
3 Services

The liberalisation of service sectors remains a topical issue in international fora. Notwithstanding the breakdown of the Third WTO Ministerial Council Meeting in Seattle in December 1999, WTO negotiations on trade in services have recommenced as scheduled. Future negotiations will provide an opportunity for Australia to negotiate with its trading partners to build on the gains that can be achieved through unilateral liberalisation. Australia's negotiating position can be strengthened where it is aware of barriers in other countries and can draw attention to the effects of these barriers — on trading partners as well as on Australia.

The regulation of services is also important from a domestic perspective. Expenditure on services is significant and service sectors are large users of resources within the economy.

In this chapter, the Commission:

- provides data on services output and trade; and
- presents data on restrictions to trade in selected services for a range of countries, and estimates the impact of those countries' restrictions on prices in their own economies.

3.1 Trade and production: a snapshot

In 1999, world exports of services increased slightly to US\$1350 billion, or approximately 20 per cent of total world exports (WTO 2000a). As would be expected, the flow of exports and imports of services is the greatest for Asia, North America and Western Europe (figure 3.1). These three regions accounted for more than 83 per cent of service exports — the European Union (42 per cent), North America (21 per cent) and Asia (20 per cent). Asia and the 'Rest of the World' are the largest net importers of services. Australia accounts for 1.3 per cent of services trade (WTO 2000a).

Figure 3.1 World exports and imports of services for selected regions^{abc}, 1999



^a The data cover commercial services, defined as all services other than government services. Commercial services are sub-divided into transport, travel and other commercial services. ^b North America includes Canada and the United States. Western Europe includes Croatia, European Union member states, Iceland, Malta, Norway, Slovenia, Switzerland, Turkey and the former Yugoslavia. The Rest of Europe includes Central and Eastern Europe, the Baltic States and the Commonwealth of Independent States. The Rest of the World includes Africa, Latin America and the Middle East. Asia excludes Australia. ^c Data for some economies are not available. ^d The WTO reported a net trade figure for Australia. This is not visible on the graph due to its scale.

Data source: WTO (2000a).

Services are recorded as accounting for more than 23 per cent of Australia's total trade. In line with global trends, the services sector's share of domestic economic activity has grown considerably over recent decades. Today it accounts for around 80 per cent gross product and employment. Property and business, finance and insurance, construction, transport and storage, health and community services, and wholesale and retail trade, are some of the largest service industries in Australia (see table 3.1).

Table 3.1 **Service sectors share of gross product and employment, 1999-2000^a**

<i>Services sector</i>	<i>Gross product^b</i>		<i>Employment^c</i>	
	<i>\$m</i>	<i>Percentage share</i>	<i>'000 persons employed</i>	<i>Percentage share</i>
Property and business	72 938	16.1	989	13.6
Finance and insurance	41 451	9.1	328	4.5
Transport and storage	34 510	7.6	407	5.6
Construction	34 434	7.6	695	9.6
Wholesale trade	33 942	7.5	495	6.8
Health and community	32 771	7.2	828	11.4
Retail trade	32 737	7.2	1 325	18.3
Education	26 294	6.1	609	8.4
Government administration and defence	22 702	5.2	346	4.8
Communication	19 549	3.9	169	2.3
Personal and other	13 225	3.0	352	4.9
Accommodation, cafes and restaurants	12 692	2.7	433	6.0
Electricity, gas and water supply	11 314	2.5	65	0.9
Cultural and recreation	10 097	2.3	217	3.0
Ownership of dwellings	55 603	12.3	na	na
Total services	454 259	100.0	7 258	100.0
Total services as a percentage of total gross product and total employment		79.0		81.7

^a Figures may not add to totals due to rounding. ^b Gross product data are the industry gross value added at basic prices using 1998-99 chain volume measures. The total output is the total gross value added.

^c Employment is the average number of persons employed during 1998-99.

Sources: ABS (2000a) and ABS (2000b).

3.2 Estimates of restrictions on trade in selected services

Recent work involving Commission staff, the University of Adelaide and the Australian National University has estimated the effect of restrictions on trade in selected services, not just for Australia, but also for a range of our trading partners. Last year, studies on restrictions to trade in banking (McGuire and Schuele 2000; Kalirajan et al. 2000), maritime (McGuire, Shuele and Smith 2000) and telecommunications (Warren 2000a, 2000b) were completed. This year, Commission staff have estimated trade restrictions in professions (Nguyen-Hong 2000) and distribution services (Kalirajan 2000), which account for around 20 per cent of total services output.

