



# AUSTRALIA'S SERVICES SECTOR

**Inquiry into the Current and Future Directions of  
Australia's Service Industries**

**ACCI Submission to the  
House of Representatives Standing Committee on  
Economics, Finance and Public Administration**

September 2006



**ABN 85 008 391 795**

**Canberra Office**

24 Brisbane Avenue  
BARTON ACT 2600

PO Box 6005  
KINGSTON ACT 2604

Telephone: (02) 6273 2311  
Facsimile: (02) 6273 3286  
Email: [info@acci.asn.au](mailto:info@acci.asn.au)

**Melbourne Office**

Level 3  
486 Albert Street  
EAST MELBOURNE VIC 3002

PO Box 18008  
Collins Street East  
MELBOURNE VIC 8003

Telephone: (03) 9668 9950  
Facsimile: (03) 9668 9958  
Email: [melb@acci.asn.au](mailto:melb@acci.asn.au)

Web: [www.acci.asn.au](http://www.acci.asn.au)

© Australian Chamber of Commerce and Industry 2006.

This work is copyright. Reproduction is permitted, with direct attribution and notification to the Australian Chamber of Commerce and Industry.

# CONTENTS

About ACCI	4
Executive Summary	4
Introduction	5
Australia's Services Sector	5
Dutch Disease	5
Services Budgetary Assistance	8
Tourism	8
Education	11
Conclusion	13
ACCI Members	14

## ABOUT ACCI

ACCI has been the peak council of Australian business associations for 105 years and traces its heritage back to Australia's first chamber of commerce in 1826.

Our motto is "Leading Australian Business."

We are also the ongoing amalgamation of the nation's leading federal business organisations - Australian Chamber of Commerce, the Associated Chamber of Manufacturers of Australia, the Australian Council of Employers Federations and the Confederation of Australian Industry.

Membership of ACCI is made up of the State and Territory Chambers of Commerce and Industry together with the major national industry associations.

Through our membership, ACCI represents over 350,000 businesses nation-wide, including over 280,000 enterprises employing less than 20 people, over 55,000 enterprises employing between 20-100 people and the top 100 companies.

Our employer network employs over 4 million people which makes ACCI the largest and most representative business organisation in Australia.

## EXECUTIVE SUMMARY

ACCI is the largest business organisation representing services at the national level and with the widest reach across the services sector in Australia.

Australia's services sector has grown substantially over the past three decades to encompass around eighty per cent of the economy. Australia also receives valuable export earnings from industries such as education, tourism and finance.

The services sector is not a homogenous sector of the economy and therefore cannot be dealt with as a single industry.

Ensuring that the services sector is efficient and effective in order to maximise the yield from its skills, capital and investment is an essential component to any long-term strategy.

ACCI has provided a submission to the House of Representatives Standing Committee on Economics, Finance and Public Administration on the state of Australia's

manufactured export and import competing base now and beyond the resources boom. This submission incorporates ACCI's recommendations which support further reforms to industrial relations, taxation, infrastructure and skills development. This submission can be downloaded from ACCI's website at [www.acci.asn.au](http://www.acci.asn.au).

With regard to tourism the Government has a clear role, and benefit, from promoting Australia as a tourist destination. The Government also has a role to play in facilitating statistical analysis and research on the performance of the industry.

A key to the success of a long-term strategy will be the ability of the Commonwealth, state and local governments to coordinate their activities. State governments have an important role in developing and promoting state based tourism. Similarly local governments provide essential infrastructure and amenities for tourism operators.

ACCI recognises that much work has been progressed with regard to tourism and as such considers that:

- issues confined to the tourism industry have recently been debated and implemented, and at this stage it would appear too early to make additional recommendations based on the outcomes from previous enquires.

In terms of educational services ACCI considers that:

- Exports of educational products by Australian universities should enhance the integrity and reputation of Australia's educational sector. Australia is well regarded for providing high quality degrees and for graduating skilled employees. This reputation must be maintained wherever, both onshore and offshore, Australian universities are delivering educational services.
- ACCI believes there is a role for Government in the provision of marketing services for Australian education including non-university institutions and therefore supports the role of Australia Education International (AEI).

More broadly for services ACCI :

- Seeks agreement on strengthening WTO Member commitments on national treatment, and raising the quality of commitments for market access for service providers. In the increasingly important area of investment this means progress in negotiations for a

robust General Agreement on Investment.

- Increasing the development of multilateral WTO disciplines dealing with the domestic regulation of services (for example, where appropriate, mutual recognition of qualifications); and more effective coverage of the government procurement of services.
- It is imperative that where there are problems in the services sector they do not elicit impulsive responses to the detriment of Australia's overall economic wellbeing. The right environment must be created so as to allow services to compete globally, but policies should not wind back the clock on twenty years of reform.

## INTRODUCTION

On 3 May 2006 the Treasurer, The Hon. Peter Costello MP, asked the Committee to inquire and report into the current and future directions of Australia's service industry.

The House of Representatives Standing Committee on Economics, Finance and Public Administration is inquiring into where the service export sector now sits in Australia's export (and import competing) environment, focusing on, but not limited to:

- the tourism and education service sectors;
- the impact of the resources boom on the service sector;
- future global opportunities for Australian service exports; and
- policies for realising these opportunities.

## AUSTRALIA'S SERVICES SECTOR

The services sector is not a homogenous sector of the economy and therefore cannot be dealt with as a single industry (see Figure 1).

The services sector accounts for 78.6 per cent of Australia's economic activity.

As a reflection of the services sector's diversity employment ranges from high pay full-time employment to lower pay part-time employment. Skills in the services sector also range from high skilled, requiring beyond secondary school education, to lower skilled positions.

The services sector also engages in international trade particularly education, tourism and finances. Services include commercial presence abroad, movement of consumers and movement of workers.<sup>1</sup> Overall exports from the services sector has tracked relatively closely to that of manufacturing while export of rural and minerals and fuels has tended to diverge – particularly in recent years (see Figure 2).

Trade in services is the fastest growing component of international trade. Between 1985 and 2000, the value of world exports of services increased by just over 9 per cent a year, compared with around 8 per cent for goods exports.<sup>2</sup>

Growth in employment in services has outpaced that of the Australian economy increasing its importance as a sector. The services sector has increased its proportion of employment in the Australian economy from approximately 76 per cent in 1985 to around 85.0 per cent in 2006 (see Figure 3). Output growth has also increased relative to other sector of the economy. In 1966 the services sector accounted for approximately 60.0 per cent of GDP in 2001 that had increased by almost 20.0 percentage points to 76.0 per cent of GDP.<sup>3</sup>

Productivity growth in services is varied and given the diversity of the sector this is not surprising. However, as significant number of service industries over the past decade have recorded strong growth, relative to the market sector.

