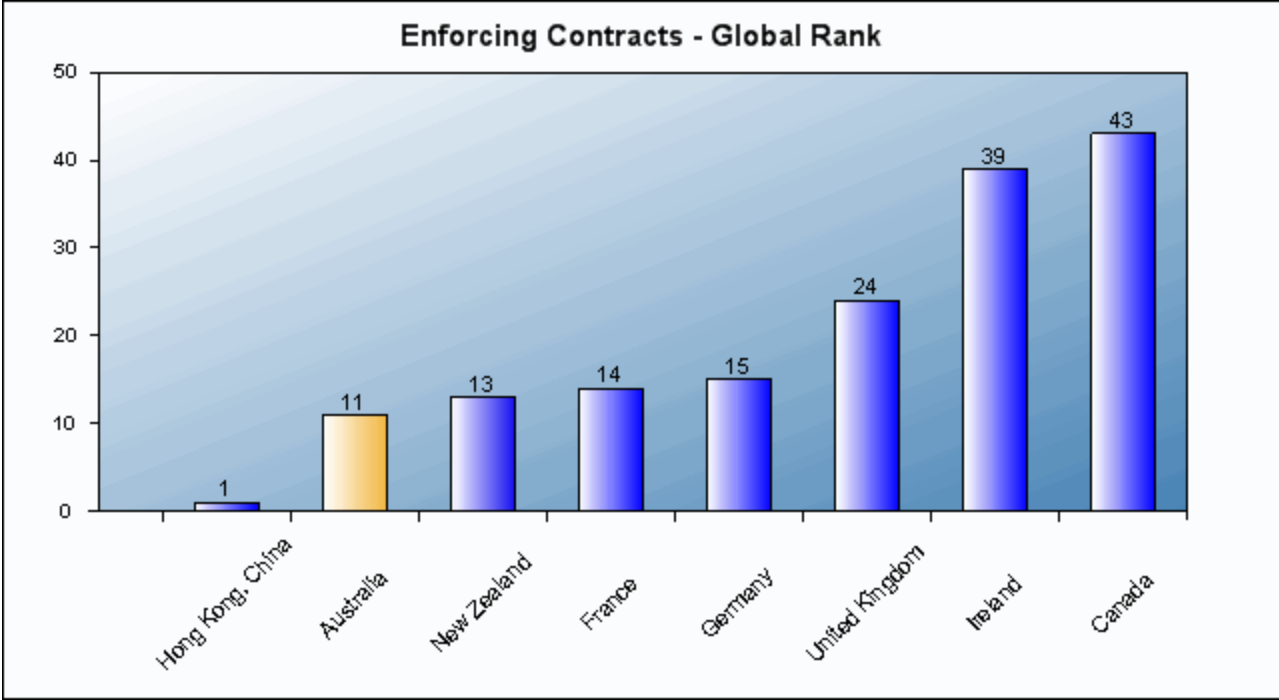
2. The following graph illustrates the Enforcing Contracts indicators in Australia over the past 3 years:



3. Benchmarking Enforcing Contracts Regulations:

Australia is ranked 11 overall for Enforcing Contracts. Hong Kong, China is the top ranked economy followed by Luxembourg, Latvia and Singapore.

Ranking of Australia in Enforcing Contracts - Compared to best practice and selected economies:



The following table shows Enforcing Contracts data for Australia compared to best practice and comparator economies:

Best Practice Economies	Procedures (number)	Duration (days)	Cost (% of claim)
Bhutan			0.1
Ireland	20		
Singapore		120	

Selected Economy			
Australia	28	262	20.7

Comparator Economies			
Canada	36	570	16.2
France	30	331	17.4
Germany	33	394	11.8
Ireland	20	515	26.9
New Zealand	30	216	22.0
United Kingdom	30	404	23.4

Closing Business in Australia: Bankruptcy

The economic crises of the 1990s in emerging markets—from East Asia to Latin America, from Russia to Mexico—raised concerns about the design of bankruptcy systems and the ability of such systems to help reorganize viable companies and close down unviable ones. In countries where bankruptcy is inefficient, unviable businesses linger for years, keeping assets and human capital from being reallocated to more productive uses.

The Doing Business indicators identify weaknesses in the bankruptcy law as well as the main procedural and administrative bottlenecks in the bankruptcy process. In many developing countries bankruptcy is so inefficient that creditors hardly ever use it. In countries such as these, reform would best focus on improving contract enforcement outside bankruptcy.

The data on closing a business are developed using a standard set of case assumptions to track a company going through the step-by-step procedures of the bankruptcy process. It is assumed that the company is a domestically owned, limited liability corporation operating a hotel in the country's most populous city. The company has 201 employees, 1 main secured creditor and 50 unsecured creditors. Assumptions are also made about the debt structure and future cash flows. The case is designed so that the company has a higher value as a going concern—that is, the efficient outcome is either reorganization or sale as a going concern, not piecemeal liquidation. The data are derived from questionnaires answered by attorneys at private law firms.