Methodology

Measuring restrictions on trade in services is more difficult than measuring restrictions on trade in goods. International trade in goods involves an exchange of a product between a producer and a user or consumer, and restrictions on such trade usually take the form of a tariff. The effect of trade restrictions on the price of goods can be measured relatively easily by the amount of the tariff. In contrast, trade in services involves a less tangible exchange between the producer and the user or consumer, and restrictions on trade in services are often difficult to identify and quantify.

To gauge the impact of restrictions on trade in services, a methodology has been developed which:

- classifies the different types of restrictions on trade in services;
- assesses the nature and extent of these restrictions; and
- estimates the effect of the restrictions on the profit margin or price of services.

Classifying restrictions on trade in services

The methodology classifies restrictions on services in two ways, both of which align closely with the classification of restrictions under the General Agreement on Trade in Services (GATS).

The first way of classifying a restriction is by whether it applies to:

- a business's *establishment* — the ability of service providers to establish a physical outlet in a territory and supply services through those outlets; or
- a business's *ongoing operations* — the operations of a service provider after it has entered the market.¹

Restrictions on establishment are distinguished from restrictions on ongoing operations so that the former can be modelled as restrictions on the movement of capital, while the latter can be modelled as restrictions on the output of suppliers. About \$600 billion of services exports are supplied through foreign direct investment, mainly for establishment of businesses in overseas countries, and \$1 trillion are supplied across borders, mainly for ongoing operations (Dee and Hanslow 2000).

¹ This classification is similar to the modes of supply used in the GATS. Restrictions on establishment are a subset of services supplied through 'commercial presence'. Restrictions on ongoing operations are similar to services delivered through 'cross-border supply', 'consumption abroad' and the 'temporary movement of people'.

The second way restrictions are classified is according to whether they:

- limit *market access* — that is, restrictions on entry which treat domestic and foreign service providers equally, but restrict activity. This type of restriction may provide competitive benefits to incumbent firms over new entrants; or
- violate *national treatment*² — that is, restrictions which treat foreigners less favourably than domestic service providers. Restrictions on national treatment often aim to restrict trade.

This classification leads to four categories which can be presented in a two-by-two matrix. Table 3.2 provides an example.

Table 3.2 An example of classifying restrictions on professional services

	<i>Establishment</i>	<i>Ongoing operations</i>
<i>Restrictions on market access</i>	Non-professionals may not be allowed to own and invest in professional firms.	Professionals may not be allowed to set fees freely or to advertise, and hence compete on price.
<i>Restrictions on national treatment</i>	Foreign professionals may not be allowed to partner with local professionals.	Foreign professional firms may be restricted in hiring local professionals or using international business names.

Restrictiveness indexes

A restrictiveness index quantifies the extent to which comparable economies have more or less restrictive trading regimes for services.

A score is assigned to particular restrictions applied in an economy and an overall score is calculated for each economy. Scores range from 0 to 1. The greater the number of restrictions and/or the more these restrictions impede trade, the higher the index score for an economy. The scores aim to capture the relative economic significance of various restrictive measures, although the assignment is inevitably subjective.

An overall economy score is calculated for all restrictions on market access (a domestic score) and for restrictions on market access plus restrictions on national treatment (a foreign score). A domestic score measures the restrictions on local service providers entering and operating in a services market. A foreign score measures all the restrictions governing foreigners' entry and operation in the

² The definition of national treatment here and in the GATS differs from that under GATT 1994 where it refers to the treatment of goods *after* they have crossed the frontier.

domestic market. These include requirements that apply to local service providers as well as those additional requirements that apply only to foreigners.³

While trade restrictions can reduce competition or inflate costs in a services market, sometimes such regulation may be imposed to deal with ‘market failure’ and to meet particular social objectives. However, in arriving at an overall economy score, the studies generally do not seek to determine which restrictions, if any, that contribute to the score might be justified to enhance the efficiency of a service sector and which might not.

Price–cost measures

A price impact measure is an estimate of the effect of trade restrictions on the price of services. It is normally estimated by taking a direct measure of price or profit and statistically regressing that on a number of determinants, including an index measure of trade restrictions. The determinants of price can be decomposed to reveal the effect of trade restrictions on the price of services.