More recently a number of services industries continued to show productivity growth. The strongest performance was recorded by the Wholesale trade sector, with an increase in MFP of 2.1 per cent over the last year. Transport and storage, Communication services and Cultural & recreational services, also had increases (see Figure 4).

## DUTCH DISEASE

The term 'Dutch Disease' was coined in the late 1970s after economists identified a link between the discovery of large deposits of natural gas in the Netherlands and the decline of the manufacturing sector. Applied to the current Australian context, large inflows of foreign capital cause the

1 McLachlan, R., Clark, C. and Monday, I. 2002, Australia's Service Sector: A Study in Diversity, Productivity Commission Staff Research Paper, AusInfo, Canberra.

2 McLachlan, R., Clark, C. and Monday, I. 2002, Australia's Service Sector: A Study in Diversity, Productivity Commission Staff Research Paper, AusInfo, Canberra.

3 Ibid.

**Figure 1**  
**Services as a Proportion of GDP**

<b>Distribution Services</b>	
Wholesale Trade	5.98
Retail Trade	7.28
Communications Services	3.58
Transport and Storage	5.46
<b>Social Services</b>	
Education	5.12
Health and Community Services	7.37
Government Administration and Defence	4.71
<b>Producer Services</b>	
Property and Business Services	13.85
Finance and Insurance	8.51
<b>Personal Services</b>	
Accommodation, Cafes and Restaurants	2.43
Cultural and Recreational Services	1.73
Personal and Other Services	2.05
<b>Utilities and Construction Services</b>	
Electricity, Gas and Water Supply	2.65
Construction	7.87
<b>Total</b>	<b>78.58</b>
<b>Agriculture</b>	<b>3.70</b>
<b>Mining</b>	<b>4.77</b>
<b>Manufacturing</b>	<b>12.95</b>

Source: *Australian National Accounts: National Income, Expenditure and Product*, Cat. No. 5206, March 2006, ABS Canberra.

real exchange to appreciate reducing the competitiveness of Australia's exports and increasing imports.

The Australian resources sector today is experiencing a boom in demand for its products, particularly from China, India and Japan. Market economies then channel resources such as labour away from the manufacturing, services and agricultural exporting sectors towards the mining sector (the resource movement effect). Given the capital-intensive nature of Australia's mining industry, labour movements away from other sectors of economy are less acute.

Furthermore, additional income (real net national disposable income) grew by 4.4 per cent over the year to March compared with growth of 2.8 per cent in GDP) increases expenditure on domestic non-trade goods (spending effect) increasing the demand for labour in the non-traded sector again pulling resources from exporting sectors. The domestic tourism sector may however receive some of the benefits of higher incomes depending on consumers' preferences for domestic and international travel.

Both these effects lead to the reallocation of resources from the high-tech services and manufacturing industries to the mining industry or the contraction of the non-performing tradeable sector.

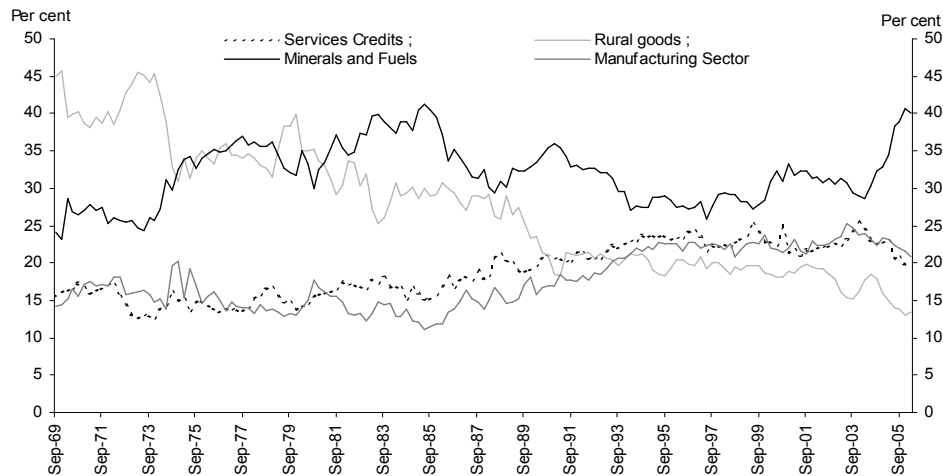
Even in the absence of an exchange rate appreciation, the manufacturing (or services) sector would have difficulty in maintaining its current hold on the resources of the economy as noted by the Secretary of Treasury, Mr Ken Henry:

Many Australian manufacturers would be thinking that the reason they are feeling the squeeze from our higher terms of trade is that the exchange rate has appreciated. But even if the exchange rate were not to appreciate, they would eventually feel the squeeze because they would find it increasingly difficult over time to compete with the construction and resources sectors for the economy's factors of production.<sup>4</sup>

<sup>4</sup> Ken Henry (2006), *The Fiscal and Economic Outlook*, Address to the Australian Business Economist, Sydney, 16 May

