



Over the past few months ACCI's focus has increasingly been drawn to the twin challenges facing business – workforce shortages and supply chain disruptions. Our quarterly ACCI-Westpac industrial trends survey revealed the difficulties in sourcing labour and materials were at their most pressing level in nearly 50 years.

During the March quarter we have experienced a step change in the focus and impact of the COVID-19 pandemic on business operations. While the impact of the Omicron strain dominated circumstances during the early summer, the progressive easing of restrictions in most states saw a radical shift to a new mindset of 'living with COVID'.

A significant milestone was the full reopening of Australia's international borders. After 704 days, international arrivals finally returned on February 21, providing a renewed lifeline to the country's 300,000 tourism businesses and their 700,000 employees.

Strict isolation rules for close contacts continued to substantially diminish workforce availability throughout the first quarter. Easing these requirements became a key focus of advocacy for ACCI, state and territory chambers of commerce, and many industry associations.

On March 29, the federal budget offered a mix of targeted policies and political pragmatism. While many of the headlines focussed on temporary measures to offset growing pressures on the cost of living, businesses benefited from a number of measures.

In particular, the introduction of new tax incentives will enable businesses with a turnover of up to \$50 million a year to offset the cost of external training for employees and investment in digitalisation. Small business was also a key beneficiary of measures to streamline compliance and reduce cash flow pressures.

There were also efforts to address acute shortages in the availability of skilled labour afflicting many sectors, with an extra \$3.7 billion and 800,000 new training places to be supported under a new National Skills Agreement. In addition, support for apprenticeships and traineeships have been extended with a new Apprenticeships Incentive System to be implemented over the next five years, replacing the Boosting Apprenticeships Commencement programme, from July 1 this year.

Notwithstanding these welcome measures, much was left unsaid. While the skills stream has been increased within the planned migration intake, this falls short of a more ambitious target needed to make up for the workforce shortages resulting from border closures. Equally, at a time when business investment is at its lowest levels since the 1991 recession, there was no re-shaping of policy to strengthen capacity in this regard, or to reinvigorate lagging productivity growth.

The forthcoming federal election will offer the major parties the opportunity to elaborate more comprehensive plans to address these fundamental issues.



Chief executive officer:  
**Andrew McKellar**

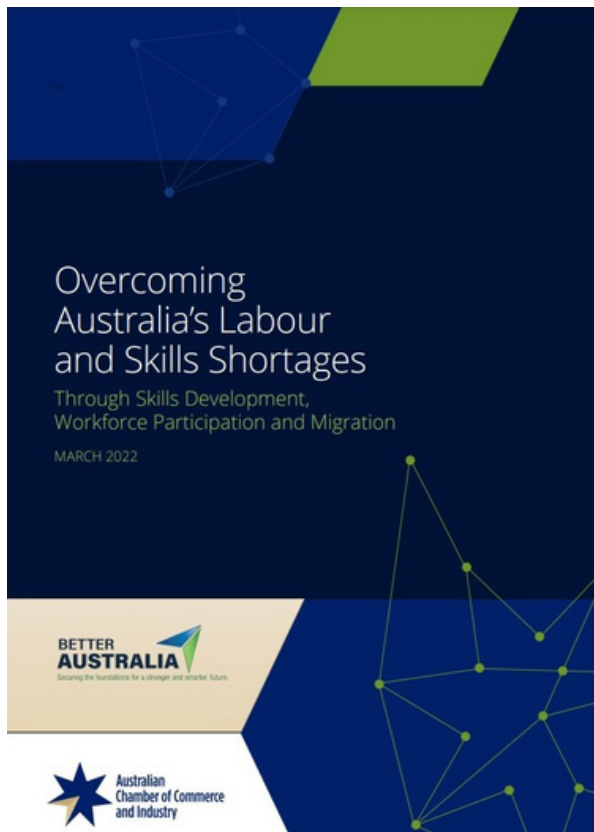
# EMPLOYMENT & SKILLS



Director:  
**Jenny Lambert**

Labour and skills shortages have continued to be one of our major areas of focus in the three months to March. The end of lockdowns has seen the emergence of the shadow lockdown arising from Omicron which has caused staff shortages and the slow processing of migrant applications has continued to have an impact.