Results for selected services industries

Professions

Nguyen-Hong (2000) studied trade restrictions on professional services in 1999, looking specifically at accountancy, architectural, engineering and legal services in 34 economies (29 economies for legal services).

The foreign index results indicate that legal and accountancy services are the most restricted professions, particularly in European, Asia-Pacific and American economies. Many countries impose nationality and residency requirements in accountancy and legal services. These services are often also subject to a combination of measures restricting multi-disciplinary practices, and ownership and investment. In contrast, engineering and architectural services are the least restricted professional services in many economies, where several have not imposed foreign license and qualification requirements.

The domestic index results indicate a similar pattern — domestic regulations are more extensive in legal and accountancy services than architectural and engineering

³ For a more detailed description of the methodology used to calculate the restrictiveness indexes see McGuire and Schuele (2000), McGuire, Shuele and Smith (2000), Kalirajan (2000) and Nguyen-Hong (2000).

services. Apart from minimum qualification requirements, the most common regulations restrict the ability of professionals to advertise and set fees freely.

The most restricted economies for the four professions are Indonesia, Malaysia, Austria, Mexico and Turkey. The most open markets are Finland and the Netherlands (refer to tables 3.3 and 3.5). Results for Australia indicate that:

- the engineering market is very liberal;
- the market for architects is slightly more restricted — Australia has title restrictions but practice is relatively free, although a residency requirement for local training is applied with discretion in some cases;
- the market for accountancy services is more highly restricted — restrictions on residency, multi-disciplinary practices and non-professional investment apply; and
- the legal services market is also more highly restrictive — various States and Territories restrict non-lawyer ownership, multi-disciplinary practises, the form of establishment and advertising, as well as providing exclusive rights to lawyers in certain areas (such as taxation law).

Analysis by the Commission shows that foreign barriers to establishment and ongoing operations are significant determinants of the price–cost margins of engineering firms. The result suggests that restrictions on foreign supply of engineering services tend to allow firms in the domestic market to raise their prices above costs by between 1 per cent and 15 per cent in the 20 countries studied (refer to table 3.7). Foreign barriers to establishment play a significant role in raising prices in a large number of economies, while foreign barriers to ongoing operations tend to have smaller impacts.

Distribution

In Kalirajan's (2000) study of trade restrictions on distribution services in 38 economies for 1998, Australia was rated as very liberal (refer to tables 3.4 and 3.5). Australia imposes relatively minor administrative restrictions on foreign investment and has some non-discriminatory restrictions, such as regulations enforcing property rights.

Singapore, Chile and Hong Kong have relatively few restrictions in the distribution sector, while Belgium, India, Indonesia, France, Korea, Malaysia, the Philippines, Switzerland and Thailand are relatively restrictive. These economies have high scores relative to the other economies, mainly because they restrict the acquisition of commercial land and limit foreign direct investment.

Table 3.3 Summary of foreign restrictiveness index results for professional services^a

	<i>Restrictiveness scores from 0 to 0.25</i>	<i>Restrictiveness scores from 0.26 to 0.45</i>	<i>Restrictiveness scores greater than 0.45</i>
Legal services	Finland, Netherlands.	Australia, Belgium, Denmark, Greece, Hong Kong, India, Korea, Portugal, Singapore, Spain, Sweden, Thailand, United Kingdom.	Austria, Canada, France, Germany, Indonesia, Italy, Japan, Malaysia, Mexico, New Zealand, Philippines, Switzerland, Turkey, United States.
Accountancy services	Finland, Netherlands, United Kingdom.	Argentina, Australia, Belgium, Brazil, Canada, Chile, Denmark, France, Germany, Greece, Hong Kong, India, Italy, Japan, Luxembourg, Mexico, New Zealand, Portugal, Singapore, South Africa, Spain, Sweden, Switzerland, Turkey, United States.	Austria, Indonesia, Korea, Malaysia, Philippines, Thailand.
Architectural services	Argentina, Australia, Brazil, Chile, Denmark, Finland, France, Germany, Hong Kong, India, Japan, Korea, Luxembourg, Netherlands, Singapore, South Africa, Sweden, Switzerland, Thailand, United Kingdom, United States.	Austria, Canada, Belgium, Greece, Indonesia, Italy, Malaysia, Mexico, New Zealand, Philippines, Portugal, Spain, Turkey.	
Engineering services	Argentina, Australia, Belgium, Brazil, Canada, Chile, Denmark, Finland, France, Greece, Hong Kong, India, Indonesia, Italy, Japan, Korea, Luxembourg, Malaysia, Netherlands, New Zealand, Philippines, Singapore, South Africa, Spain, Sweden, Switzerland, Thailand, United Kingdom, United States.	Austria, Germany, Mexico, Portugal, Turkey.	