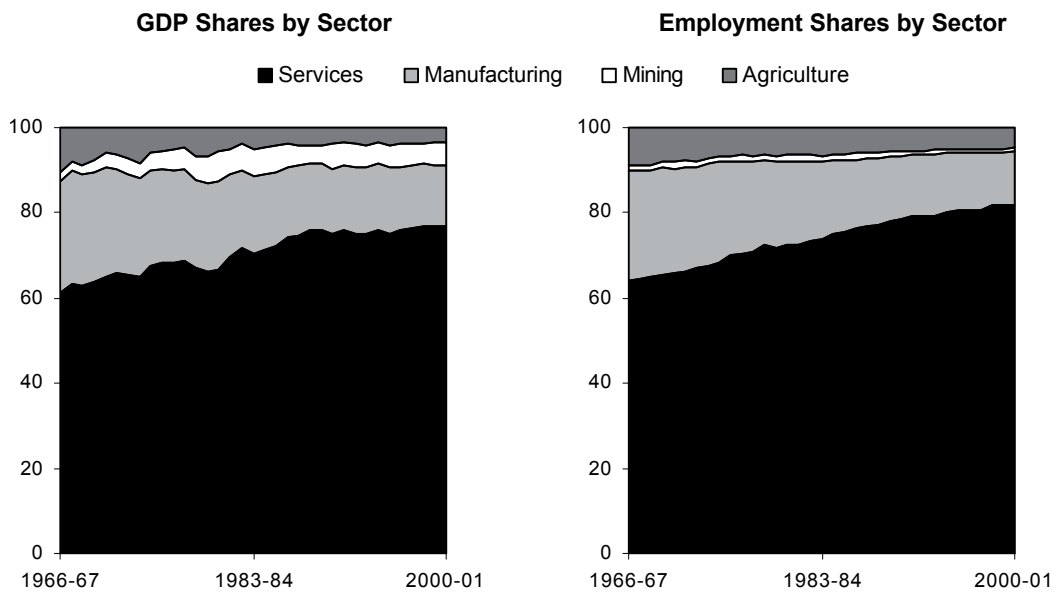


**Figure 2**  
**Proportion of Exports by Sector**



Source: Australian Bureau of Statistics, *Balance of Payments and International Investment Position*, Cat. No. 5302.0, March Quarter 2006.

**Figure 3**  
**Growth in Service Output and Employment**  
**1966-76 to 2000-01**



Source: McLachlan, R., Clark, C. and Monday, I. 2002, *Australia's Service Sector: A Study in Diversity*, Productivity Committee Staff Research Paper, AusInfo, Canberra.

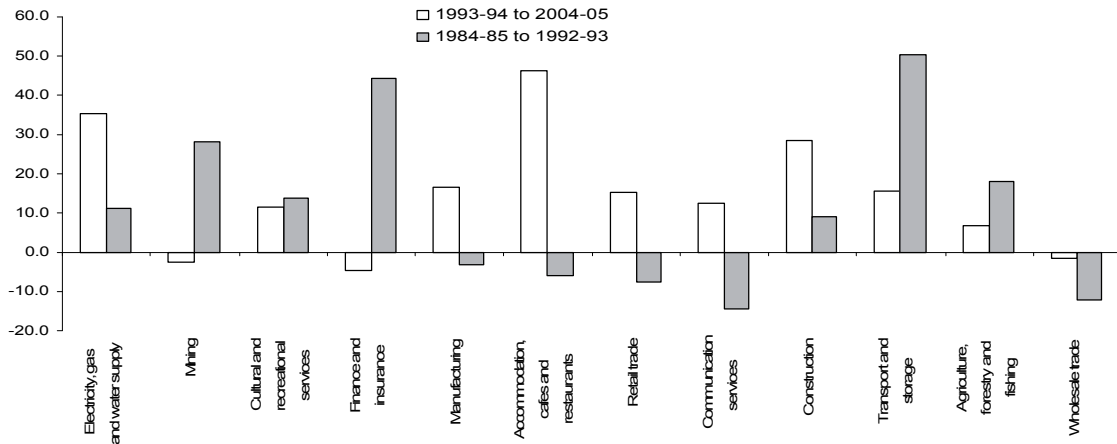
ACCI would only repeat some the issues identified such as:

- It is imperative that where there are problems in the services sector they do not elicit impulsive responses to the detriment of Australia's overall economic wellbeing. The right environment must be created so as to allow services to compete globally, but policies should not wind back the clock on twenty years of reform;
- It is difficult to forecast the period over which the terms of trade will continue to exert a positive effect on

Australia's income and a drain on the competitiveness of our export industries. In fact, the Dutch economy recovered reasonably quickly, suffering from the early to mid sixties from the discovery of oil and gas;

- Another source of concern that has been raised is lower productivity growth as services sector productivity is constrained by the nature of work. However, in Australia's case many services sectors have increased productivity since the mid 1970's at a rate higher than the manufacturing sector.

**Figure 4**  
**Multifactor Productivity Growth by Industry**  
**1984-85 to 1992-93 and 1993-94 to 2004-05**



Source: Productivity Commission 2006, Productivity Estimates to 2004-05, Highlights, March.

- While the Australian export services sector is facing a difficult trading environment it has not meant that the exporting services sector is disappearing or that Australia is losing ground in areas where it has a competitive advantage. A degree of care must be taken not to implement industry specific solutions which will be difficult to remove in the long run when circumstances have changed.

ACCI has provided a submission to the House of Representatives Standing Committee on Economics, Finance and Public Administration on the state of Australia’s manufactured export and import competing base now and beyond the resources boom. This submission incorporates ACCI’s recommendations which support further reforms to industrial relations, taxation, infrastructure and skills development. This submission can be downloaded from ACCI’s website at [www.acci.asn.au](http://www.acci.asn.au).

**SERVICES BUDGETARY ASSISTANCE**

Australia provides assistance to the services sector through direct and indirect measures including budget support and taxation arrangements. Industry assistance comprises selective investment incentives, assistance for export marketing and industry specific programs.

The services sector accounts for the second largest share, 30 per cent, of initial benefits derived from budgetary assistance (see Figure 5). The total dollar amount of assistance in 2004/05 provided to the manufacturing sector, including budgetary outlays and tax concessions, was \$1.3 billion. Overall budget outlays accounted for 57.0 per cent of assistance while the remaining 43.0 per cent of assistance was directed toward tax concessions.

However, assistance to the services sector is relatively less than other sectors (see Figure 6).

Over the three decades government policies have been implemented which reduce protection from international competition. While headline figures give an account of macro level assistance it is individual programs which must be analysed to establish the merits of government intervention.

**TOURISM**

The tourism industry is a vital source of employment and foreign income to the Australian economy. In 2003-04 Australia received income from just fewer than five million international visitors. Domestically Australians made approximately one hundred and forty-six million day trips in 2002. Of these, 52 per cent related to holiday or leisure, 29 per cent related to visiting friends/relatives and 18 per cent related to business/other.

