AUSTRALIAN CHAMBER OF COMMERCE AND INDUSTRY

Submission to Productivity Commission - Inquiry Business Set-up Transfer and Closure

February 2015

The Australian Chamber of Commerce and Industry
is the leading voice of business in Australia

Canberra Office
COMMERCE HOUSE
Level 3, 24 Brisbane Avenue
Barton ACT 2600

PO BOX 6005
Kingston ACT 2604
AUSTRALIA

T: 02 6273 2311
F: 02 6273 3286
E: info@acci.asn.au
W: www.acci.asn.au

Melbourne Office
Level 3, 486 Albert Street
East Melbourne VIC 3002

PO BOX 18008
Collins Street East
Melbourne VIC 8003
AUSTRALIA

T: 03 9668 9950
F: 03 9668 9958
E: melb@acci.asn.au
W: www.acci.asn.au

SUMMARY OF RECOMMENDATIONS

The Australian Chamber of Commerce and Industry (ACCI) believes that regulatory reform and red tape reduction are vital to reduce the costs of doing business for all businesses in general and small to medium sized businesses (SMEs), in particular. Poorly formulated and implemented regulation can act as an effective barrier to entry and expansion by exposing businesses to excessive compliance costs.

ACCI strongly recommends a comprehensive review and reform of existing regulatory frameworks. We also believe that there is an urgent need for reform and innovation in the existing framework for accessing finance, particularly for SMEs. SMEs are generally constrained in their ability to borrow due to a range of structural barriers to accessing capital from financial markets. Finally, the insolvency regime in Australia needs to introduce provisions, which allow businesses facing temporary financial difficulties, to restructure their operations, with a view to maintaining financial viability and long term shareholder value.

Our key recommendations in relation to these matters are set out below:

Recommendation 1: Overhaul of regulatory compliance framework

In overhauling the regulatory compliance framework, the Government should:

- Review the existing regulatory framework for establishing and expanding businesses and develop an effective whole of Government process to reduce multiple layers of regulation.
- Ensure no additional business regulation is considered without a thorough and independent cost-benefit analysis through a Regulatory Impact Statement.
- Move towards establishing a regulatory culture of understanding the cost burden of regulatory compliance on new and existing business entities.

Recommendation 2: Support for FSI Report recommendations

The Government should support the Financial System Inquiry Report's recommendations to reduce informational asymmetries and other structural barriers to SMEs accessing finance:

- Introduction of data sharing under a new voluntary comprehensive credit reporting regime.
- Introduction of consumer protection in standard contracts for SMEs.
- Working with the banking industry to adjust its code of practice to require banks to give SME borrowers sufficient notice to enforce contracts terms and source alternative finance.
- Establishment of a public-private sector collaborative committee, to facilitate financial system innovation and enable timely and coordinated policy and regulatory responses.

Recommendation 3: Develop comprehensive 'crowd-funding' regime

The Government should develop a comprehensive 'crowd-funding' regime to include:

- Securities-based crowdfunding, where the 'crowd' invests in an issuer in exchange for securities – either equity (crowd-sourced equity funding) or debt.
- Peer-to-peer lending, where an online intermediary facilitates lending between individuals, often in the form of unsecured personal loans, potentially to fund a business.
- Establishment of a not-for-profit pre-qualification service for businesses seeking crowd sourced equity funding, to be administered by the Australian Chamber of Commerce and Industry.

Recommendation 4: Explore feasibility of SME loan guarantee scheme

The Government should explore the feasibility of a temporary, capped SME loan guarantee scheme. The Government should weigh the benefits of such a scheme against the risks of increased 'moral hazard' and the Government's exposure to contingent liabilities.

Recommendation 5: Introduce insolvency 'safe-harbour' provisions

The Government should introduce 'safe harbour' provisions into the insolvency regime to allow firms facing temporary financial difficulties to restructure their operations without the directors facing any insolvent trading liabilities.

Recommendation 6 : Moratorium on insolvency 'ipso-facto' clauses

The Government should introduce provisions into the insolvency regime for a moratorium on the application of 'ipso facto' clauses when a business entity seeks to restructure its operations.

Recommendation 7: Reforms to Insolvency Law

The Government should amend the insolvency laws as proposed in the Federal Government's *Insolvency Law Reform Bill 2014*, to create transparency and accountability in the regulatory framework applying to insolvency practitioners and reinforcing the position of creditors.