In response to the crisis, the labour and skills shortages working group developed a new ACCI policy document *Overcoming Australia's Labour & Skills Shortages through Skills Development, Workforce Participation and Migration* as part of its *Better Australia* series. We advocate a three-pronged approach with smart solutions that address continued investment in skills and training, increase workforce participation and rebuild sustainable migration.



*Overcoming Australia's Labour & Skills Shortages through Skills Development, Workforce Participation and Migration*

ACCI has been working on the migration front with multiple submissions guided from members feedback in which we have advocated for higher migration levels, a two-year suspension of the Skilling Australians Fund levy and a relaxation of labour market testing requirements as well as a sensible approach to legislation addressing migrant employment rights. The recent federal budget has seen no improvement in planning levels for permanent migration although at least the opening of the borders has restored the two-thirds bias towards skilled migrants. We are continuing our engagement with the Minister for Immigration, the Hon. Alex Hawke MP and the Department of Home Affairs in relation to visa processing times and other priority areas.

A long-standing priority of ACCI is additional funding for the Australian Bureau of Statistics to update the Australian and New Zealand Standard Classification of Occupations. After years of advocacy, finally the government has announced funding over the next four years to allow for this much needed update.

We also continued our engagement with members through the first Employment and Skills Committee meeting held in February and our membership on various external committees such as the VET Stakeholder Committee, New Employment Services Advisory Group, Disability Employment Services Advisory Group, Lifelong Learning and Employability Group and the Australian Industry Skills Committee. With a focus firmly on VET reform, ACCI has also been invited to join a new advisory group to have input into the substantial reform discussions that are happening alongside the new skills national funding agreement being negotiated between the Commonwealth and states and territories.

## ECONOMICS, INDUSTRY & SUSTAINABILITY



Director:  
**Jenny Lambert**



Associate director:  
**Peter Grist**

Since the beginning of 2022, the focus of the economics and industry policy team has been on productivity, sustainability and the budget.

The Economics and Industry Policy Committee met via videoconference in February and discussed:

- ACCI's strategy and position on minimum and award minimum wages for our annual wage review submission
- Establishing an ACCI sustainability advisory group
- ACCI's election policy priorities and strategy for the campaign
- Small business issues, including the possibility of re-establishing the ACCI Small Business Coalition

ACCI lodged a detailed submission to the Productivity Commission for its second five-year review of Australia's productivity performance (an update of the *Shifting the Dial* report). This drew on ACCI's recent work, *Better Australia* and pre-budget submissions, that have focused on ways to lift productivity to improve the living standards of all Australians.

ACCI participated in the budget lock-up on March 29, providing members with a budget summary and budget in-depth briefing on budget night. The budget included a number of 'wins' for ACCI on small business regulation, a 20 per cent small business investment allowance for digital technology and upskilling, an extension of the patent box tax concession to more sectors, additional infrastructure spending, funding for an ANZSCO review and an extension of apprenticeship wage subsidies.

The EIP team has been very active in representing member's views through written submissions including: the Productivity Commission inquiry into Australia's maritime logistics system; Treasury laws amendment on increased tribunal powers for small business taxation decisions; and Treasury laws amendment on unfair contract terms reforms.

We have also been active on various advisory groups including Treasury's Business Liaison Unit, DISER's Supply Chain Roundtable and the ATO's Small Business Consultative Committee, the Regional Banking Taskforce and the Business Advisory Council on Insurance.



Pre-budget address with the Hon. Josh Frydenberg MP, Federal Treasurer with ACCI chief executive, Andrew McKellar, chair of the EIP committee, Karyn Sobels & Canberra Business Chamber chief executive, Graham Catt



## ACTIVITIES & ACHIEVEMENTS

# TRADE AND INTERNATIONAL AFFAIRS | ICC AUSTRALIA



Director:  
**Chris Barnes**

ACCI began 2022 by welcoming Mark Birrell as chair of ICC Australia and Chris Barnes as director of trade policy and international relations. Mark has been elected to the Board of Business at the OECD (BIAC) and Chris has also been appointed by the Australian Government to the Indian Ocean Rim Association business forum (IORABF).