^a Refer to tables 3.6, 3.8, 3.9 and 3.10 for a full list of results.

Source: Nguyen-Hong (2000).

The results of the trade restrictiveness index were used to provide tentative estimates of the effects of trade restrictions on the price-cost⁴ margins of food distributors. The study found that restrictions appear to add to costs. Belgium, France, Malaysia and Switzerland are the economies in which restrictions on foreign firms have the largest impacts on the price-cost margins of distributors. These economies have stringent restrictions on establishment.

Table 3.4 Summary of foreign restrictiveness index scores for distribution services^a

<i>Restrictiveness scores less than 0.15</i>	<i>Restrictiveness scores from 0.15 to 0.30</i>	<i>Restrictiveness scores greater than 0.30</i>
Argentina, Australia, Chile, Hong Kong, Mexico, New Zealand, Singapore, South Africa, Turkey, Uruguay.	Austria, Brazil, Canada, Colombia, Denmark, Finland, Germany, Greece, Ireland, Italy, Japan, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom, USA, Venezuela.	Belgium, France, India, Indonesia, Malaysia, Philippines, Korea, Switzerland, Thailand.

^a Refer to table 3.11 for full list of results.

Source: Kalirajan (2000).

Banking

As reported in last year's Trade & Assistance Review, McGuire and Schuele's (2000) study of non-prudential trade restrictions on banking services in 1997 for 38 economies rated Australia as very liberal. Brazil, India, Indonesia, Malaysia, the Philippines and Uruguay are the most restrictive economies for foreign banking services.

Kalirajan et al. (2000) found that non-prudential trade restrictions on foreign banks raise the price, or 'net interest margins', of the different banking services studied by between 5 per cent and 60 per cent. The estimated price effect of restrictions on Australia's banking services is around 10 per cent, amongst the lowest found in the 38 economies studied. At the higher end of the scale, Brazil, India, Indonesia, Malaysia and the Philippines have estimated price effects of at least 45 per cent (refer to table 3.5).

⁴ Price-cost margins capture only the net effect of 'rent-creating' and 'cost-creating' restrictions. By themselves, they are unable to capture the total effect of both types of restrictions. For a detailed discussion of the limitations of price-cost margins, see Kalirajan (2000).

Telecommunications

Warren's (2000a) study of trade restrictions applying in 1998 on telecommunications services in 136 economies, rated Australia as very liberal. Columbia, Greece, India, Indonesia, South Korea, Malaysia, Mexico, Portugal, South Africa, Thailand, Turkey, Uruguay and Venezuela are the most restrictive economies for domestic and foreign communications operators.

Warren's (2000b) study estimated that while restrictions can push up prices significantly (by more than 100 per cent in the case of Indonesia), the price effect of all restrictions facing foreign telecommunications providers is less than 20 per cent for the majority of the 38 economies. The estimated price effect of restrictions on Australia's telecommunications services is negligible (see table 3.5).

Maritime

In the McGuire, Shuele and Smith (2000) study of trade restrictions applying in 1998 on maritime services in 35 economies, Australia was rated as moderately restrictive. Brazil, Chile, Colombia, India, Indonesia, South Korea, Malaysia, Mexico, the Philippines, Thailand, Turkey and the United States were found to be more restrictive than Australia (table 3.5).

Table 3.5 Restrictiveness indexes and their price effects for selected services

	<i>Domestic^a</i>		<i>Foreign^a</i>		<i>Price effect^b</i>	
	<i>Maximum (country)</i>	<i>Australia (rank^c)</i>	<i>Maximum (country)</i>	<i>Australia (rank)</i>	<i>Maximum (country)</i>	<i>Australia (rank)</i>
Legal	0.33 (Austria, Japan)	0.27 (24/29)	0.58 (France, Turkey)	0.42 (10/29)	ne	ne
Accountancy	0.31 (India)	0.16 (12/34)	0.63 (Philippines)	0.41 (18/34)	ne	ne
Architectural	0.25 (Canada)	0.03 (12/34)	0.44 (Austria)	0.15 (12/34)	ne	ne
Engineering	0.2 (Austria, Germany)	0.04 (15/34)	0.39 (Austria)	0.08 (6/34)	14.5 (Austria)	2.8 (6/20)
Distribution	0.26 (Korea)	0.03 (5/38)	0.40 (Malaysia)	0.10 (7/38)	ne	ne
Banking	0.27 (Malaysia)	- (1/38)	0.65 (Malaysia)	0.12 (22/38)	60.6 (Malaysia)	9.3 (21/38)
Telecommunications	0.47 (Turkey)	0.04 (7/38)	0.80 (Turkey)	0.04 (7/38)	138.4 (Indonesia)	0.3 (8/37)
Maritime	0.28 (Korea)	0.13 (14/35)	0.64 (Philippines)	0.42 (21/35)	ne	ne