CONTENTS

1. INTRODUCTION

The Australian Chamber of Commerce and Industry (ACCI) welcomes the opportunity to make a submission to the Productivity Commission's Inquiry (Inquiry) into Business Set-up Transfer and Closure.

ACCI's submission addresses primary concerns of a wide range of Australian businesses covering barriers to entry and exit for firms and the impact on overall economic performance. The submission broadly reflects the structure of the Inquiry and focuses on the following key issues:

- Regulation
- Access to Finance
- Insolvency

Regulation

ACCI believes that while well targeted and designed regulation can deliver beneficial economic, social and environmental outcomes, poorly formulated and implemented regulation can act as an effective barrier to entry and expansion by exposing businesses to excessive compliance costs. High compliance costs stifle market competition and distort resource allocation in the economy. The economic costs from 'distortions' arise due to:

- substitution effects resulting from changes in relative prices, leading to the distortion of investment decisions;
- overly prescriptive regulation, which prevents innovative or lower cost approaches to meeting the intended outcomes of the regulation.

These 'distortions' generally arise when regulation is overly complex, redundant, and duplicates the regulation of other jurisdictions or other regulatory bodies. To ensure that regulation delivers the greatest net benefit to the economy, it needs to be well designed, to avoid imposing any unnecessary red-tape burden on businesses.

Access to Finance

ACCI believes that there is an urgent need for reform and innovation in the existing framework for accessing finance. This is particularly the case for SME's (small to medium sized enterprises) which are trying to expand the scale and/or scope of their commercial activities or embarking on new innovative business activities.

A significant proportion of SMEs have difficulties in accessing finance. An ACCI survey in mid-2013 reported that 14.2% of small businesses and 11% of medium-size firms identified lack of finance as an obstacle to the growth and development of their businesses. Unlike larger enterprises, SMEs rely heavily on intermediated finance, from financial institutions for their working capital, new capital expenditure, as well as opportunities for expansion. External funding can include extra equity or debt from family and friends or equity from venture capital funds. The Financial System

Inquiry Final Report 2014 (FSI Report)[1] notes that interest rates for loans provided to SME's are generally higher than those for larger businesses. This is primarily attributed to the higher informational costs and lending risks associated with bank lending to SMEs. The business models of lending institutions and their expertise are better suited to providing debt finance to larger more established businesses. Lending institutions typically require detailed financial information to undertake a credit risk assessment. From their perspective, it is vital to have this information, since SMEs are considered to be a higher credit risk due to greater volatility in their income and cash-flow. SMEs are generally unable to provide this detailed information. The lack of publicly available information about the commercial operations/financial viability of SMEs further diminishes their borrowing prospects. Accordingly, lending institutions increase their lending margins for SME loans and further tighten the terms and conditions for new loans through stricter requirements for collateral and interest coverage i.e. residential property security.

There are a number of policy options available to address these issues. These range from measures which aim to directly increase finance to SMEs, to those which aim to improve specific issues like information asymmetries between borrowers and lenders. Better access to information and greater transparency would, no doubt, allow lending institutions to make more informed lending decisions. However, although a key objective of reforms to the Australian financial system must be to increase the level of total lending to SMEs by financial institutions, a wider range of funding options, in particular equity finance options, need to be considered for SMEs in the start-up or growth phase of their operations. Equity finance can be a better alternative to debt finance, since it does not require a business entity to make regular payments and can be tailored to suit an entity's business cycle. However, SMEs find it difficult to access traditional sources of equity finance due to onerous corporate governance requirements and disclosure standards.

The FSI Report recommends fundamental reform in fundraising regulation to enable better access to finance for SMEs and to facilitate innovations in fund-raising from new technologies, in line with developments in other OECD economies, notably the U.K. and New Zealand. The Government's efforts to develop a regulatory regime for the implementation of crowd-sourced equity funding (CSEF), is a positive measure in this direction. CSEF is an innovative approach to raising finance, where a large number of investors can take a stake in a business entity, through equity or debt instruments. It is particularly well suited to serve the needs of SMEs, which have found it difficult to access finance from lending institutions and equity capital markets.

The Government should also explore the feasibility of a temporary small business loan guarantee scheme. Similar schemes operate in several other international jurisdictions, including the US, UK and Canada, with varying levels of eligibility and coverage. A well-structured scheme would avoid any unintended 'distortionary' effects on lending markets. If implemented, the scheme could have a sunset provision, preceded by a review date.