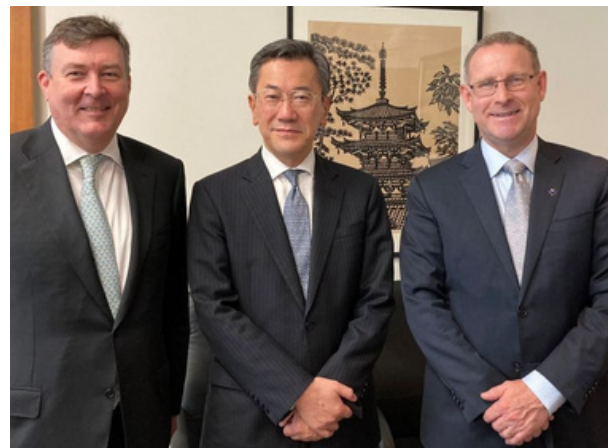
Industry engagement remained strong through the end of 2021 and the start of 2022 with several submissions lodged. These included submissions on the *Singapore-Australia Green Economy Agreement*, *Simplified Trade System*, and Productivity Commission Inquiry into Australia's Maritime Logistics System.

ACCI has worked closely with the DFAT trade negotiators to advance the Australia – India Economic Cooperation and Trade Agreement (AI-ECTA). This has also involved championing business engagement with our Indian counterpart – the Federation of Indian Chambers of Commerce and Industry (FICCI) ensuring practical commercial outcomes.

ACCI was invited to join the B20 Trade and Investment Taskforce with Indonesia as chair and host country of the G20. ACCI has been actively participating in the work of the taskforce and advocating for the greater simplification of the global trading system.

ACCI as an official issuer of certificates of origin (COO) was reaccredited by the Joint Accreditation System of Australia and New Zealand (JAS-ANZ). ACCI issues approximately 250,000 COOs each year.

Finally, the crisis in Ukraine has been a priority. ACCI has been working closely with its international partners (ICC, BIAC and IOE) to condemn the Russian invasion, assess the impact and ensure member companies are aware and compliant of the sanctions. The ICC Australia Banking Committee and the ICC Banking Commission have been collaborating to ensure trade finance-related instruments comply with the latest sanctions, and providing regular updates to members.



*ACCI chief executive, Andrew McKellar & Chris Barnes, director of trade and international affairs, meeting with Japanese ambassador his excellency Shingo Yamagami to discuss closer economic and business relations between Japan and Australia.*



## TOURISM



Associate director:  
**Ingrid Fraser**



Executive chair:  
**John Hart**

The first quarter of 2022 saw a number of positive developments for the tourism industry. Australia finally re-opened its international borders to all fully vaccinated travellers from February 21. Cruise restart is also underway, with the government announcing the end of the cruise ban on April 17. Australian Chamber-Tourism has been a strong advocate for reopening our international borders and restarting cruise. The work of the Tourism Restart Taskforce was instrumental in making the case for reopening, keeping the pressure on, and building evidence to support the advocacy. With tourism restarted the taskforce has now come to an end and advocacy priorities will be taken forward by the Tourism Committee.

In March this year the government launched its new tourism strategy, *THRIVE 2030: The Re-Imagined Visitor Economy*. This provides a roadmap to rebuild Australia's visitor economy and return to sustainable growth for the sector.

Australian Chamber – Tourism held consultations with industry in the initial stages of development, engaged continuously with Austrade throughout the consultation process, and secured a number of improvements to the strategy. We are pleased to see a recovery strategy that incorporates a strong vision, solid targets and an actionable plan.

Addressing workforce shortages remained a key priority for the quarter. Australian Chamber -Tourism produced a *tourism and hospitality Workforce Development Strategy*, which proposes solutions as to how we might start to address replacing the staff lost during the pandemic and build a sustainable workforce. Workforce shortage was also a key focus of the Roundtable we held with Minister, the Hon. Dan Tehan in March, as well as other priorities such as insurance and airline access.