^a The restrictiveness index scores range from 0 to 1. The higher the score, the greater are the restrictions for an economy. ^b The price effect of restrictions is measured as a percentage. ^c Rank refers to the position of Australia relative to other countries in the study, where 1 is the least restrictive economy. For example, 24/29 means Australia is the 24th least restrictive economy of the 29 economies included in the study — that is, there are five economies more restrictive than Australia. **ne** Not estimated. - Nil.

Sources: Kalirajan (2000); Nguyen-Hong (2000); Kalirajan et al (2000); McGuire and Schuele (2000); McGuire, Schule and Smith (2000); Warren (2000a); Warren (2000b).

Table 3.6 Restrictiveness indexes for engineering services^{ab}

Score

<i>Economy</i>	<i>Domestic</i>			<i>Foreign</i>		
	<i>Establishment</i>	<i>Ongoing operations</i>	<i>Total</i>	<i>Establishment</i>	<i>Ongoing operations</i>	<i>Total</i>
Argentina	0.01	-	0.01	0.14	0.01	0.15
Australia	0.04	-	0.04	0.05	0.02	0.08
Austria	0.12	0.09	0.20	0.28	0.12	0.39
Belgium	0.01	-	0.01	0.01	0.01	0.02
Brazil	0.04	-	0.04	0.22	0.02	0.23
Canada	0.05	0.06	0.11	0.08	0.08	0.16
Chile	-	-	-	0.23	0.01	0.24
Denmark	0.01	-	0.01	0.01	0.03	0.04
Finland	0.01	-	0.01	0.04	0.02	0.06
France	0.01	0.01	0.03	0.01	0.02	0.03
Germany	0.05	0.15	0.20	0.11	0.17	0.28
Greece	-	0.05	0.05	0.14	0.06	0.20
Hong Kong	0.04	0.04	0.08	0.08	0.05	0.13
India	-	-	-	0.09	0.01	0.10
Indonesia	0.05	-	0.05	0.23	0.01	0.24
Italy	0.08	0.08	0.16	0.09	0.08	0.17
Japan	0.04	0.10	0.14	0.07	0.11	0.18
Korea	-	-	-	0.11	0.01	0.12
Luxembourg	0.08	-	0.08	0.09	0.02	0.11
Malaysia	0.08	0.01	0.08	0.24	0.02	0.26
Mexico	0.04	-	0.04	0.32	0.01	0.33
Netherlands	0.09	-	0.09	0.09	0.01	0.10
New Zealand	-	-	-	0.18	0.01	0.19
Philippines	-	-	-	0.14	0.01	0.15
Portugal	0.08	0.10	0.18	0.22	0.11	0.33
Singapore	0.01	-	0.01	0.11	0.01	0.11
South Africa	0.01	-	0.01	0.09	0.01	0.10
Spain	0.07	0.10	0.17	0.12	0.12	0.24
Sweden	0.01	-	0.01	0.14	0.03	0.17
Switzerland	0.03	0.03	0.05	0.11	0.04	0.15
Thailand	0.04	-	0.04	0.10	0.01	0.11
Turkey	0.08	0.10	0.18	0.26	0.11	0.37
United Kingdom	0.03	-	0.03	0.06	0.01	0.07
USA	0.06	0.05	0.12	0.12	0.07	0.19

- Nil. **a** Figures may not add up to total due to rounding. **b** The restrictiveness index scores range from 0 to 1. The higher the score, the greater are the restrictions for an economy.

Source: Nguyen-Hong (2000).