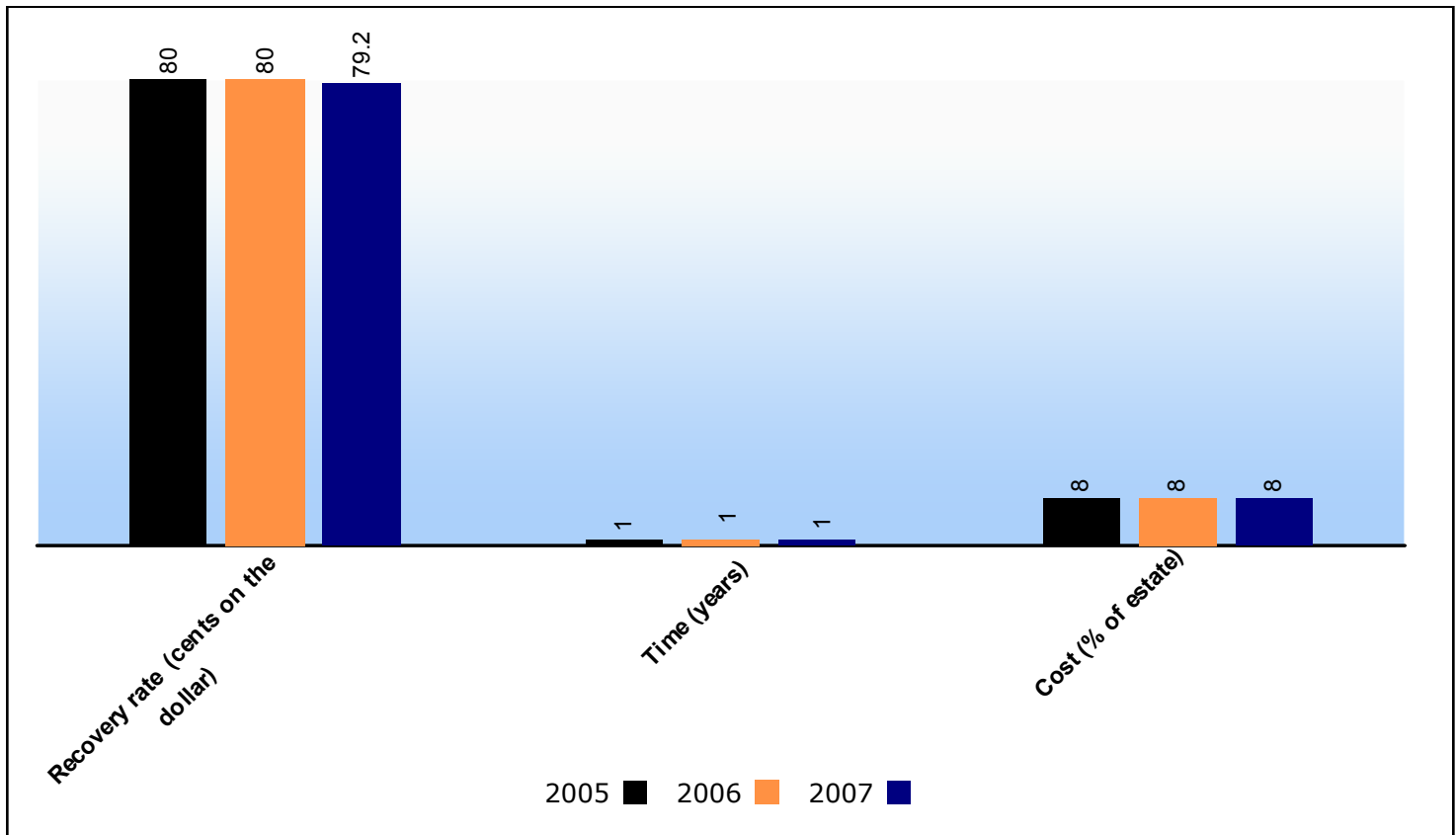
Three measures are constructed from the survey responses: the time to go through the insolvency process, the cost to go through the process and the recovery rate—how much of the insolvency estate is recovered by stakeholders, taking into account the time, cost, depreciation of assets and the outcome of the insolvency proceeding.

Bottlenecks in bankruptcy cut into the amount claimants can recover. In countries where bankruptcy is used, this is a strong deterrent to investment. Access to credit shrinks, and nonperforming loans and financial risk grow because creditors cannot recover overdue loans. Conversely, efficient bankruptcy laws can encourage entrepreneurs. The freedom to fail, and to do so through an efficient process, puts people and capital to their most effective use. The result is more productive businesses and more jobs.

1. Historical data: Closing Business in Australia

Closing a Business data	Doing Business 2006	Doing Business 2007	Doing Business 2008
Rank		12	14
Time (years)	1.0	1.0	1.0
Cost (% of estate)	8	8	8
Recovery rate (cents on the dollar)	80	80	79.2

2. The following graph illustrates the Closing Business indicators in Australia over the past 3 years:



3. Benchmarking Closing Business Regulations:

Australia is ranked 14 overall for Closing a Business. Japan is the top ranked economy followed by Singapore, Norway and Canada.

Ranking of Australia in Closing Business - Compared to best practice and selected economies:



The following table shows Closing Business data for Australia compared to best practice and comparator economies:

Best Practice Economies	Recovery rate (cents on the	Time (years)	Cost (% of estate)
Colombia			1
Ireland		0.4	
Japan	92.6		

Selected Economy			
Australia	79.2	1.0	8

Comparator Economies			
Canada	88.8	0.8	4
France	47.4	1.9	9
Germany	53.4	1.2	8
Ireland	87.1	0.4	9
New Zealand	77.1	1.3	4
United Kingdom	84.6	1.0	6

Starting a Business in Australia

This table summarizes the procedures and costs associated with setting up a business in Australia.