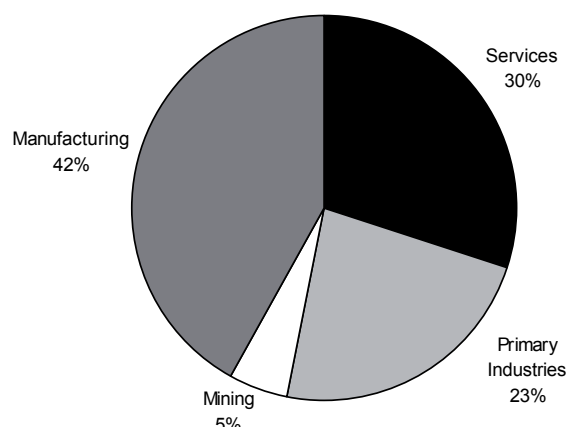
The ABS estimates indicate that the tourism sector accounts for between 4 and 6 per cent of GDP. The ABS also reports Australia’s tourism industry accounts for 6 per cent of employment. A Productivity Commission (PC) report *Assistance to Tourism: Explanatory Estimates* found the tourism industry accounted for between 1.6 per cent and 2.2 per cent of GDP, on average, over the three year to 2002-03.<sup>5</sup>

While over five million international visitors travelled

<sup>5</sup> Productivity Commission Research Paper “Assistance to Tourism: Explanatory Estimates”, April 2005, Overview, pg XI. (The Productivity Commission’s methodology has not been accepted by the all sectors see <http://www.aha.org.au/media.html#fri8april>)



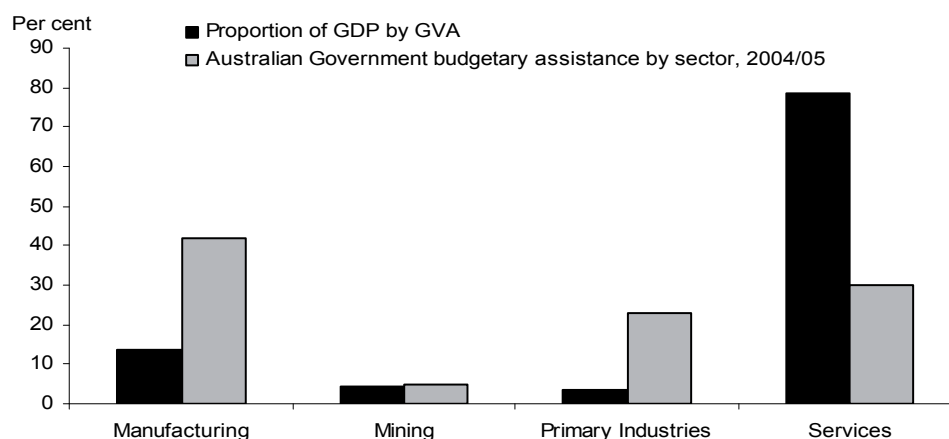
**Figure 5**  
**Budget Assistance by Industry**



Source: Ibid p2.5.

Note: Sectors and industry groupings are not equivalent in size and there can be significant variations in assistance between firms within a sector or industry.

**Figure 6**



Source: Australian National Accounts, *National Income, Expenditure and Product*, Cat. No. 5206, March 2006, ABS, Canberra and Productivity Commission, *Trade & Assistance Review*, 2005.

to Australia, over fifty per cent visited only NSW and/ or Queensland. A quarter of travellers visited Victoria, with other states receiving the remaining share. Victoria’s share of visitor nights was approximately equal to that of Queensland, despite recording 700,000 less visitors.<sup>6</sup>

International visitor destinations were Sydney, Melbourne, the Gold Coast, Tropical North Queensland and Brisbane.<sup>7</sup> “Domestic tourism, that is Australians travelling within Australia, delivers \$25 billion per year to regional Australia – equal to 57 per cent of total domestic tourism expenditure. Tourism related employment in regional areas generates 206,000 jobs or 38 per cent of all tourism employment”.<sup>8</sup>

6 Tourism Research Australia, “Domestic Visitors Survey”.

7 Ibid.

8 Department of Industry, Tourism and Resources Website, “Tourism in Regional Australia” <http://www.industry.gov.au/content/itrinternet/cmscontent.cfm?objectID=EFC66843-65BF-4956-B3A38468E650F994> accessed Tuesday 14 June 2005.

The latest forecasts indicate that the real economic value of inbound tourism (TIEV) is increase by 3.5 per cent and by 7.1 per cent between 2006-2015.<sup>9</sup>

The Tourism Forecasting Committee forecasts the real economic value of inbound tourism (TIEV) to increase by 3.5 per cent in 2006, supported by growth in visitor arrivals of 2.8 cent and higher spending per visitor. Over the medium term, the economic contribution of inbound tourism is forecast to grow strongly. TIEV is forecast to grow in real terms at an average annual rate of 7.1 per cent between 2006 and 2015, to reach \$35.6 billion. This is higher than the forecast average growth in visitor arrivals of 5.5 per cent a year over the forecast period, reflecting continued gains in spending per visitor that

9 Tourism Australia (2006), “Inbound Tourism Forecasts – 2006 to 2015”, Tourism Forecasting Summary April 2006, Tourism Forecasting Committee, April.

are partly associated with an assumed depreciation of the Australian dollar against most major currencies. It is important to note that in certain geographic regions tourism remains integral to the economy. It is perhaps these areas, which warrant the most focus.

The Australian Government has provided assistance to tourism during periods where circumstances changed beyond the control of the industry. These changes were not cyclical or structural in nature but rather one-off negative shocks to the short run fortunes of businesses.

The Australian Government released its *Tourism White Paper: a Medium to Long Term Strategy for Tourism* in November 2003. ACCI supported many of the recommendations made in the report:<sup>10</sup> Most of the proposals to reform the tourism and hospitality industry in the Tourism Paper are consistent with ACCI's comments on the Tourism Green Paper.

The additional funding of \$235 million over the next four and a half years will provide certainty for the industry as it improves its competitiveness and mitigates the impact of external shocks.

Establishing a medium to long-term strategy to ensure a profitable and resilient tourism sector is important to maintaining economic development throughout Australia.

The establishment of the new tourism body, Tourism Australia, should result in greater tourism visitors and encourage more domestic tourism. The streamlined administrative arrangements should facilitate a more efficient, competitive and sustainable industry.

It will be crucial that all governments work to achieve a collaborative and cohesive outcome from the proposed intergovernmental agreement. We urge the States and Territories to work constructively with the Commonwealth in achieving a whole of government and non-partisan approach.

With the proposed \$68.4 million for structural initiatives including tourism in protected areas, an indigenous tourism ready program and the development of niche markets, we hope that the delivery of these programs has measurable outcomes for communities, particularly those in regional areas.

It is important for all of the initiatives in the Tourism

10 ACCI, "Tourism White Paper", Statement by Peter Hendy, Media Release, 20 November 2003.

White Paper that industry has an active role in their implementation.