Minister Tehan joins Aus Chamber Tourism's executive chair John Hart and members for a roundtable

# WORKPLACE RELATIONS



Director:  
**Scott Barklamb**

During the final weeks of the 46th Parliament, ACCI contributed to a number of inquiries. ACCI appeared before the Senate legal and constitutional affairs committee on new migration sanctions against employers breaching the Fair Work Act, and made submissions on the Religious Discrimination Bill, which was not proceeded with by government.

ACCI contributed to department reviews of the Privacy Act, arguing to retain important exemptions our network secured in the 2000s for employee records and small businesses, and of the remaining recommendations of the Sex Discrimination Commissioner's Respect@Work report.

ACCI has also been active in the Fair Work Commission. Final submissions were lodged in the long running review of domestic violence leave, set to consider whether the existing five day standard should be extended and whether the leave should become paid rather than unpaid. ACCI has also lodged our network's first major submission on the level of a 2022 increase in award minimum wages, directly relevant to the wages paid to approximately 23 per cent of all employed Australians. A decision is expected in June.

ACCI was represented at the International Labour Organisation's (ILO) Governing Body, considering important matters with clear flow on implications for doing business and employing in Australia, including work health and safety, apprenticeships, rights to strike, the gig economy, and employment recovery from the impact of COVID and COVID mitigation measures. ACCI took part in the processes leading up to the election of the new director general of the ILO, which will have implications for domestic and international industrial relations priorities. ACCI also contributed to important international statements of concern responding to Russian aggression against Ukraine.



# WORK, HEALTH AND SAFETY & WORKERS' COMPENSATION



Director:  
**Jennifer Low**

Following our successful advocacy efforts on the Workplace Exposure Standards Review, in February, ACCI collated and submitted further evidence and information from industry on 19 chemicals of concern for SWA's preliminary impact assessments.

In addition to the WES, ACCI has been involved in the SWA: review of incident notification provisions, consultation on the feasibility of sentencing guidelines, initial consultation with EY on a RIA for options to minimise the risks of respirable silica, BETA project on developing RTW tools for SMEs and SIG WHS meeting in February.

Written submissions were provided in response to several SWA draft guides and COVID guidance materials, the *Victorian Psychological Regulations* and SWA's draft *Australian WHS Strategy 2022-32*. ACCI also provided feedback on ASBFEO's inquiry into natural disaster preparedness and resilience for small businesses.

ACCI joined several new expert committees including: the National Advisory Committee on the World Congress on Safety and Health at Work, Business at OECD (BIAC) Health Committee and the National Silicosis Prevention Strategy Expert Committee.

The Mentally Healthy Workplace Alliance continued to progress work on the National Workplace Initiative with a launch expected later this year. ACCI also worked with the alliance on producing a series of new guides to help organisations respond to COVID issues in the workplace.

At the February WHS&WC Committee meeting, members confirmed the priorities and specific action items for the 2022 work plan. Priorities include a review of the IGA for WHS, *Better Australia* thought leadership papers on WHS, climate-related risks, and health and development of a COVID-Safe campaign.

Across March, ACCI attended several natural disaster response and recovery meetings focused on identifying issues and solutions in response to the QLD and NSW floods and pressure on supply chains.





# COVID - 19

In early January, ACCI attended multiple roundtables on essential worker restrictions including a special roundtable to discuss draft interim guidance on essential workers, a Small Business Critical Industries Supply Chain Policy Forum with acting minister Anne Ruston and a construction industry engagement roundtable with the National Coordinating Mechanism (NCM).

ACCI hosted deputy chief medical officer Michael Kidd who provided information on Omicron and answered questions from the floor. ACCI also coordinated a meeting with members (over 50 members attended) to discuss the Omicron outbreak and developed an *Isolating, Testing and RAT proposal - Jan 2022* that was circulated with PMO, PMC, DISER, BLU/Treasury, Health and the NCM.

With the Omicron variant sweeping most of the country we called on national cabinet to make rapid antigen testing freely and widely available and continued to push this position for several weeks.