Table 3.7 Price and cost impacts of restrictions for engineering services
Per cent

	<i>Price impact</i>			<i>Cost impact</i>
	<i>Foreign barriers to establishment</i>	<i>Foreign barriers to ongoing operations</i>	<i>All foreign barriers^a</i>	<i>Domestic barriers to establishment</i>
Austria	11.1	3.5	14.5	6.8
Mexico	13.9	0.2	14.2	1.9
Malaysia	11.3	0.7	12.0	5.3
Indonesia	9.9	0.3	10.2	3.2
Germany	4.7	5.5	10.2	2.9
Spain	5.1	3.7	8.7	3.9
USA	5.1	2.2	7.4	3.8
Sweden	5.9	0.9	6.8	0.7
Japan	3.1	3.4	6.6	2.2
Canada	3.1	2.2	5.3	2.7
Singapore	4.9	0.2	5.0	0.8
Hong Kong	3.6	1.5	5.1	2.3
South Africa	3.5	0.2	3.7	0.7
Netherlands	3.5	0.2	3.7	5.2
Australia	2.1	0.7	2.8	2.1
United Kingdom	2.3	0.2	2.5	1.4
Finland	1.8	0.5	2.3	0.7
Denmark	0.3	0.8	1.1	0.7
France	0.3	0.6	0.9	0.7
Belgium	0.3	0.2	0.5	0.7

^a The price impact for all foreign barriers is the sum of the price impacts for foreign barriers to establishment and ongoing operations, respectively.

Source: Nguyen-Hong (2000).

Table 3.8 Restrictiveness indexes for architectural services^{ab}
Score

<i>Economy</i>	<i>Domestic</i>			<i>Foreign</i>		
	<i>Establishment</i>	<i>Ongoing operations</i>	<i>Total</i>	<i>Establishment</i>	<i>Ongoing operations</i>	<i>Total</i>
Argentina	0.03	-	0.03	0.15	0.01	0.16
Australia	0.03	-	0.03	0.14	0.01	0.15
Austria	0.12	0.10	0.22	0.31	0.13	0.44
Belgium	0.04	0.09	0.13	0.20	0.10	0.29
Brazil	0.07	-	0.07	0.14	0.02	0.16
Canada	0.18	0.07	0.25	0.26	0.07	0.33
Chile	0.05	-	0.05	0.14	-	0.14
Denmark	0.01	-	0.01	0.02	-	0.02
Finland	0.01	-	0.01	0.02	-	0.02
France	0.10	0.01	0.12	0.11	0.03	0.14
Germany	0.03	0.13	0.15	0.02	0.13	0.15
Greece	-	0.05	0.05	0.22	0.07	0.29
Hong Kong	0.05	0.04	0.09	0.18	0.04	0.22
India	0.02	-	0.02	0.07	0.01	0.08
Indonesia	0.04	-	0.04	0.30	-	0.30
Italy	0.08	0.05	0.13	0.24	0.06	0.30
Japan	-	0.08	0.08	0.09	0.09	0.19
Korea	-	-	-	0.15	0.03	0.19
Luxembourg	-	-	-	0.02	0.06	0.08
Malaysia	0.04	-	0.04	0.33	-	0.33
Mexico	0.04	-	0.04	0.30	0.01	0.31
Netherlands	-	-	-	0.02	0.01	0.03
New Zealand	0.03	-	0.03	0.30	0.05	0.34
Philippines	-	0.05	0.05	0.27	0.06	0.33
Portugal	0.08	0.05	0.13	0.30	0.08	0.39
Singapore	-	-	-	0.02	0.06	0.08
South Africa	-	-	-	0.04	0.07	0.11
Spain	0.08	0.10	0.18	0.24	0.11	0.35
Sweden	-	-	-	0.15	0.02	0.17
Switzerland	0.03	0.02	0.04	0.16	0.02	0.18
Thailand	-	-	-	0.05	-	0.12
Turkey	0.07	0.10	0.17	0.33	0.06	0.39
United Kingdom	-	-	-	0.02	0.05	0.07
USA	0.09	0.04	0.13	0.16	-	0.23

- Nil. **a** Figures may not add up to total due to rounding. **b** The restrictiveness index scores range from 0 to 1. The higher the score, the greater are the restrictions for an economy.

Source: Nguyen-Hong (2000).