The Australian Government also launched the *National Tourism Investment Strategy* (NTIS) on 14 March 2006. The NTIS builds on the Government's \$235 million Tourism White Paper by identifying impediments to private sector investment in tourism assets and recommending remedies to address these. The Government is yet to fully respond to National Tourism Investment Strategy (NTIS) recommendations report release in March 2006. The Government has yet to fully respond to these measures noting:

The Consultative Group recommendations cover a very broad range of issues across a number of Ministerial portfolios. As such it will take some time to properly consider the proposals, taking into account recent and current Government reforms and reviews.<sup>11</sup>

However, issues of taxation raised were considered the Government noted that:

A number of the Consultative Group's recommendations propose concessions and incentives delivered through the tax system including tax averaging, revised depreciation schedules, and exemption from capital gains tax for certain assets.

The Australian Government has carefully considered these tax related recommendations and has decided not to pursue them. The Australian Government has pursued various policies directed towards simplifying the tax system and reducing the number of special exemptions and concessions for particular industries. Through these policies, the Government has sought to reduce the tax burden on all Australian firms and in all industries, including tourism. The Government is also currently reviewing aspects of the tax system through an international comparison of Australian taxes.<sup>12</sup>

In addition to the above initiatives,<sup>13</sup> recently the Australian Government has:

- developed an Emerging Markets Strategy, to assist Australian industry to benefit from visitation from

11 Hon Fran Bailey, "The Australian Government Interim Response to the National Tourism Investment Strategy", Minister for Small Business and Tourism, Media Release, March 2006.

12 Ibid.

13 Productivity Commission 2006, Trade and Assistance Review 2004-05, Annual Report Series 2004-05, Productivity Commission, Canberra, April, p3.8.

China and India; and strengthened the operation of the Approved Destination Status scheme which allows group tourists from China to visit Australia;

- established a new 'indigenous tourism' unit within Tourism Australia;
- developed a Korea Action Plan, and announced the development of an Action Plan for Japanese Tourism;
- committed to develop a 'National Road Tourism Strategy'; and
- announced \$20 million in funding for 11 regional tourism projects during the 2004 election campaign.

On Thursday 22 June 2006 the Minister for Employment and Workplace Relations, The Hon Kevin Andrews MP, asked the Committee to inquire into and report on *Workforce Challenges in the Australian Tourism Sector*. The Committee will be taking submission up to Friday 25 August. The Committee will reference issues such as:

- current and future employment trends in the industry;
- current and emerging skill shortages and appropriate recruitment, coordinated training and retention strategies;
- labour shortages and strategies to meet seasonal fluctuations in workforce demands;
- strategies to ensure employment in regional and remote areas; and
- innovative workplace measures to support further employment opportunities and business growth in the tourism sector.

Issues confined to the tourism industry have recently been debated and implemented. At this stage it would appear too early to make additional recommendations based on the outcomes from previous enquires.

## EDUCATION

The benefits of developing and maintaining an educated workforce on individuals and firms have been widely noted by a number of economic institutions. For example, the OECD and IMF have noted that increasing human capital through education and training is a critical component of

growth in both advanced and developing economies.<sup>14</sup>

Individuals invest in human capital and formal education to increase life long earnings while firms benefit through higher productivity, competitiveness and profitability.

Australia also maintains a strong domestic industry for providing educational services to overseas students (see Figure 7). These students provide a major source of income for domestic educational institutions and as more domestically training foreign students reside in Australia after studies, they add to Australia's capital stock.

As skill shortages in Australia's labour market remains critical we continue to train large amounts of international students in areas of high demand. This represents not only a potential source for increasing Australia's human capital but provides employers with suitability-trained employees (see Figure 8).

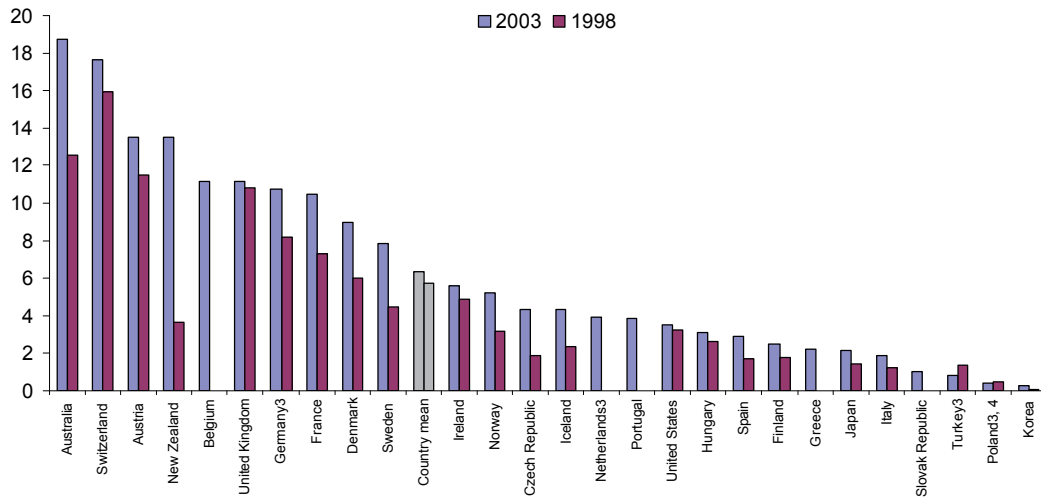
Training by individuals and firms in addressing skill shortages is a vital part of adding flexibility to the labour market while reducing the incidence of skill mismatch. ACCI's *Survey of Investor Confidence* shows that firms rank the availability of suitability-qualified employees as highly as government taxes and regulations as a constraint on investment (see Figure 9).

It is important to note that universities are not the only exporters of educational services as many secondary schools and TAFEs are now offering their own products. Exports of educational products by Australian educational institutions should enhance the integrity and reputation of Australia's educational sector. Australia is well regarded for providing high quality degrees and for graduating skilled employees and pre-tertiary students. This reputation must be maintained wherever, both onshore and offshore, Australian universities, TAFES and secondary school are delivering educational services.

As the proportion of international full fee paying students increases it becomes an increasingly important source of revenue for educational institutions, Australia must not jeopardise this income by providing substandard qualifications and courses. Quality assurance is important as Australia increasingly take advantage of partnership arrangements for Australian courses delivered offshore.