[1] Financial System Inquiry Final Report (Commonwealth Treasury) November 2014.

Insolvency

The insolvency regime needs to give due recognition to the need to restructure businesses, facing temporary financial difficulties, to enable them to achieve financially sustainable operations. A 'safe-harbour' defence to insolvency proceedings, needs to be introduced within the insolvency regime in Australia. The 'safe-harbour' protection will effectively allow experienced professionals to restructure business entities to restore the viability of their operations, in the interest of all stakeholders. Further, the insolvency regime needs to introduce provisions for a moratorium on the application of 'ipso facto' clauses, when a business entity seeks to restructure its operations.

Creditor participation in insolvency proceedings has been widely seen as an essential feature of any well-developed insolvency regime. Creditor interests should be safeguarded by appropriate means which enable creditors to effectively monitor and participate in insolvency proceedings to ensure fairness and integrity. The insolvency laws should therefore be amended as proposed in the *Insolvency Law Reform Bill 2014*, to enable greater transparency and accountability in insolvency proceedings.

2. REGULATION

Recommendation 1: Overhaul of regulatory compliance framework

In overhauling the regulatory compliance framework, the Government should:

- Review the existing regulatory framework for establishing and expanding businesses and develop an effective whole of Government process to reduce multiple layers of regulation.
- Ensure no additional business regulation is considered without a thorough and independent cost-benefit analysis through a Regulatory Impact Statement.
- Move towards establishing a regulatory culture of assessing the cost burden of regulatory compliance on new and existing business entities.

The available evidence suggests that regulation imposes significant compliance costs on existing and emerging Australian businesses by requiring them to undertake various activities and providing information to Government and third parties. There is therefore, an urgent need to review the efficacy and relevance of the existing framework.

ACCI's Red Tape Survey 2014 indicates that a large portion of businesses (42.8 per cent) surveyed reported that complying with Government regulatory requirements has a moderate negative impact on their business. This was followed by over one fifth (21.6 per cent) stating that compliance has a significant negative impact on their business. Together, 64.4 per cent of businesses believe regulatory compliance has a negative impact on their operations. Only 3.4 per cent of respondents noted it has a significant positive impact.

The Productivity Commission's (Commission) 2013 Report, Regulatory Engagement with Small Business, identified a number of critical issues in relation to the regulatory burden on SMEs. The Commission estimated that small businesses in Australia are subject to 480 or so Commonwealth, state and territory regulators, as well as 560 local Government regulators. The Commission noted that regulators needed to be more responsive to the specific needs of SMEs who bear a disproportionate percentage of the regulatory burden and do not have the resources to meet the onerous compliance and reporting requirements. The Commission further noted the need for regulator discretion in compliance monitoring and enforcement needed to be accompanied by appropriate accountability measures.

The key regulatory burdens on SMEs that are not activity specific, primarily relate to issues around taxation and statutory obligations with respect to employees. The key taxation obligations include, Income tax, Goods and services tax (GST), Pay as you go (PAYG), Fringe benefits tax (FBT) and Payroll tax. The key employment obligations include those in relation to:

- Industrial relations — Employment of staff is regulated under the Fair Work Act 2009.
- Superannuation — Employers are required to forward employees' super entitlements to their nominated super fund on a periodic basis.
- Worker health and safety (WHS) — Employers have WHS obligations to their employees.

The regulatory requirements that may impact on start-up SMEs include:

- Financial reporting — SMEs with more complex business structures are subject to more onerous financial reporting obligations. For instance, a business operating through a company structure has additional reporting obligations to the Australian Securities and Investments Commission (ASIC), which would not apply to a sole trader.
- Business registrations — There are a broad range of regulatory requirements associated with starting a business. For instance, under the new national business name registration system, business names need to be registered with ASIC. Businesses have reported difficulties and delays in registering names since the commencement of the national system.
- Planning and development — In starting up or expanding a business, it may be necessary to lodge a development application or seek consent to construct new infrastructure or undertake a business activity at a given location. In addition to the business premises itself, planning and development requirements can cover aspects such as vehicle access to the property, car parking, hours of operation and noise levels. Development consent is usually granted by local Governments.