Table 3.9 Restrictiveness indexes for accountancy services^{ab}
Score

<i>Economy</i>	<i>Domestic</i>			<i>Foreign</i>		
	<i>Establishment</i>	<i>Ongoing operations</i>	<i>Total</i>	<i>Establishment</i>	<i>Ongoing operations</i>	<i>Total</i>
Argentina	0.01	0.10	0.11	0.19	0.11	0.29
Australia	0.11	0.05	0.16	0.34	0.07	0.41
Austria	0.12	0.15	0.27	0.39	0.18	0.57
Belgium	0.09	0.10	0.19	0.12	0.10	0.22
Brazil	0.05	0.15	0.20	0.24	0.15	0.39
Canada	0.17	0.05	0.22	0.36	0.06	0.42
Chile	0.05	0.05	0.10	0.28	0.07	0.35
Denmark	0.13	0.08	0.20	0.31	0.10	0.41
Finland	0.07	0.03	0.10	0.10	0.04	0.14
France	0.12	0.13	0.24	0.17	0.14	0.31
Germany	0.12	0.10	0.22	0.27	0.12	0.39
Greece	0.10	0.08	0.18	0.24	0.08	0.32
Hong Kong	0.07	0.13	0.20	0.18	0.14	0.32
India	0.13	0.18	0.31	0.26	0.18	0.44
Indonesia	-	-	-	0.55	0.01	0.55
Italy	0.12	0.01	0.13	0.41	0.02	0.43
Japan	0.13	0.15	0.28	0.26	0.17	0.43
Korea	0.08	0.16	0.24	0.31	0.17	0.48
Luxembourg	0.07	0.05	0.12	0.25	0.06	0.31
Malaysia	0.04	0.05	0.09	0.46	0.06	0.51
Mexico	0.05	0.09	0.14	0.26	0.10	0.36
Netherlands	0.12	0.08	0.19	0.13	0.09	0.22
New Zealand	0.18	0.03	0.21	0.35	0.04	0.39
Philippines	0.12	0.18	0.29	0.44	0.19	0.63
Portugal	0.13	0.13	0.26	0.28	0.13	0.41
Singapore	0.08	0.10	0.18	0.28	0.13	0.41
South Africa	0.05	0.05	0.10	0.39	0.06	0.44
Spain	0.10	0.10	0.20	0.20	0.11	0.31
Sweden	0.13	0.05	0.18	0.36	0.08	0.44
Switzerland	-	0.08	0.08	0.16	0.10	0.27
Thailand	0.08	0.11	0.19	0.35	0.14	0.49
Turkey	0.04	0.05	0.09	0.29	0.13	0.41
United Kingdom	0.08	0.10	0.18	0.09	0.11	0.19
USA	0.13	0.08	0.20	0.23	0.10	0.33

- Nil. **a** Figures may not add up to total due to rounding. **b** The restrictiveness index scores range from 0 to 1. The higher the score, the greater are the restrictions for an economy.

Source: Nguyen-Hong (2000).

Table 3.10 **Restrictiveness indexes for legal services^{ab}**

Score

<i>Economy</i>	<i>Domestic</i>			<i>Foreign</i>		
	<i>Establishment</i>	<i>Ongoing operations</i>	<i>Total</i>	<i>Establishment</i>	<i>Ongoing operations</i>	<i>Total</i>
Argentina	ne	ne	Ne	ne	ne	ne
Australia	0.09	0.18	0.27	0.23	0.19	0.42
Austria	0.18	0.15	0.33	0.38	0.19	0.57
Belgium	0.05	0.16	0.21	0.14	0.17	0.31
Brazil	ne	ne	Ne	ne	ne	ne
Canada	0.18	0.13	0.31	0.38	0.14	0.52
Chile	ne	ne	Ne	ne	ne	ne
Denmark	0.09	0.06	0.15	0.29	0.14	0.43
Finland	0.03	-	0.03	0.12	0.03	0.14
France	0.14	0.08	0.22	0.48	0.11	0.58
Germany	0.18	0.11	0.29	0.37	0.12	0.49
Greece	0.05	0.05	0.10	0.31	0.06	0.37
Hong Kong	0.03	0.05	0.08	0.20	0.07	0.27
India	0.04	0.05	0.09	0.34	0.06	0.40
Indonesia	0.12	0.05	0.17	0.50	0.07	0.57
Italy	0.05	0.13	0.18	0.38	0.15	0.54
Japan	0.13	0.20	0.33	0.30	0.22	0.52
Korea	0.05	0.06	0.11	0.37	0.07	0.44
Luxembourg	ne	ne	Ne	ne	ne	ne
Malaysia	0.04	0.09	0.13	0.45	0.09	0.54
Mexico	0.14	0.08	0.22	0.40	0.09	0.49
Netherlands	0.05	0.05	0.10	0.20	0.06	0.25
New Zealand	0.04	0.09	0.13	0.38	0.10	0.47
Philippines	0.07	0.04	0.10	0.49	0.05	0.54
Portugal	0.06	0.15	0.21	0.25	0.16	0.41
Singapore	0.03	0.05	0.08	0.34	0.07	0.42
South Africa	ne	ne	Ne	ne	ne	ne
Spain	0.16	0.15	0.31	0.27	0.18	0.45
Sweden	0.12	0.03	0.12	0.24	0.03	0.27
Switzerland	0.12	0.13	0.24	0.36	0.15	0.50
Thailand	0.05	0.05	0.10	0.37	0.06	0.43
Turkey	0.12	0.14	0.26	0.41	0.17	0.58
United Kingdom	0.05	0.13	0.18	0.18	0.14	0.31
USA	0.12	0.13	0.24	0.35	0.13	0.48