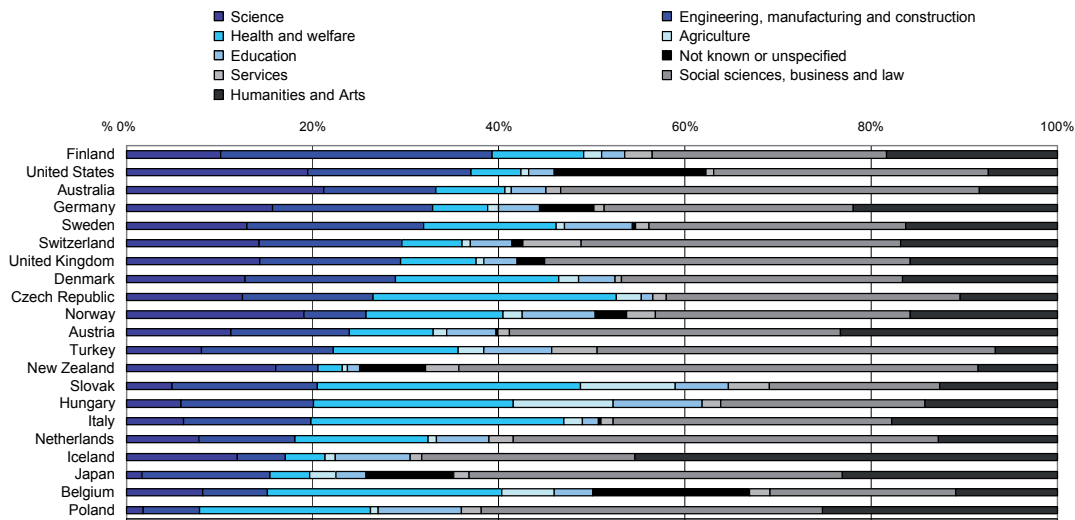
<sup>14</sup> OECD (1994), *The OECD Jobs Study — Facts, Analysis, Strategies*, Paris. OECD (1999a), *Implementing the OECD Jobs Strategy — Assessing Performance and Policy*, Paris. OECD (2001), *The New Economy: Beyond the Hype*, Paris

**Figure 7**  
**Foreign Students From Throughout the World**  
**as a Percentage of all Tertiary Students (Foreign and Domestic)**



Source: OECD (2004), "Education at a Glance" Table C3.1, Indicator C3: Foreign Students in Tertiary Education <http://www.oecd.org/dataoecd/63/15/14572482.xls>.

**Figure 8**  
**Distribution of Foreign Students by Field of Education**  
**2003**



Note: Countries are ranked in descending order of the proportion of foreign students enrolled in sciences, engineering, manufacturing and construction.

Source: OECD, 2005, Education at a Glance 2005, <http://dx.doi.org/10.1787/501101611002>.

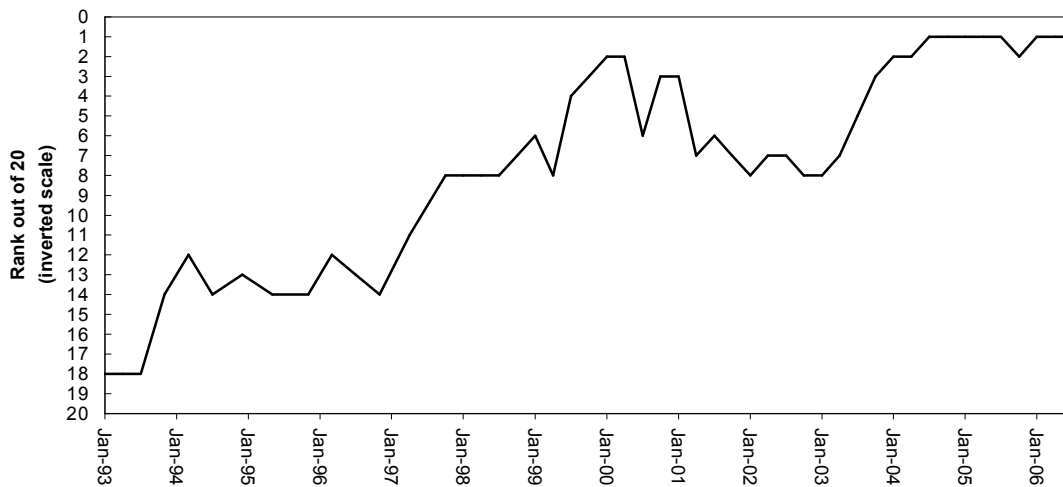
Having said this, while quality issues need to be monitored ACCI is not currently aware of any serious problems arising from the exporting of educational services.

Australia already has a code of conduct on the provision of education to international students entitled *Provision of Education to International Students – Code of Practice and Guidelines for Australian Universities*. ACCI does not have a particular view on the code but supports initiatives that maintain quality assurance in the delivery of educational services.

ACCI supports the role of Australian Education International (AEI).

AEI is part of the Australian Department of Education, Science and Training (DEST). AEI uniquely integrates the development of international government relations with support for the commercial activities of Australia's education community. To do this, AEI liaises with all sectors of the education and training industry and all

**Figure 9**  
**Availability of Suitability Employees**



Source: SAI Global - ACCI Survey of Investor Confidence..

levels of government.<sup>15</sup>

ACCI believes there is a role for Government in the provision of marketing services for Australian universities and non-university institutions.

While ACCI supports a limited role for government it sees no reason for further extending its reach into the education sector.

**CONCLUSION**

Economic reform has provided widespread and significant benefits. A Productivity Commission (PC) study entitled *Review of National Competition Policy Reforms* identified benefits, just from NCP, of approximately \$20 billion or \$1000 per person. The report also notes this figure does not include dynamic efficiency gains. This provides strong and valid evidence for continuing down the reform path where the economy is efficient, flexible and dynamic.

Providing the services sector with efficient industrial relations, taxation, skills and regulation environments should be seen as a priority for improving Australia’s international competitiveness. This allows producers to most efficiently deal with an adverse operating environment of any nature.

As a good illustration, ast reforms of the education sector has allowed university and non-university institutions to compete successfully with international educational institutions for foreign students. This has happened against the backdrop of a freer operation of the market place and

it illustrates there is no need for the government to ‘pick winners’ in the economy. As also occurred in Australia’s financial sector, once economic reforms are implemented Australian industry is freer to deliver the best outcomes.

While the present operating environment experienced by tourism and education may encourage some to argue for specific policy responses, it is the overall economic framework that will create efficient markets and provide the necessary incentives to invest and innovate.

If specific policies to develop export services are warranted, it should be recognised that they cannot provide solutions to broader macro level shocks to the economy, such as terms of trade and exchange rate fluctuations.

ACCI has provided a submission to the House of Representatives Standing Committee on Economics, Finance and Public Administration on the state of Australia’s manufactured export and import competing base now and beyond the resources boom. This submission incorporates ACCI’s recommendations which support further reforms to industrial relations, taxation, infrastructure and skills development. This submission can be downloaded from ACCI’s website at [www.acci.asn.au](http://www.acci.asn.au).