The regulatory framework for business set-up and expansion needs a radical overhaul to foster a business friendly regulatory environment. All existing regulations and proposed regulation should be subject to a robust regulatory impact analysis. Ultimately, all regulation should be justified on the basis of a rational and reasonable response to a perceived need for compliance.

3. ACCESS TO FINANCE

3.1 Information Asymmetry and Structural barriers to accessing finance

Recommendation 2: Support for FSI Report recommendations

The Government should support the Financial System Inquiry Report's recommendations to reduce information asymmetries and other structural barriers to SMEs accessing finance:

- Introduction of data sharing under a new voluntary comprehensive credit reporting regime.
- Introduction of consumer protection in standard contracts for SMEs.
- Working with the banking industry to adjust its code of practice to require banks to give SME borrowers sufficient notice to enforce contracts terms and source alternative finance.
- Establishment of a public-private sector collaborative committee, to facilitate financial system innovation and enable timely and coordinated policy and regulatory responses.

Information asymmetries are the most significant structural factor contributing to the higher cost and lower availability of credit for SMEs. SMEs generally are less able to provide lending institutions with formal financial documentation and a detailed financial history. This makes it more costly for lending institutions to acquire adequate information to undertake an accurate credit assessment and approve the loan application. From the lending institution's perspective, it is vital to undertake an accurate credit assessment, since SMEs typically have more volatile revenue streams and are more likely to default. In the absence of adequate financial and operational information and with a higher probability of default, lenders generally need to make higher provisions for loan losses for SMEs than for larger businesses. When lenders are unable to access sufficient information to make a proper assessment, the risks associated with the loan are generally perceived to be greater. These information asymmetries are reflected in the price of loans.

ACCI supports the proposal in the FSI Report regarding the creation of a voluntary comprehensive credit sharing regime. By giving lenders ready access to the credit history of potential borrowers, such a framework, will address the issue of asymmetrical information between lenders and SMEs. This in turn may lower the cost of borrowing for SMEs. Similar regimes have been very effectively implemented in other OECD economies.

The Reserve Bank could publish a quarterly survey of financial sector lending to SMEs. This could include information on the level and nature of small business

banking fees and charges, comparative lending rates, and clear explanations for any changes in them.

Information imbalances between SME borrowers and creditors have led to onerous non-monetary terms in some lending contracts. ACCI recommends the introduction of consumer protections in standards contracts for SMEs. The FSI Report notes that protection from unfair contract terms in the *Australian Securities and Investment Commission Act 2001* (Cth) does not extend to lending to SMEs. The FSI Report recommends the extension of these provisions to SMEs. The FSI Report further recommends that the Code of Banking Practice and the Customer Owned Banking Code of Practice need to be amended to give borrowers sufficient time to obtain alternative financing, in the event of changes to lending covenants and/or a decision by a bank to enforce the terms of the lending contract.

More generally, financial institutions need to simplify credit application processes and documentation, making the lending evaluation criteria more transparent. Unsuccessful applicants should receive a statement explaining why their application has been rejected. Further, financial institutions need to simplify the language used in financial product disclosure statements for small business products and services.

3.2 Crowd-Funding

Recommendation 3: Develop comprehensive 'crowd-funding' regime

The Government should develop a comprehensive 'crowd-funding' regime to include:

- Securities-based crowdfunding, where the 'crowd' invests in an issuer in exchange for securities – either equity (crowd-sourced equity funding) or debt.
- Peer-to-peer lending, where an online intermediary facilitates lending between individuals, often in the form of unsecured personal loans, potentially to fund a business.
- Establishment of a not-for-profit pre-qualification service for businesses seeking crowd sourced equity funding to be administered by the Australian Chamber of Commerce and Industry.

'Crowd-sourced' funding is an emerging innovative financing mechanism that allows business entities in general and SMEs in particular, to access a large pool of investor funds, through an online investment platform. Crowd-sourced funding can either be debt-based or equity-based. Debt crowdfunding, also known as peer-to-peer lending allows a group of lenders to lend funds to individuals or businesses in return for repayment of the loan and interest charges. However, borrowers must demonstrate creditworthiness and the capability to repay the debt.

'Crowd-sourced' equity funding (CSEF) allows a large number of individuals to invest in a business entity by taking an equity stake. It is well suited for start-ups and entities with innovative business models.