^a Nil. **ne** not estimated because information is not available. ^a Figures may not add up to total due to rounding. ^b The restrictiveness index scores range from 0 to 1. The higher the score, the greater are the restrictions for an economy.

Source: Nguyen-Hong (2000).

Table 3.11 **Restrictiveness indexes for distribution services^{ab}**

<i>Economy</i>	<i>Score</i>					
	<i>Domestic</i>			<i>Foreign</i>		
	<i>Establishment</i>	<i>Ongoing operations</i>	<i>Total</i>	<i>Establishment</i>	<i>Ongoing operations</i>	<i>Total</i>
Argentina	-	0.05	0.05	0.02	0.07	0.09
Australia	-	0.03	0.03	0.03	0.07	0.10
Austria	-	0.05	0.05	0.12	0.07	0.19
Belgium	0.10	0.08	0.18	0.22	0.10	0.32
Brazil	-	0.01	0.01	0.17	0.06	0.23
Canada	0.02	0.03	0.05	0.14	0.05	0.19
Chile	0.03	0.03	0.06	0.06	0.07	0.13
Colombia	0.03	0.09	0.12	0.05	0.14	0.19
Denmark	0.02	0.08	0.09	0.14	0.13	0.27
Finland	-	0.05	0.05	0.14	0.11	0.24
France	0.10	0.08	0.18	0.22	0.10	0.33
Germany	0.02	0.08	0.10	0.14	0.10	0.24
Greece	-	0.05	0.05	0.20	0.07	0.27
Hong Kong	-	0.03	0.03	-	0.05	0.05
India	-	0.15	0.15	0.12	0.21	0.32
Indonesia	-	0.09	0.09	0.17	0.14	0.32
Ireland	-	0.05	0.05	0.12	0.07	0.19
Italy	0.09	0.05	0.14	0.22	0.07	0.29
Japan	0.10	0.10	0.20	0.10	0.16	0.25
Korea	0.21	0.05	0.26	0.26	0.07	0.33
Luxembourg	-	0.05	0.05	0.10	0.07	0.17
Malaysia	0.05	0.04	0.09	0.31	0.09	0.40
Mexico	-	-	-	0.09	0.02	0.11
Netherlands	-	0.09	0.09	0.12	0.11	0.24
New Zealand	-	-	-	0.04	0.02	0.06
Philippines	0.03	0.03	0.06	0.29	0.08	0.37
Portugal	-	0.05	0.05	0.14	0.07	0.21
Singapore	-	0.03	0.03	-	0.07	0.07
South Africa	-	0.03	0.03	0.02	0.05	0.07
Spain	0.03	0.05	0.08	0.15	0.07	0.22
Sweden	0.02	0.05	0.07	0.14	0.07	0.21
Switzerland	0.12	0.04	0.16	0.23	0.09	0.33
Thailand	0.03	0.03	0.06	0.26	0.13	0.39
Turkey	-	0.06	0.06	0.03	0.10	0.13
United Kingdom	-	0.05	0.05	0.12	0.07	0.19
United States	-	-	-	0.10	0.06	0.16
Uruguay	0.02	0.01	0.02	0.04	0.03	0.06
Venezuela	0.03	0.08	0.11	0.13	0.13	0.26

- Nil. ^a Figures may not added to total due to rounding. ^b The restrictiveness index scores range from 0 to 1. The higher the score, the greater the restrictions for an economy.

Source: Kalirajan (2000).