15 Australian Government, Australian Educational International website, Overview.

## ACCI MEMBERS CHAMBERS OF COMMERCE AND INDUSTRY

### ACT and Region Chamber of Commerce & Industry

12A Thesiger Court  
DEAKIN ACT 2600  
Telephone: 02 6283 5200  
Facsimile: 02 6282 5045  
Email: [chamber@actchamber.com.au](mailto:chamber@actchamber.com.au)  
Website: [www.actchamber.com.au](http://www.actchamber.com.au)

### Australian Business Limited

140 Arthur Street  
NORTH SYDNEY NSW 2060  
Telephone: 02 9927 7500  
Facsimile: 02 9923 1166  
Email: [member.service@australianbusiness.com.au](mailto:member.service@australianbusiness.com.au)  
Website: [www.australianbusiness.com.au](http://www.australianbusiness.com.au)

### Business SA

Enterprise House  
136 Greenhill Road  
UNLEY SA 5061  
Telephone: 08 8300 0000  
Facsimile: 08 8300 0001  
Email: [enquiries@business-sa.com](mailto:enquiries@business-sa.com)  
Website: [www.business-sa.com](http://www.business-sa.com)

### Chamber of Commerce & Industry Western Australia (Inc)

PO Box 6209  
EAST PERTH WA 6892  
Telephone: 08 9365 7555  
Facsimile: 08 9365 7550  
Email: [info@cciwa.com](mailto:info@cciwa.com)  
Website: [www.cciwa.com](http://www.cciwa.com)

### Chamber of Commerce Northern Territory

Confederation House  
1/2 Shepherd Street  
DARWIN NT 0800  
Telephone: 08 8936 3100  
Facsimile: 08 8981 1405  
Email: [darwin@chambernt.com.au](mailto:darwin@chambernt.com.au)  
Website: [www.chambernt.com.au](http://www.chambernt.com.au)

### Commerce Queensland

Industry House  
375 Wickham Terrace  
BRISBANE QLD 4000  
Telephone: 07 3842 2244  
Facsimile: 07 3832 3195  
Email: [info@commerceqld.com.au](mailto:info@commerceqld.com.au)  
Website: [www.commerceqld.com.au](http://www.commerceqld.com.au)

### Employers First™

PO Box A233  
SYDNEY SOUTH NSW 1235  
Telephone: 02 9264 2000  
Facsimile: 02 9261 1968  
Email: [empfirst@employersfirst.org.au](mailto:empfirst@employersfirst.org.au)  
Website: [www.employersfirst.org.au](http://www.employersfirst.org.au)

### State Chamber of Commerce (NSW)

GPO Box 4280  
SYDNEY NSW 2000  
Telephone: 02 9350 8100  
Facsimile: 02 9350 8199  
Email: [enquiries@thechamber.com.au](mailto:enquiries@thechamber.com.au)  
Website: [www.thechamber.com.au](http://www.thechamber.com.au)

### Tasmanian Chamber of Commerce and Industry Ltd

GPO Box 793  
HOBART TAS 7001  
Telephone: 03 6236 3600  
Facsimile: 03 6231 1278  
Email: [admin@tcci.com.au](mailto:admin@tcci.com.au)  
Website: [www.tcci.com.au](http://www.tcci.com.au)

### Victorian Employers' Chamber of Commerce & Industry

GPO Box 4352QQ  
MELBOURNE VIC 3001  
Telephone: 03 8662 5333  
Facsimile: 03 8662 5367  
Email: [vecci@vecci.org.au](mailto:vecci@vecci.org.au)  
Website: [www.vecci.org.au](http://www.vecci.org.au)



## ACCI MEMBERS NATIONAL INDUSTRY ASSOCIATIONS

### ACCORD

Dalgety Square  
Suite C7, 99 Jones Street  
ULTIMO NSW 2007  
Telephone: 02 9281 2322  
Facsimile: 02 9281 0366  
Email: [bcapanna@acspa.asn.au](mailto:bcapanna@acspa.asn.au)  
Website: [www.acspa.asn.au](http://www.acspa.asn.au)

### Agribusiness Employers' Federation

GPO Box 2883  
ADELAIDE SA 5001  
Telephone: 08 8212 0585  
Facsimile: 08 8212 0311  
Email: [aef@aef.net.au](mailto:aef@aef.net.au)  
Website: [www.aef.net.au](http://www.aef.net.au)

### Air Conditioning and Mechanical Contractors' Association

30 Cromwell Street  
BURWOOD VIC 3125  
Telephone: 03 9888 8266  
Facsimile: 03 9888 8459  
Email: [deynon@amca.com.au](mailto:deynon@amca.com.au)  
Website: [www.amca.com.au/vic](http://www.amca.com.au/vic)

### Association of Consulting Engineers Australia (The)

75 Miller Street  
NORTH SYDNEY NSW 2060  
Telephone: 02 9922 4711  
Facsimile: 02 9957 2484  
Email: [acea@acea.com.au](mailto:acea@acea.com.au)  
Website: [www.acea.com.au](http://www.acea.com.au)

### Australian Beverages Council Ltd

Suite 4, Level 1  
6-8 Crewe Place  
ROSEBERRY NSW 2018  
Telephone: 02 9662 2844  
Facsimile: 02 9662 2899  
Email: [info@australianbeverages.org](mailto:info@australianbeverages.org)  
Website: [www.australianbeverages.org](http://www.australianbeverages.org)

### Australian Hotels Association

Level 1, Commerce House  
24 Brisbane Avenue  
BARTON ACT 2600  
Telephone: 02 6273 4007  
Facsimile: 02 6273 4011  
Email: [aha@aha.org.au](mailto:aha@aha.org.au)  
Website: [www.aha.org.au](http://www.aha.org.au)

### Australian International Airlines Operations Group

c/- QANTAS Airways  
QANTAS Centre  
QCA4, 203 Coward Street  
MASCOT NSW 2020  
Telephone: 02 9691 3636

### Australian Made Campaign Limited

486 Albert Street  
EAST MELBOURNE VIC 3002  
Telephone: 03 8662 5390  
Facsimile: 03 8662 5201  
Email: [ausmade@australianmade.com.au](mailto:ausmade@australianmade.com.au)  
Website: [www.australianmade.com.au](http://www.australianmade.com.au)