STANDARDIZED COMPANY

Legal Form: Proprietary Company (Pty Ltd)

Minimum Capital Requirement: None

City: Sydney

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	Complete and lodge ASIC Form 201 "Application for Registration as an Australian Company"; Obtain a certificate of incorporation and an Australian company number (ACN)	1 day	AUD 400
2	Apply online for ABN with the Tax Authority	1 day	no charge

Procedure 1 Complete and lodge ASIC Form 201 “Application for Registration as an Australian Company”; Obtain a certificate of incorporation and an Australian company number (ACN)

Time to complete: 1 day

Cost to complete: AUD 400

Comment: The company must complete and submit form 201, “Application for Registration as an Australian Company,” along with the prescribed fee of AUD 400.

To complete the application, the company must indicate the Australian state or territory in which the company will be registered and whether the company will rely entirely on the replaceable rules or a constitution. The applicant must also provide the following details: the proposed corporate name (if any), the corporate form, the location of the registered office, the proposed office hours, the identity of the ultimate holding company (otherwise known as the parent company), officeholders (of which one director must be an Australian resident, and, if any are appointed, one company secretary must be an Australian resident), the share structure, and the shareholders and their shareholdings.

A company may adopt its own constitution with the consent of all company members; alternatively, the company may elect that the Corporations Act “Replaceable Rules” (as listed under Section 141) serve as the its constitution.

Form 201 must be signed either by the applicant, a company member, or a person who has consented to become a director or secretary or by the applicant’s agent with the requisite authority. Once form 201 has been completed and the directors and secretary (if any) have consented to be officeholders, the company can be incorporated immediately with the Australian Securities and Investments Commission (ASIC).

Pursuant to Section 352 of the Corporations Act 2001, electronic lodgment of documents with the ASIC can occur only where ASIC and the person seeking to lodge the document have agreed in writing that the document may be lodged electronically.

For electronic applications, upon processing, the company’s certificate of registration will be generated electronically and sent by postal mail rather than electronic mail.

The Corporations Act provides for the electronic lodgment of documents. In 1998 ASIC initiated the Electronic Company Registration (ECR) program, enabling the electronic registration of Australian companies and the linking to an electronic payment facility. If an application for a company is lodged electronically and the company’s name is acceptable, an Australian Company Number (ACN) becomes available in a few minutes. For hard-copy and ECR applications, the company’s certificate of registration will be posted (as directed) upon completion of processing.

Before submitting ASIC form 201, applicants should check with ASIC on the availability of their proposed company name (if any) for registration at www.search.asic.gov.au/gns070.htm.

Procedure 2 Apply online for ABN with the Tax Authority

Time to complete: 1 day

Cost to complete: no charge

Comment:

Depending on the company circumstances and location, it must comply with different taxation requirements.

If the annual company turnover is AUD 50,000 or more, the company must register for the Goods and Services Tax (GST) by obtaining an 11-digit Australian Business Number (ABN). The annual company turnover represents its gross business income (not its profit). Companies with lower annual turnover may also choose to register for the Goods and Services Tax. An application for an ABN can be submitted electronically at the Business Entry Point, www.abr.business.gov.au, or at the Australian Business Register (ABR), www.abr.gov.au/ABR_BC/. Otherwise, an application may be submitted by hard copy to the Australian Tax Office (ATO). If electronic submission is successful, the applicant will be provided with an ABN at the end of the Internet session. The ATO will also mail the ABN within 28 days of receipt of the application.

The company must deduct tax from employee pay, provide payment summaries, contribute to employee superannuation, and report and issue payments to the ATO. Moreover, companies may register for Pay As You Go (PAYG) at the Business Entry Point, www.business.gov.au, or at the ATO site, www.ato.gov.au. Otherwise, they may register with the ATO by postal mail or phone or through a tax agent.

State and territory taxes (e.g., stamp duty, payroll tax, and land tax) may also be imposed, with requirements differing according to company location.

Note: Companies with annual turnover of AUD 50,000 or more must register for an ABN. Failure to do so will result in GST being levied on all company sales since the required date of registration—even if the sale price of any goods or services has not been grossed up to include the tax. Furthermore, the company may incur penalties and interest charges for any overdue payments.

The Australian Business Register was established under Section 24 of the New Tax System (Australian Business Number) Act 1999. The register enables business to comply with regulatory requirements and receive government assistance through fewer entry points. The ABN will eventually replace the Australian Company Number and the Australian Registered Body Number.

Dealing with Licenses in Australia

The table below summarizes the procedures, time, and costs to build a warehouse in Australia.