With increased attention on RATs, WHS ministers agreed for SWA to work further with the AHPPC on developing WHS guidance for workplaces on RATs. The initial RAT guidance was not favourable for workplaces but after working with attorney-generals, SWA and AHPPC, subsequent published guidance was a significant improvement with all of ACCI's recommended edits actioned.

ACCI continued regular engagement with Treasury, Health and DISER on national cabinet's *Winter Preparedness Plan*. To complement this work, ACCI finalised and provided to Treasury a draft paper on future planning and preparedness recommendations developed through engagement with several ACCI committees and member feedback and survey data collected over the December quarter. ACCI also continued working with Health on the COVID booster vaccine campaign for 2022.



## MEDIA

Media adviser:  
**Jack Quail**



During the March quarter, ACCI has continued to take a prominent position in national conversations on skill shortages, tax reform, supply chain disruptions, the coronavirus pandemic, and the reopening of international borders.

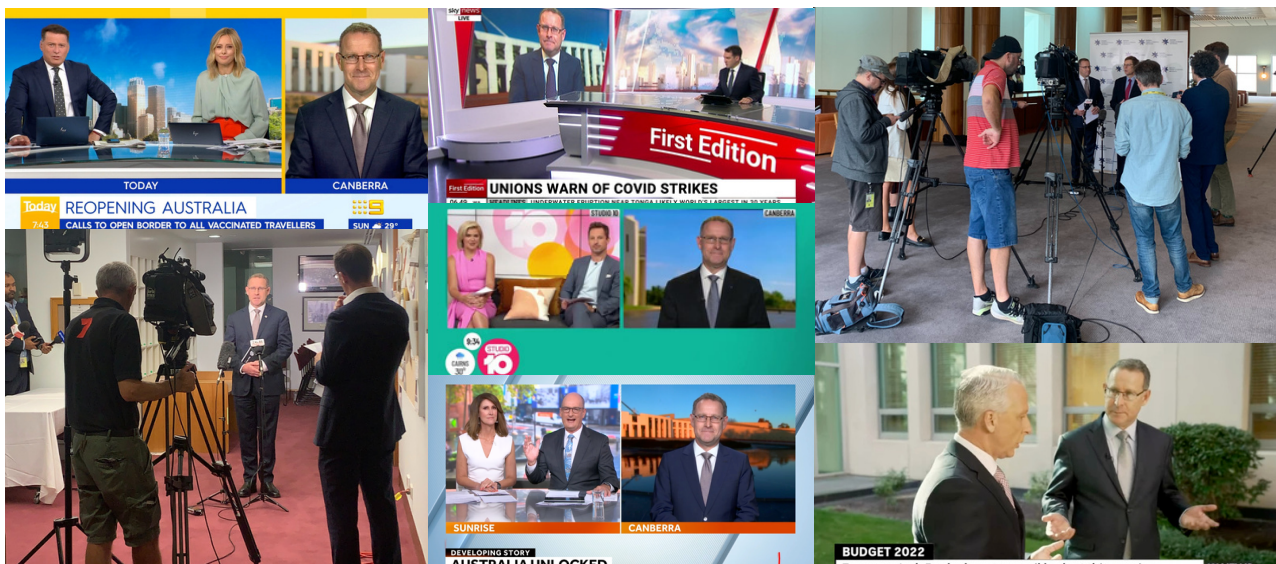
With close contact isolation requirements triggering mass staff shortages and limiting the pace of Australia's economic recovery, we were unabashedly strong in advocating for the easing of close contact isolation requirements for all workers as rapid antigen testing became available. The expansion of these protocols enabled businesses could keep their doors open, whilst ensuring critical supply chains did not grind to a halt.

The closure of international borders to foreign tourists, business travellers and other visa holders was a further focus of ACCI's advocacy efforts. Highlighting the cost of barring international arrivals and the ongoing support required to rebuild devastated tourism businesses, we implored the federal government to fully reopen the border. Our efforts peaked with 531 media mentions on January 27 with interviews on The Today Show, ABC News Breakfast and AM Agenda. The federal government committed to reopen Australia's borders 10 days later.