### Australian Mines and Metals Association

Level 10  
607 Bourke Street  
MELBOURNE VIC 3000  
Telephone: 03 9614 4777  
Facsimile: 03 9614 3970  
Email: [vicamma@amma.org.au](mailto:vicamma@amma.org.au)  
Website: [www.amma.org.au](http://www.amma.org.au)

### Australian Paint Manufacturers' Federation Inc

Suite 1201, Level 12  
275 Alfred Street  
NORTH SYDNEY NSW 2060  
Telephone: 02 9922 3955  
Facsimile: 02 9929 9743  
Email: [office@apmf.asn.au](mailto:office@apmf.asn.au)  
Website: [www.apmf.asn.au](http://www.apmf.asn.au)

### **Australian Retailers' Association**

Level 2  
104 Franklin Street  
MELBOURNE VIC 3000  
Telephone: 03 9321 5000  
Facsimile: 03 9321 5001  
Email: [vivienne.atkinson@vic.ara.com.au](mailto:vivienne.atkinson@vic.ara.com.au)  
Website: [www.ara.com.au](http://www.ara.com.au)

### **Housing Industry Association**

79 Constitution Avenue  
CANBERRA ACT 2612  
Telephone: 02 6249 6366  
Facsimile: 02 6257 5658  
Email: [enquiry@hia.asn.au](mailto:enquiry@hia.asn.au)  
Website: [www.buildingonline.com.au](http://www.buildingonline.com.au)

### **Insurance Council of Australia**

Level 3  
56 Pitt Street  
SYDNEY NSW 2000  
Telephone: 02 9253 5100  
Facsimile: 02 9253 5111  
Email: [ica@ica.com.au](mailto:ica@ica.com.au)  
Website: [www.ica.com.au](http://www.ica.com.au)

### **Investment and Financial Services Association Ltd**

Level 24  
44 Market Street  
SYDNEY NSW 2000  
Telephone: 02 9299 3022  
Facsimile: 02 9299 3198  
Email: [ifsa@ifsa.com.au](mailto:ifsa@ifsa.com.au)  
Website: [www.ifsa.com.au](http://www.ifsa.com.au)

### **Live Performance Australia**

Level 1  
15-17 Queen Street  
MELBOURNE VIC 3000  
Telephone: 03 9614 1111  
Facsimile: 03 9614 1166  
Email: [info@liveperformance.com.au](mailto:info@liveperformance.com.au)  
Website: [www.liveperformance.com.au](http://www.liveperformance.com.au)

### **Master Builders Australia Inc.**

16 Bentham Street  
YARRALUMLA ACT 2600  
Telephone: 02 6202 8888  
Facsimile: 02 6202 8877  
Email: [enquiries@masterbuilders.com.au](mailto:enquiries@masterbuilders.com.au)  
Website: [www.masterbuilders.com.au](http://www.masterbuilders.com.au)

### **Master Plumbers' and Mechanical Services Association Australia (The)**

525 King Street  
WEST MELBOURNE VIC 3003  
Telephone: 03 9329 9622  
Facsimile: 03 9329 5060  
Email: [info@mpmsaa.org.au](mailto:info@mpmsaa.org.au)  
Website: [www.plumber.com.au](http://www.plumber.com.au)

### **National Electrical and Communications Association**

Level 3  
100 Dorcas Street  
SOUTH MELBOURNE VIC 3205  
Telephone: 03 9645 5566  
Facsimile: 03 9645 5577  
Email: [necanat@neca.asn.au](mailto:necanat@neca.asn.au)  
Website: [www.neca.asn.au](http://www.neca.asn.au)

### **National Retail Association Ltd**

PO Box 91  
FORTITUDE VALLEY QLD 4006  
Telephone: 07 3251 3000  
Facsimile: 07 3251 3030  
Email: [info@nationalretailassociation.com.au](mailto:info@nationalretailassociation.com.au)  
Website: [www.nationalretailassociation.com.au](http://www.nationalretailassociation.com.au)

### **NSW Farmers Industrial Association**

Level 10  
255 Elizabeth Street  
SYDNEY NSW 2000  
Telephone: 02 8251 1700  
Facsimile: 02 8251 1750  
Email: [industrial@nswfarmers.org.au](mailto:industrial@nswfarmers.org.au)  
Website: [www.iressentials.com](http://www.iressentials.com)

### **Oil Industry Industrial Association**

c/- Shell Australia  
GPO Box 872K  
MELBOURNE VIC 3001  
Telephone: 03 9666 5444  
Facsimile: 03 9666 5008

### **Pharmacy Guild of Australia**

PO Box 7036  
CANBERRA BC ACT 2610  
Telephone: 02 6270 1888  
Facsimile: 02 6270 1800  
Email: [guild.nat@guild.org.au](mailto:guild.nat@guild.org.au)  
Website: [www.guild.org.au](http://www.guild.org.au)

### **Plastics and Chemicals Industries Association Inc**

Level 2  
263 Mary Street  
RICHMOND VIC 3121  
Telephone: 03 9429 0670  
Facsimile: 03 9429 0690  
Email: [info@pacia.org.au](mailto:info@pacia.org.au)  
Website: [www.pacia.org.au](http://www.pacia.org.au)

### **Printing Industries Association of Australia**

25 South Parade  
AUBURN NSW 2144  
Telephone: 02 8789 7300  
Facsimile: 02 8789 7387  
Email: [info@printnet.com.au](mailto:info@printnet.com.au)  
Website: [www.printnet.com.au](http://www.printnet.com.au)

### **Restaurant & Catering Australia**

Suite 32  
401 Pacific Highway  
ARTARMON NSW 2604  
Telephone: 02 9966 0055  
Facsimile: 02 9966 9915  
Email: [restncat@restaurantcater.asn.au](mailto:restncat@restaurantcater.asn.au)  
Website: [www.restaurantcater.asn.au](http://www.restaurantcater.asn.au)

### **Standards Australia Limited**

286 Sussex Street  
SYDNEY NSW 2000  
Telephone: 1300 65 46 46  
Facsimile: 1300 65 49 49  
Email: [mail@standards.org.au](mailto:mail@standards.org.au)  
Website: [www.standards.org.au](http://www.standards.org.au)

### **Victorian Automobile Chamber of Commerce**

7th Floor  
464 St Kilda Road  
MELBOURNE VIC 3000  
Telephone: 03 9829 1111  
Facsimile: 03 9820 3401  
Email: [vacc@vacc.asn.au](mailto:vacc@vacc.asn.au)  
Website: [www.vacc.motor.net.au](http://www.vacc.motor.net.au)