BUILDING A WAREHOUSE

Date as of: January 2, 2007

Estimated Warehouse Value:

City: Sydney

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1	The local council determines if a development application is required	1 day	no charge
2	Developer files development application with consent authority	90 days	AUD 2,900
3	Appoint the Principal Certifying Authority and apply for a construction certificate with the Principal Certifying Authority	7 days	AUD 904
4	The Principal Certifying Authority inspects the construction for footings/ structure	1 day	AUD 120
5	The Principal Certifying Authority inspects the construction for timber framing	1 day	AUD 120
6	The Principal Certifying Authority inspects the construction for site drainage	1 day	AUD 120
7	The Principal Certifying Authority inspects the construction for fire safety measures	1 day	AUD 120
8	The Principal Certifying Authority inspects the construction for wet areas	1 day	AUD 120
9	The Principal Certifying Authority inspects the construction for lighting/ ventilation	1 day	AUD 120
10	The Principal Certifying Authority inspects the construction for sound transmission class rating	1 day	AUD 120
11	The Principal Certifying Authority inspects the construction for stair construction and balustrades	1 day	AUD 120
12 *	Request and receive connection to electricity	84 days	AUD 38
13 *	Request and receive connection to water/sewage services with Sydney Water	10 days	AUD 1,116
14 *	Request and receive connection to telephone	5 days	AUD 300

15	Request and obtain the occupation certificate from the Principal Certifying Authority	30 days	AUD 80
16	Compliance check by the authority	1 day	no charge

* Takes place simultaneously with another procedure.

Procedure 1 The local council determines if a development application is required

Time to complete: 1 day

Cost to complete: no charge

Comment: In Sydney, New South Wales, development will generally be assessed under Part 3A, Part 4, or Part 54 of the Environmental Planning and Assessment Act 1979. Different types of development typically fall into each category. The warehouse to be constructed by BuildCo is most likely to fall under Part 4. Part 3A applies to major infrastructure and other specific projects. Part 5 applies to certain prescribed activities/developments that have the potential to significantly affect the environment, threatened species, populations or ecological communities, or their habitats. Part 5 is usually applicable in large infrastructure projects and linear developments that range over more than one local government area. Part 3A and Part 5 set out their own development approval procedures, which are complex; advice should be retained about developments that may fall within these parts. The legislation also provides that, for certain types of development, the concurrence of an authority other than the consent authority must be obtained. The conditions for approval of development assessed under Part 4 or Part 5 may also require the developer to obtain further certificates or approvals. These will add cost and time.

The council's local environment plan (LEP) identifies whether a development application (DA) is required. The LEP categorizes development as requiring consent, not requiring consent, or prohibited. In most cases, the zoning of the site determines the types of development permitted on the land. Note that the construction of a warehouse is a type of development that always requires consent. If the development requires development consent, the local council will usually be the consent authority. However, in some cases, another authority (such as a state minister) may be the consent authority.

Procedure 2 Developer files development application with consent authority

Time to complete: 90 days

Cost to complete: AUD 2,900

Comment: The development application, to be filed with the consent authority, must include the following items:

- Site analysis.
- Environmental impact assessment.
- Fire safety audit.
- Other prescribed matters.

The consent authority reviews the environmental impact assessment for this proposed work and considers the following:

- Relevant planning controls.
- Likely environmental impacts.
- Suitability of the site for development.
- Submissions received.
- Other prescribed matters.
- The public interest.

If the assessment is satisfactory, the consent authority will grant BuildCo development consent, which may be subject to conditions. In some cases, the consent authority's decision may be subject to appeal. For instance, the applicant may appeal to the Land and Environment Court if the consent authority refuses consent or does not determine the development application within 42 days, or if the applicant is dissatisfied with the conditions imposed on the consent. The appeal is a merits appeal, and the court determines the development application as if it were the consent authority. The court has the power to grant consent and impose such

conditions as it sees fit.

The application fees are set on a sliding scale, depending on the estimated development cost. For a development estimated at AUD 1.2 million, the application fee would be AUD 2,903. Before starting construction, BuildCo must inform the consent authority.

Procedure 3 Appoint the Principal Certifying Authority and apply for a construction certificate with the Principal Certifying Authority

Time to complete: 7 days

Cost to complete: AUD 904

Comment:

Before the start of any site work, the developer must appoint a principal certifying authority (PCA) and apply to the principal certifying authority (PCA) for a construction certificate. The PCA can be either the consent authority or an accredited certifier. BuildCo must confirm with the PCA what work will be done, the fee, and any other requirements. The developer must notify the consent authority 2 days before work begins. No fee is levied for appointing the local council as the PCA. Accredited certifiers can set their own fees.

Before starting any work on the site, BuildCo must apply to the Principal Certifying Authority (PCA) for a construction certificate. This certificate provides independent certification that work completed according to specified plans and specifications will comply with the requirements of the Environmental Planning and Assessment Regulation 2000. The regulation sets out PCA requirements that must be satisfied before the construction certificate is issued. These requirements include that the development will comply with the development consent conditions, that payment of the long service levy has occurred, that the fire protection and structural capacity of the development will be adequate, that the development will comply with the Building Code of Australia, that the development will comply with certificate requirements for BASIX (or the Building Sustainability Index), and that the developer has consulted with the appropriate public authorities on the provision of utility services. The PCA is to give notice of its determination to the consent authority within 2 days of the date of determination.

Each local council has its own fee schedule. Assuming that a developer applies for a certificate to build a new warehouse estimated at more than AUD 1 million (generally, the top of the range in the council schedule of fees), the fees vary by council, for example:

- Sydney City Council
-- Base fee: AUD 2,501.50.
-- Every AUD 1,000 over AUD 1,000,000: AUD 1.10.