Exacerbating labour and material shortages continued to dampen capacity for businesses across the economy. Indeed, as identified in our quarterly ACCI-Westpac industrial trends survey, these constraints are at the most severe levels in 48 years. As such, we have consistently called for measures to grow our nation's workforce, including sustainable apprenticeship investment, reform of disability employment services and an increase to the permanent skilled migration intake.

According to Stream media monitoring, our reach across print, online and broadcast media continued to gather pace in the March quarter with 199 print mentions, 3,870 online mentions, 1,909 television mentions and 1,728 radio mentions, representing a 26 per cent increase on the 6,135 mentions in the December quarter.

When benchmarked against other key national business voices, ACCI's coverage equalled that of Ai Group at 39 per cent, followed by the Business Council at 16 per cent and COSBOA at 7 per cent.





## MEMBERSHIP



Director:  
**Anthea Williams**

In the run up to the election, ACCE members had the opportunity to meet some of Australia's most prominent thought leaders, as well as respond to points made by distinguished guests including cabinet and shadow ministers, who speak to the needs of both our industry association members and Business Leaders Council.

### Pre-Budget Address in Canberra with The Hon. Josh Frydenberg MP, Federal Treasurer



*The Hon. Josh Frydenberg MP,  
Federal Treasurer*

On Friday, March 18, ACCE, in conjunction with Canberra Business Chamber, hosted the Treasurer, the Hon. Josh Frydenberg MP for its annual pre-budget address in Canberra. Outlining a pivot in the government's fiscal strategy, the Treasurer foreshadowed a return to budget repair and support for productivity enhancing reforms.



*Elizabeth de Somer, CEO, Medicines  
Australia & The Hon. Josh Frydenberg MP,  
Federal Treasurer*



*Paul Zahra, CEO, Australian Retail  
Association & The Hon. Josh Frydenberg MP,  
Federal Treasurer*

### Pre-Budget Address in Sydney with Dr Jim Chalmers MP, Shadow Treasurer

Over 200 business leaders gathered in Sydney on Tuesday, March 22, to attend a Pre-Budget Briefing from Shadow Treasurer, Dr Jim Chalmers MP hosted by ACCE and Business NSW. Dr Chalmers outlined his expectations for the upcoming budget and announced Labor's fiscal strategy, should they form government.



*Dr Jim Chalmers MP, shadow treasurer &  
Wes Lambert, CEO, Restaurant & Catering*



*Megan Motto, CEO, Governance Institute  
of Australia & Dr Jim Chalmers MP,  
shadow treasurer*



*Dr Jim Chalmers MP,  
shadow treasurer*



# ACTIVITIES & ACHIEVEMENTS

## Morning Tea in Sydney with Senator the Hon. Jane Hume

On Tuesday, March 8, ACCI celebrated International Women's Day by hosting a morning tea with Senator the Hon. Jane Hume, Minister for Women's Economic Security, in Sydney. Industry leaders were briefed on the Morrison government's investment in women's economic security, focussing on initiatives to increase workforce participation, close the gender pay gap and support women's leadership.



Senator Jane Hume, Minister for Women's Economic Security



Senator Jane Hume, Minister for Women's Economic Security & ACCI members



Senator Jane Hume, Minister for Women's Economic Security & ACCI members

## Video conference events

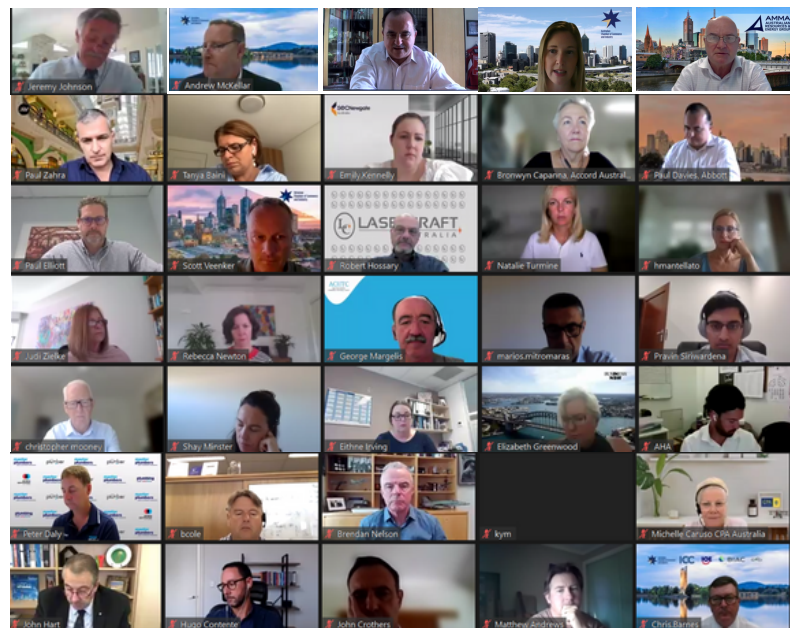
In order to continue to adapt to changes brought about by the pandemic, and to ensure members across Australia had the opportunity to attend events, ACCI has also hosted multiple video conferences this year with notable speakers including:

### Professor Michael Kidd AM, Deputy chief medical officer, Department of Health

On January 20, ACCI members heard from Professor Michael Kidd AM who spoke about the current Omicron situation in Australia and answered a number of questions from members including rapid antigen testing, booster vaccines and schools return.



Professor Michael Kidd AM, deputy chief medical officer



ACCI members & guests

# ACTIVITIES & ACHIEVEMENTS

**The Hon. Bruce Billson GAICD,**  
The Australian Small Business and Family Enterprise Ombudsman (ASBFEO)

On February 10, the Hon. Bruce Billson GAICD spoke to members about how small businesses can thrive alongside of COVID-19. Mr Billson also provided an update on ASBFEO’s main aims and challenges for 2022.

ACCI was joined by panellists, Mr Wes Lambert, CEO Restaurant & Catering Industry Association, Mr John Winter, CEO Australian Restructuring Insolvency & Turnaround Association and Ms Charmaine Moldrich, CEO Outdoor Media Association who shared their experiences.

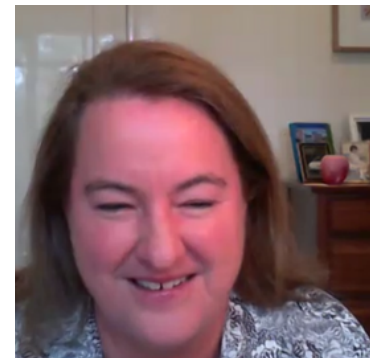


ACCI Video Conference with the Hon. Bruce Billson GAICD, ASBFEO

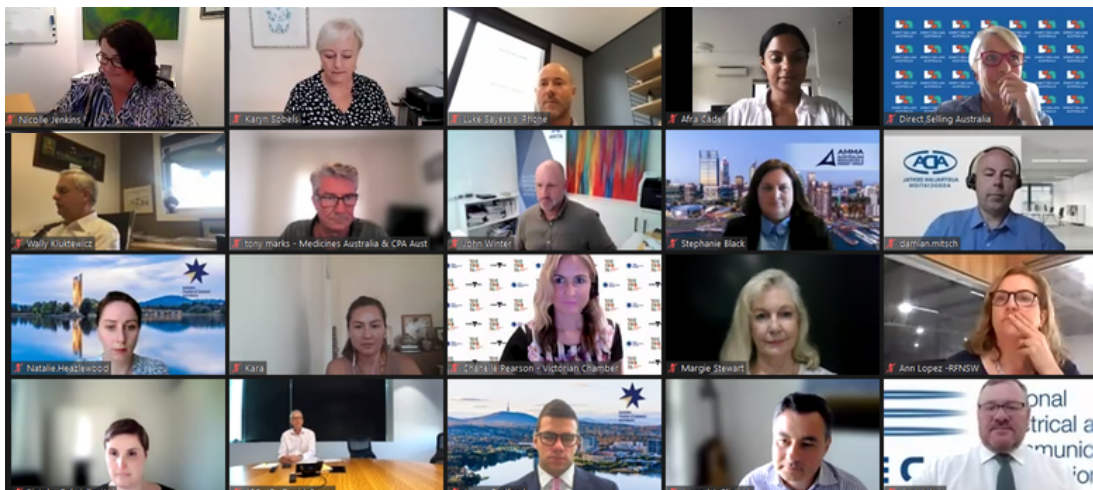
**The Hon. Mary Woolridge,**  
Director of the Workplace Gender Equality Agency

On February 16, the Hon. Mary Woolridge presented key results of the 2020-2021 gender equality scorecard and outlined exciting changes to WGEA’s reporting dataset.