It is vital to implement a robust regulatory framework for crowd-funding. As the FSI Report notes, the existing regulatory framework in Australia, is not conducive to promoting 'crowd-funding'. The onerous compliance and disclosure requirements of public listed entities are not well suited to the financial requirements of SMEs. However, the absence of a robust regulatory framework to address the risks associated with crowd-funding may deter potential investors from investing. The Corporations and Markets Advisory Committee (CAMAC) recommended key measure to develop a regulatory framework for CSEF, in May 2014, which are worthy of further consideration and adaptation. The key recommendations included:

- Placing a cap of $2 million on any fundraising over a 12 month timeframe and reduced requirement for public disclosure;
- Individual investment to be limited to $2,500 per issuer and overall $10,000 in any 12 month period – and investors notified of any associated risks.
- Equity instruments to be issued through a licenced intermediary.

Establishment of a not-for-profit pre-qualification service for businesses seeking crowd sourced equity funding would go a long way to mitigating community concern about a potential CSEF scheme. To assist in the process ACCI is in a position to offer a new, streamlined pre-qualification service for businesses wishing to be considered for approved CSEF. Managed by the Chamber and approved by Government, the service would be offered at no charge to Government via an online registration system that provides applicants with a unique number that ensures they are accredited and pre-qualified for access to a third party CSEF platform.

ACCI's not-for-profit pre-qualification service would provide CSEF platform end-users with confidence that businesses they are investing in are bona fide companies that meet basic integrity criteria that would be developed in consultation with Government. ACCI would not provide financial advice or warrant the suitability of individual business investments, but would provide reasonable vetting to ensure the overall system is not misused by fraudulent or otherwise unsuitable operators.

3.3 SME Loan Guarantee Scheme

Recommendation 4: Explore feasibility of SME loan guarantee scheme

The Government should explore the feasibility of a temporary, capped SME loan guarantee scheme. The Government should weigh the benefits of such a scheme against the risks of increased 'moral hazard' and the Government's exposure to contingent liabilities.

The Government should explore the feasibility of a temporary small business loan guarantee scheme. Similar schemes operate in several other international jurisdictions, including the US, UK and Canada, with varying levels of eligibility and coverage. Such a scheme could suffer from 'moral hazard' issues. Further, it could impose contingent liabilities on the Commonwealth's balance sheet. However a well-designed scheme would avoid the pitfalls associated with any risk-sharing financial scheme by establishing rigorous eligibility criteria and assessment guidelines. If implemented, the scheme could have a sunset provision, preceded by a review date.

4. INSOLVENCY

ACCI believes that the current insolvency regime focusses more on the rights and responsibilities of various stakeholders in a business and less on the need to restructure the business with a view to maintaining financially sustainable operations and long term shareholder value. ACCI supports the recommendations of the FSI Report, for further consultation regarding reforms to the insolvency regime in Australia.

ACCI believes that some elements of the United States Bankruptcy Code's Chapter 11 insolvency framework could be introduced in Australia. The Chapter 11 provisions essentially allow the directors and management of a business facing financial difficulties, to control its operations while a restructuring plan is worked out, with close oversight by the entities creditors. In Australia, on the contrary, under Pt 5.3A of the *Corporations Act 2001*, the directors of the entity are replaced by external administrators who assume control of the entity in consultation with the creditors. However, although the current insolvency framework ostensibly emphasizes the rights of creditors, it may not work to their advantage, in that they may not always benefit from company administrations and liquidations.

4.1 'Safe-Harbour' Provisions

Recommendation 5: Introduce insolvency 'safe-harbour' provisions

'The Government should introduce 'safe harbour' provisions into the insolvency regime to allow firms facing temporary financial difficulties to restructure their operations without the directors facing any insolvent trading liabilities.

The current insolvency regime in Australia does not differentiate between larger business entities and SMEs in terms of the incentive structures within their management and shareholders to restructure or seek insolvency provisions. The threat of liability for insolvent trading leads directors of larger businesses to seek protection of the voluntary administration regime too readily rather than seeking a restructure of the business. This is primarily due to s588G of the *Corporations Act 2001*, which exposes directors to potential civil liability, if they incur any further debt, if the business entity is insolvent at the time of incurring debt or becomes insolvent as consequence of incurring the debt. Directors of SMEs, on the contrary do not have the same concerns. As stakeholders in the business, they have a vested interest in ensuring its long-term sustainability. As a consequence, directors of large business entities readily seek the provisions of the insolvency regime when the entity may, in fact, only be experiencing temporary financial difficulties. This approach may not be optimal for the entities shareholders, creditors and employees. An attempt at restructuring the entity may better serve the interests of its stakeholders.