- Baulkham Hills Shire Council
-- Base fee: AUD 453.50
-- Every AUD 1,000 over AUD 250,000 [equivalent to AUD 903.50]: AUD 0.60.
-- Every AUD 1,000 over AUD 1,000,000: AUD 0.60.

- Holroyd City Council
-- Base fee (first AUD 5,000): AUD 64.91 plus 0.5%.
-- Next AUD 95,000: plus 0.35%.
-- Next AUD 150,000: plus 0.2%.
-- Over AUD 250,000 (equivalent to AUD 1471.71): plus 0.1%.
-- Over AUD 1,000,000: plus 0.1%.

Procedure 4 The Principal Certifying Authority inspects the construction for footings/structure

Time to complete: 1 day

Cost to complete: AUD 120

Comment: Work begins according to any conditions specified in the development consent and the construction certificate. The PCA will set the inspection schedule. The PCA may audit the construction either by carrying out specified inspections or by relying upon certification from other accredited certifiers (council officers) or professionals.

During its inspections (or review of others' inspections), the PCA will evaluate aspects such as footings or structural; timber framing; site drainage; termite control; fire safety measures; wet areas; lighting and ventilation; rating of sound transmission class; and stair construction and balustrades.

Procedure 5 The Principal Certifying Authority inspects the construction for timber framing

Time to complete: 1 day

Cost to complete: AUD 120

Comment:

Procedure 6 The Principal Certifying Authority inspects the construction for site drainage

Time to complete: 1 day

Cost to complete: AUD 120

Comment:

Procedure 7 The Principal Certifying Authority inspects the construction for fire safety measures

Time to complete: 1 day

Cost to complete: AUD 120

Comment:

Procedure 8 The Principal Certifying Authority inspects the construction for wet areas

Time to complete: 1 day

Cost to complete: AUD 120

Comment:

Procedure 9 The Principal Certifying Authority inspects the construction for lighting/ventilation

Time to complete: 1 day

Cost to complete: AUD 120

Comment:

Procedure 10 The Principal Certifying Authority inspects the construction for sound transmission class rating

Time to complete: 1 day

Cost to complete: AUD 120

Comment:

Procedure 11 The Principal Certifying Authority inspects the construction for stair construction and balustrades

Time to complete: 1 day

Cost to complete: AUD 120

Comment:

Procedure 12 Request and receive connection to electricity

Time to complete: 84 days

Cost to complete: AUD 38

Comment: The developer contacts the preferred energy provider and applies for a connection to load. For industrial developments, the application must include (a) a site plan; (b) development approval from the consent authority; and (c) other details affecting supply operation. Applications must be submitted at least 12 weeks before the required supply date.

Procedure 13 Request and receive connection to water/sewage services with Sydney Water

Time to complete: 10 days

Cost to complete: AUD 1,116

Comment: To receive a connection to water and sewage services, BuildCo first selects a water-servicing coordinator. The coordinator files a Section 73 Compliance Certificate on BuildCo's behalf. The notice of requirements is issued to the coordinator within 10 days of application receipt (or longer if the development is complex). The notice specifies charges to be paid and the project to be built. If construction is required, certification will depend on the time required for the project to be built and taken over by Sydney Water. BuildCo pays the fees, builds the project, and receives the certificate.

Fee schedule for water and sewage connection:
- Water (including works): Up to AUD 1015.00.
- Sewage (assuming that infrastructure exists): AUD 100.50.

Procedure 14 Request and receive connection to telephone

Time to complete: 5 days

Cost to complete: AUD 300

Comment: BuildCo contacts the preferred carrier (e.g., Telstra business services division). If a new connection is required, the carrier will ensure that the required preparatory work is completed by BuildCo or its own staff. Once preparatory work is complete, a new connection can be installed within 5 working days.

Procedure 15 Request and obtain the occupation certificate from the Principal Certifying Authority

Time to complete: 30 days

Cost to complete: AUD 80

Comment: After construction is completed satisfactorily, BuildCo provides the PCA a fire safety certificate. Subsequently, the PCA may issue a certificate of occupancy. This certificate certifies that the premises are fit for occupancy and for other uses subject to the development consent.

Procedure 16 Compliance check by the authority

Time to complete: 1 day

Cost to complete: no charge

Comment: The authority that has approved the development may monitor the finished development to ensure compliance with laws and local planning policies. If the development does not comply with the development consent, the applicant can be fined (with a penalty notice), ordered to make changes to the development, and taken to the Land and Environment Court of New South Wales. The court may issue orders to remedy or restrain breaches of the development consent (e.g., orders to carry out works, cease certain uses of the premises, or remove the development). In addition, breaches of planning laws may be criminal offences. New South Wales planning legislation allows any person to bring an action to remedy or restrain a breach of development consent. Thus, in theory, any person may commence proceedings to enforce compliance with the law (a) if a relevant approval (such as a development consent or construction certificate) has not been obtained where required; or (b) if there has been noncompliance with the conditions of a relevant approval.

Employing Workers in Australia

Employing workers indices are based on responses to survey questions. The table below shows these responses in Australia.