ACCI was also joined by panellists Nicolle Jenkins, ACCI board member and president of the Chamber of Commerce and Industry WA, Afra Cader, social entrepreneur and management consultant and Luke Sayers AM, founder and executive chairman of Sayers Group and president of the Carlton Football Club. The panellists engaged in a lively discussion about where Australia currently stands in regards to gender equality, what business can do better to move the dial, and the benefit to the economy as we do.



The Hon. Mary Woolridge, director, Workplace Gender Equality Agency



ACCI members & guests



# ACTIVITIES & ACHIEVEMENTS

**The Hon. Gabrielle Upton MP**, parliamentary secretary to the Premier and **Professor Barney Glover AO**, vice-chancellor and president of Western Sydney University.

On Wednesday, March 2, ACCI hosted a video conference with Ms Upton who has been leading the NSW government's initiative to accelerate R&D, research translation and commercialisation in NSW. Professor Glover was a member of the Accelerating R&D in NSW Advisory Council that helped guide the NSW R&D Action Plan.



*ACCI video conference with the Hon. Gabrielle Upton MP, parliamentary secretary to the Premier and Professor Barney Glover AO, vice-chancellor and president of Western Sydney University*

**Rod Sims AO**  
Chair of the Australian Competition and Consumer Commission (ACCC)

Rod Sims AO, addressed ACCI members on Friday, March 4, regarding the agency's agenda in the regulation of digital platforms, privatisation, supply chain issues and company mergers. With his tenure as ACCC Chair drawing to close, ACCI thanks Mr Sims for his service in strengthening consumer protections.



*ACCI video conference with Rod Sims AO, chair, ACCC*

**The Hon. Matt Kean MP**,  
Treasurer of NSW and Minister for Energy

On Tuesday, March 15, ACCI and Business NSW members heard from NSW Treasurer Matt Kean MP who provided an overview of the NSW government's recently announced business support package and how it will help the state's and the nation's economy as the country continues to navigate its way out of this once in 100-year pandemic.



*ACCI video conference with the Hon. Matt Kean MP, Treasurer of NSW*



# GUEST SPEAKERS



**The Hon Josh Frydenberg MP,**  
Federal Treasurer



**The Hon. Mary Woolridge,**  
Director, Workplace Gender Equality Agency



**The Hon Bruce Billson GAICD,**  
Australian small business and family  
enterprise ombudsman (ASBFEO)



**Professor Barney Glover AO,**  
Vice-chancellor and president  
of Western Sydney University



**Senator the Hon. Jane Hume,**  
Minister for Women's Economic Security



**Dr Jim Chalmers MP,**  
shadow treasurer



**Professor Michael Kidd AM,**  
deputy chief medical officer



**The Hon. Gabrielle Upton MP,**  
Parliamentary secretary  
to the Premier



**Rod Sims AO,**  
Chair, ACCC



**The Hon Matt Kean MP,**  
Treasurer of NSW

# NEW MEMBERS

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We welcomed **3 new Business Leaders Council members**, including *Ferrovial Construction*, *AusDiagnostics* and *Global Blue Australia*.

**Ferrovial Construction** is one of the world's leading infrastructure operators and municipal services companies, committed to developing sustainable solutions.

**AusDiagnostics** is a leading international company that designs, manufactures and markets a comprehensive suite of multiplexing molecular diagnostic assays and reagents.

**Global Blue Australia** has become the leading strategic technology and payments partner, empowering retailers to improve their performance and shoppers to enhance their experience.

We thank all our business leaders and speakers for attending our events and video conferences to date and plan to continue to provide for our members as the year progresses.

**ferrovial**



Global Blue

**AusDiagnostics**



**Australian  
Chamber of Commerce  
and Industry**