A 'safe-harbour' defence to insolvency trading needs to be introduced within the insolvency regime in Australia. The 'safe-harbour' protection will effectively allow

experienced professionals to restructure business entities facing temporary financial difficulties.

4.2 'Ipso-Facto' Clauses

Recommendation 6 : Moratorium on insolvency 'ipso-facto' clauses

The Government should introduce provisions into the insolvency regime for a moratorium on the application of 'ipso facto' clauses when a business entity seeks to restructure its operations.

An 'ipso facto' contractual clause allows one party to terminate a contract by reason of the insolvency of the other party. As a result if a financially distressed but viable business that is reliant on essential contracts enters into voluntary administration, all its contracts are automatically terminated.

Relevant provisions need to be introduced in the existing insolvency framework, for a moratorium on 'ipso facto' clauses on all commercial contracts, for a business in voluntary administration. A moratorium would essentially allow the directors of the business entity and their advisors, sufficient time and scope to restructure the business. In the United States, parties cannot terminate a supply contract with an entity which has filed for Bankruptcy under Chapter 11.

'Ipso facto' clauses can have unintended consequences. Directors may, in certain instances, be reluctant to place the business entity in voluntary administration since this will almost certainly lead to a termination of the business activity, if the 'ipso facto' clauses become effective. However, in doing so, the directors would preclude the business entity from seeking any assistance to restructure its operations and become financially viable. Hence the business entity may continue its operations, but is likely to fail eventually, in the absence of any formal or informal restructuring plan.

It is essential to establish a framework for the application of a moratorium, including criteria which would need to be met before the moratorium would apply and rules regarding the process to be following from lodging an application seeking the moratorium, to its eventual removal.

4.3 Reforms to Insolvency framework

Recommendation 7: Reforms to Insolvency Law

The Government should amend the insolvency laws as proposed in the Federal Government's *Insolvency Law Reform Bill 2014*, to create transparency and accountability in the regulatory framework applying to insolvency practitioners and reinforcing the position of creditors.

The insolvency framework has a material effect on both the level and nature of business activity taking place in an economy. Through its effect on the prospects and

cost of recovering capital provided to businesses that have failed, it is a key determinant of access to credit in an economy. Insolvency frameworks also influence the cost of credit provided.

The personal and corporate insolvency laws should be amended as proposed in the federal Government's *Insolvency Law Reform Bill 2014* (Bill), to streamline the regulatory framework applying to insolvency practitioners, with the aim of balancing a creditor's right to information with the costs that will result from complying with such requests.

The Bill reinforces creditors' positions during external administration. The proposed amendments will effectively give creditors better access to information from administrators and liquidators. Further, creditors will have greater ability to replace administrators and liquidators. Under the current provisions there is only limited scope for creditors to remove a registered liquidator. Further, unless the creditors have prior experience with external administration, they may also lack the expertise to identify whether a particular registered liquidator's skills and experience are appropriate to a given administration or liquidation. Therefore, the onus is on the creditors to demonstrate that an insolvency practitioner should be removed from office. These issues partly arise from information asymmetries between creditors and liquidators. Registered liquidators have greater knowledge and access to information than creditors. Further, liquidators may be protected from the consequences of failing to fulfil their role as long as they provide a reasonable commercial justification for making specific decisions.

The amendments to the legislation will give creditors the ability to request court orders to direct a practitioner to handle money in a certain way during external administration. Creditors may request auditing of books in an external administration. Creditors and members can request that the practitioner provide information to them. Liquidators have to provide information to creditors within 10 business days in the case of a voluntary liquidation. This would replace the creditors' meeting held within 11 days of the resolution to wind up the company. Creditors (or ASIC or the court) can resolve to review the liquidator's remuneration in external administration. The reviewer would also be a registered liquidator.

5. ABOUT ACCI

5.2 Who We Are

The Australian Chamber of Commerce and Industry (ACCI) speaks on behalf of Australian business at a national and international level.

Australia's largest and most representative business advocate, ACCI develops and advocates policies that are in the best interests of Australian business, economy and community.