Employing Workers Indicators (2007)	Answer	Score
Rigidity of Employment Index		3.3
Difficulty of Hiring Index		0.0
Are fixed-term contracts prohibited for permanent tasks?	No	0
What is the maximum duration of fixed-term contracts (including renewals)? (in months)	No limit	0.0
What is the ratio of mandated minimum wage to the average value added per worker?	0.19	0.00
Rigidity of Hours Index		0.0
Can the workweek extend to 50 hours (including overtime) for 2 months per year to respond to a seasonal increase in production?	Yes	0
What is the maximum number of working days per week?	7	0
Are there restrictions on night work?	No	0
Are there restrictions on "weekly holiday" work?	No	0
What is the paid annual vacation (in working days) for an employee with 20 years of service?	20	0
Difficulty of Firing Index		10.0
Is the termination of workers due to redundancy legally authorized?	Yes	0
Must the employer notify a third party before terminating one redundant worker?	No	0
Does the employer need the approval of a third party to terminate one redundant worker?	No	0
Must the employer notify a third party before terminating a group of 25 redundant workers?	Yes	1
Does the employer need the approval of a third party to terminate a group of 25 redundant workers?	No	0
Can an employer make redundant a worker only if the worker could not have been reassigned or retrained?	No	0
Are there priority rules applying to redundancies?	No	0
Are there priority rules applying to re-employment?	No	0
Firing costs (weeks of wages)		4.0
What is the notice period for redundancy dismissal after 20 years of continuous employment? (weeks of salary)		4.0

What is the severance pay for redundancy dismissal after 20 years of employment? (weeks of salary)	0.0
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What is the legally mandated penalty for redundancy dismissal? (weeks of salary)	0.0
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Nonwage labor cost (% of salary)	19.9
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Note: The first three indices measure how difficult it is to hire a new worker, how rigid the regulations are on working hours, and how difficult it is to dismiss a redundant worker. Each index assigns values between 0 and 100, with higher values representing more rigid regulations. The overall Rigidity of Employment Index is an average of the three indices.

Registering Property in Australia

This topic examines the steps, time, and cost involved in registering property in Australia.

STANDARDIZED PROPERTY

Property Value: 1,799,500.00

City: Sydney

Registration Requirements:

No:	Procedure	Time to complete	Cost to complete
1 *	File for a title search certificate, maps, land tax certificate, easements and covenants recorded on the title from the Land and Property Information Department	1 day (30 seconds online, 30 minutes over the counter) (simultaneous with procedures 2 and 3)	AUD 8.5 each item x 5 items = AUD 42.5
2 *	File for a Zoning Certificate from the Municipal Council	2 days (about 7 days to return by post) (simultaneous with procedures 1 and 3)	AUD 40
3 *	File for a Drainage Diagram from the local water authority	1 day (can be done online, then wait 7 days for return by post) (simultaneous with procedures 1 and 2)	AUD 15 (includes service fee)
4	Contracts for Sale must be stamped with ad valorem stamp duty (i.e. according to value) at the Office of State Revenue	1 day (over the counter)	Stamp duty, according to the following schedule of tariffs on a sliding scale: Value of property + GST (in AUD) Stamp Duty (in AUD) 1.25% 01 to 30,000 175 + 1.5% of excess over 14,000 01 to 80,000 415 + 1.75% of excess over 30,000 01 to 300,000 1,290 + 3.5% of excess over 80,000 From 300,001 to 300,000 8,990 + 4.5% of excess over 300,000 300,000 40,490 + 5.5% of excess over 1,000,000

5	Notice of Sale, Transfer and Certificate of Title are lodged with Land and Property Information by the Buyer	1 day—minutes face to face, up to 2 days bulk lodgment	AUD 79
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* Takes place simultaneously with another procedure.

Procedure 1 File for a title search certificate, maps, land tax certificate, easements and covenants recorded on the title from the Land and Property Information Department

Time to complete: 1 day (30 seconds online, 30 minutes over the counter) (simultaneous with procedures 2 and 3)

Cost to complete: AUD 8.5 each item x 5 items = AUD 42.5

Comment: The seller is responsible for obtaining a title search, plans, easements and covenants recorded on title from the Land and Property Information department. These documents must be attached to the contract for sale (prescribed documents).

Procedure 2 File for a Zoning Certificate from the Municipal Council

Time to complete: 2 days (about 7 days to return by post) (simultaneous with procedures 1 and 3)

Cost to complete: AUD 40

Comment: The seller is responsible for obtaining a Zoning Certificate from the Municipal Council. This document must be attached to the Contract for Sale (prescribed documents). A Building Certificate can also be obtained from the Municipal Council, but it is not mandatory.

Procedure 3 File for a Drainage Diagram from the local water authority

Time to complete: 1 day (can be done online, then wait 7 days for return by post) (simultaneous with procedures 1 and 2)

Cost to complete: AUD 15 (includes service fee)

Comment: The seller is responsible for obtaining a Drainage Diagram from the water authority. This document must be attached to the contract for sale (prescribed documents).

Procedure 4 Contracts for Sale must be stamped with ad valorem stamp duty (i.e. according to value) at the Office of State Revenue

Time to complete: 1 day (over the counter)

Cost to complete: Stamp duty, according to the following schedule of tariffs on a sliding scale:

Value of property + GST (in AUD)	Stamp Duty (in AUD)
Below 14,000	1.25%
From 14,001 to 30,000	175 + 1.5% of excess over 14,000
From 30,001 to 80,000	415 + 1.75% of excess over 30,000
From 80,001 to 300,000	1,290 + 3.5% of excess over 80,000
From 300,001 to 1,000,000	8,990 + 4.5% of excess over 300,000
Over 1,000,000	40,490 + 5.5% of excess over 1,000,000

Comment: If there are no outstanding interests in the property, then the solicitor for the buyer prepares a Transfer form (obtained from the Department or available online) for execution by the seller.

The transfer may also be completed by the buyer. The Transfer form (and others) are available in a PDF format on the LPI website at:

<http://lpi-online.lpi.nsw.gov.au/e-rpforms/index.html>

The forms are interactive with popup notes to assist with their completion.

The contract is sent to the Office of State Revenue and stamp duty is paid (by

purchaser).

If stamping of the Contract does not occur within 3 months of exchange penalty duty is payable on the amount of stamp duty payable at the rate of 13.87% per annum.

Procedure 5 Notice of Sale, Transfer and Certificate of Title are lodged with Land and Property Information by the Buyer

Time to complete: 1 day—minutes face to face, up to 2 days bulk lodgment

Cost to complete: AUD 79

Comment: The Transfer and Certificate of Title (owner's copy) are then sent to the Land and Property Information Department for registration.

Getting Credit in Australia

The following table summarize legal rights of borrowers and lenders, and the availability and legal framework of credit registries in Australia.

Getting Credit Indicators (2007)			Indicator
Private bureau coverage (% adults)	Private credit bureau	Public credit registry	5
Are data on both firms and individuals distributed?	Yes	No	1
Are both positive and negative data distributed?	No	No	0
Does the registry distribute credit information from retailers, trade creditors or utility companies as well as financial institutions?	Yes	No	1
Are more than 2 years of historical credit information distributed?	Yes	No	1
Is data on all loans below 1% of income per capita distributed?	Yes	No	1
Is it guaranteed by law that borrowers can inspect their data in the largest credit registry?	Yes	No	1
Coverage	100.0	0.0	
Number of individuals	14,500,000	0	
Number of firms	3,500,000	0	
Legal Rights Index			9
Does the law allow all natural and legal persons to be party to collateral agreements?			Yes
Does the law allow for general descriptions of assets, so that all types of assets can be used as collateral?			Yes
Does the law allow for general descriptions of debt, so that all types of obligations can be secured?			Yes
Does a unified registry exist for all security rights in movable property?			No
Do secured creditors have absolute priority to their collateral outside bankruptcy procedures?			Yes
Do secured creditors have absolute priority to their collateral in bankruptcy procedures?			Yes
During reorganization, are secured creditors' claims exempt from an automatic stay on enforcement?			Yes
During reorganization, is management's control of the company's assets suspended?			Yes
Does the law authorize parties to agree on out of court enforcement?			Yes
May parties have recourse to out of court enforcement without restrictions?			Yes

Protecting Investors in Australia

The table below provides a full breakdown of how the disclosure, director liability, and shareholder suits indexes are calculated in Australia.

Protecting Investors Data (2007)	Indicator
Disclosure Index	8
What corporate body provides legally sufficient approval for the transaction? (0-3; see notes)	3
Immediate disclosure to the public and/or shareholders (0-2; see notes)	1
Disclosures in published periodic filings (0-2; see notes)	1
Disclosures by Mr. James to board of directors (0-2; see notes)	2
Requirement that an external body review the transaction before it takes place (0=no, 1=yes)	1
Director Liability Index	2
Shareholder plaintiff's ability to hold Mr. James liable for damage the Buyer-Seller transaction causes to the company. (0-2; see notes)	0
Shareholder plaintiff's ability to hold the approving body (the CEO or board of directors) liable for damage to the company. (0-2; see notes)	1
Whether a court can void the transaction upon a successful claim by a shareholder plaintiff (0-2; see notes)	0
Whether Mr. James pays damages for the harm caused to the company upon a successful claim by the shareholder plaintiff (0=no, 1=yes)	0
Whether Mr. James repays profits made from the transaction upon a successful claim by the shareholder plaintiff (0=no, 1=yes)	0
Whether fines and imprisonment can be applied against Mr. James (0=no, 1=yes)	0
Shareholder plaintiff's ability to sue directly or derivatively for damage the transaction causes to the company (0-1; see notes)	1
Shareholder Suits Index	7
Documents available to the plaintiff from the defendant and witnesses during trial (0-4; see notes)	3
Ability of plaintiffs to directly question the defendant and witnesses during trial (0-2; see notes)	2
Plaintiff can request categories of documents from the defendant without identifying specific ones (0=no, 1=yes)	1
Shareholders owning 10% or less of Buyer's shares can request an inspector investigate the transaction (0=no, 1=yes)	0
Level of proof required for civil suits is lower than that for criminal cases (0=no, 1=yes)	1
Shareholders owning 10% or less of Buyer's shares can inspect transaction documents before filing suit (0=no, 1=yes)	0

Notes:**Extent of Disclosure Index**

What corporate body provides legally sufficient approval for the transaction?