We achieve this through the collaborative action of our national member network which comprises:

- All eight state and territory chambers of commerce
- 29 national industry associations
- Bilateral and multilateral business organisations.

In this way, ACCI provides leadership for more than 300,000 businesses which:

- Operate in all industry sectors
- Includes small, medium and large businesses
- Are located throughout metropolitan and regional Australia.

5.3 What We Do

ACCI takes a leading role in advocating the views of Australian business to public policy decision makers and influencers including:

- Federal Government Ministers & Shadow Ministers
- Federal Parliamentarians
- Policy Advisors
- Commonwealth Public Servants
- Regulatory Authorities
- Federal Government Agencies.

Our objective is to ensure that the voice of Australian businesses is heard, whether they are one of the top 100 Australian companies or a small sole trader.

Our specific activities include:

- Representation and advocacy to Governments, parliaments, tribunals and policy makers both domestically and internationally;
- Business representation on a range of statutory and business boards and committees;

- Representing business in national forums including the Fair Work Commission, Safe Work Australia and many other bodies associated with economics, taxation, sustainability, small business, superannuation, employment, education and training, migration, trade, workplace relations and occupational health and safety;
- Representing business in international and global forums including the International Labour Organisation, International Organisation of Employers, International Chamber of Commerce, Business and Industry Advisory Committee to the Organisation for Economic Co-operation and Development, Confederation of Asia-Pacific Chambers of Commerce and Industry and Confederation of Asia-Pacific Employers;
- Research and policy development on issues concerning Australian business;
- The publication of leading business surveys and other information products; and
- Providing forums for collective discussion amongst businesses on matters of law and policy.

ACCI MEMBERS

ACCI CHAMBER MEMBERS: BUSINESS SA **CANBERRA BUSINESS CHAMBER** CHAMBER OF COMMERCE NORTHERN TERRITORY **CHAMBER OF COMMERCE & INDUSTRY QUEENSLAND** CHAMBER OF COMMERCE & INDUSTRY WESTERN AUSTRALIA **NEW SOUTH WALES BUSINESS CHAMBER** TASMANIAN CHAMBER OF COMMERCE & INDUSTRY **VICTORIAN EMPLOYERS' CHAMBER OF COMMERCE & INDUSTRY** **ACCI MEMBER NATIONAL INDUSTRY ASSOCIATIONS:** ACCORD – HYGIENE, COSMETIC AND SPECIALTY PRODUCTS INDUSTRY **AIR CONDITIONING & MECHANICAL CONTRACTORS' ASSOCIATION** AUSTRALIAN BEVERAGES COUNCIL **AUSTRALIAN DENTAL INDUSTRY ASSOCIATION** AUSTRALIAN FEDERATION OF EMPLOYERS & INDUSTRIES **AUSTRALIAN FOOD & GROCERY COUNCIL ASSOCIATION** AUSTRALIAN HOTELS ASSOCIATION **AUSTRALIAN INTERNATIONAL AIRLINES OPERATIONS GROUP** AUSTRALIAN MADE CAMPAIGN LIMITED **AUSTRALIAN MINES & METALS ASSOCIATION** AUSTRALIAN PAINT MANUFACTURERS' FEDERATION **AUSTRALIAN RETAILERS' ASSOCIATION** AUSTRALIAN SELF MEDICATION INDUSTRY **BUS INDUSTRY CONFEDERATION** CONSULT AUSTRALIA **HOUSING INDUSTRY ASSOCIATION** LIVE PERFORMANCE AUSTRALIA **MASTER BUILDERS AUSTRALIA** MASTER PLUMBERS' & MECHANICAL SERVICES ASSOCIATION OF AUSTRALIA (THE) **NATIONAL BAKING INDUSTRY ASSOCIATION** NATIONAL ELECTRICAL & COMMUNICATIONS ASSOCIATION **NATIONAL FIRE INDUSTRY ASSOCIATION** NATIONAL RETAIL ASSOCIATION **OIL INDUSTRY INDUSTRIAL ASSOCIATION** PHARMACY GUILD OF AUSTRALIA **PLASTICS & CHEMICALS INDUSTRIES ASSOCIATION** PRINTING INDUSTRIES ASSOCIATION OF AUSTRALIA **RESTAURANT & CATERING AUSTRALIA** VICTORIAN AUTOMOBILE CHAMBER OF COMMERCE