0=CEO or managing director alone; 1=shareholders or board of directors vote and Mr. James can vote; 2=board of directors votes and Mr. James cannot vote; 3 = shareholders vote and Mr. James cannot vote

Immediate disclosure to the public and/or shareholders

0=none; 1=disclosure on the transaction only; 2=disclosure on the transaction and Mr. James' conflict of interest

Disclosures in published periodic filings

0=none; 1=disclosure on the transaction only; 2=disclosure on the transaction and Mr. James' conflict of interest

Disclosures by Mr. James to board of directors

0=none; 1=existence of a conflict without any specifics; 2= full disclosure of all material facts

Director Liability Index

Shareholder plaintiff's ability to hold Mr. James liable for damage the Buyer-Seller transaction causes to the company

0= Mr. James is not liable or liable only if he acted fraudulently or in bad faith; 1= Mr. James is liable if he influenced the approval or was negligent; 2= Mr. James is liable if the transaction was unfair, oppressive or prejudicial to minority shareholders

Shareholder plaintiff's ability to hold the approving body (the CEO or board of directors) liable for damage to the company

0=members of the approving body are either not liable or liable only if they acted fraudulently or in bad faith; 1=liable for negligence in the approval of the transaction; 2=liable if the transaction is unfair, oppressive, or prejudicial to minority shareholders

Whether a court can void the transaction upon a successful claim by a shareholder plaintiff

0=rescission is unavailable or available only in case of Seller's fraud or bad faith; 1=available when the transaction is oppressive or prejudicial to minority shareholders; 2=available when the transaction is unfair or entails a conflict of interest

Shareholder plaintiffs' ability to sue directly or derivatively for damage the transaction causes to the company

0=not available; 1=direct or derivative suit available for shareholders holding 10% of share capital or less

Shareholder Suits Index

Documents available to the plaintiff from the defendant and witnesses during trial

Score 1 each for (1) information that the defendant has indicated he intends to rely on for his defense; (2) information that directly proves specific facts in the plaintiff's claim; (3) any information that is relevant to the subject matter of the claim; and (4) any information that may lead to the discovery of relevant information.

Ability of plaintiffs to directly question the defendant and witnesses during trial

0=no; 1=yes, with prior approval by the court of the questions posed; 2=yes, without prior approval

Paying Taxes in Australia

The table below addresses the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year in Australia, as well as measures of administrative burden in paying taxes.

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax rate (% profit)	Notes on TTR
Value added tax (GST)	1	online filing	54	10.0%	value added		not included
Stamp duty	1			0.8%	leasing expenses	0.01	
Vehicle tax	1			fixed fee (A\$ 577 per vehicle)		0.05	
Insurance tax	1			9.0%	insurance premium	0.10	
Property tax (land)	1			A\$100 plus 1.7 cents for each A\$ exceeding \$352,000	undeveloped land value	0.30	
Municipal tax	1			fixed fee (A\$ 8,000)		0.31	
Fuel tax	1			A\$ 0.38143	per liter	0.78	
Fringe Benefit Tax	1			46.5% and 48.5%	fringe benefits	1.10	
Payroll tax	1	online filing		6.0%	gross salaries	5.38	
Workmen compensation contribution	1			4.9%	gross salaries	5.55	
Superannuation guarantee	1	online filing	18	9.0%	gross salaries	10.15	
Corporate income tax	1		35	30.0%	taxable profits	26.92	
Totals	12		107			50.6	

Notes:

- a) data not collected
- b) VAT is not included in the total tax rate because it is a tax levied on consumers
- c) very small amount
- d) included in other taxes
- e) Withheld tax
- f) electronic filing available
- g) paid jointly with another tax

Name of taxes have been standardized. For instance income tax, profit tax, tax on company's income are all named corporate income tax in this table.

When there is more than one statutory tax rate, the one applicable to TaxpayerCo is reported.

The hours for VAT include all the VAT and sales taxes applicable.

The hours for Social Security include all the hours for labor taxes and mandatory contributions in general.

Trading Across Borders in Australia

These tables list the procedures necessary to import and exports a standardized cargo of goods in Australia. The documents required to export and import the goods are also shown.

Nature of Export Procedures (2007)	Duration (days)	US\$ Cost
Documents preparation	5	30
Customs clearance and technical control	1	55
Ports and terminal handling	1	350
Inland transportation and handling	2	495
Totals	9	930

Nature of Import Procedures (2007)	Duration (days)	US\$ Cost
Documents preparation	5	210
Customs clearance and technical control	2	150
Ports and terminal handling	3	350
Inland transportation and handling	2	410
Totals	12	1120

Export

Bill of lading

Certificate of origin

Commercial invoice

Customs export declaration

Packing list

Technical standard/health certificate

Import

Bill of lading

Commercial invoice

Customs import declaration

Import license

Packing list

Technical standard/health certificate

Enforcing Contracts in Australia

This topic looks at the efficiency of contract enforcement in Australia.

Nature of Procedure (2007)	Indicator
Procedures (number)	28.00
Duration (days)	262.00
Filing and service	7.0
Trial and judgment	195.0
Enforcement of judgment	60.0
Cost (% of claim)*	20.67
Attorney cost (% of claim)	17.2
Court cost (% of claim)	3.4
Enforcement Cost (% of claim)	0.1

Court information: Sydney Magistrates Court

www.magistratescourt.vic.gov

*^{au} Claim assumed to be equivalent to 200% of income per capita.