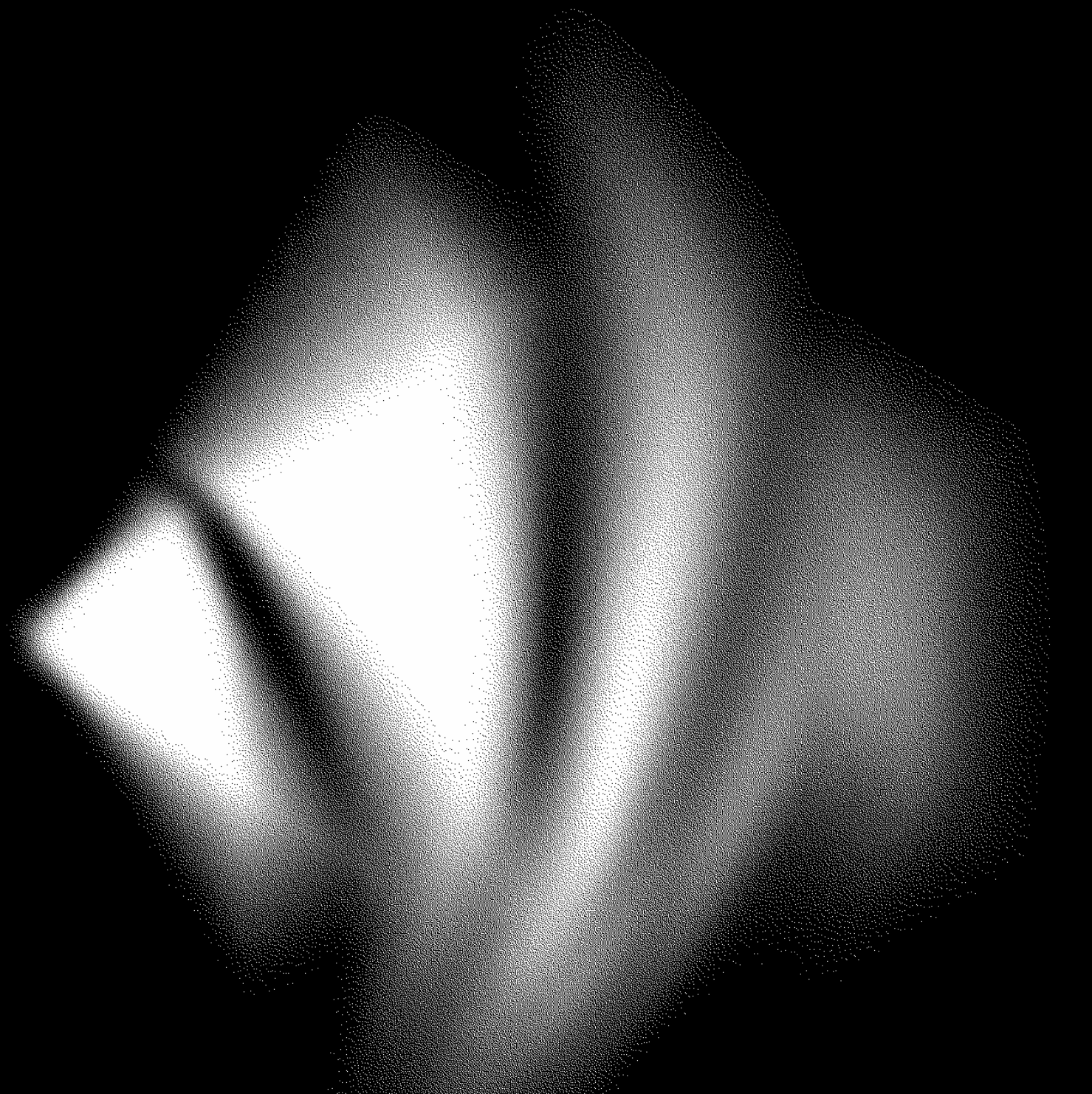




Australian Government
Productivity Commission

Annual Report 2005-06

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Commission
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The Productivity Commission

The Productivity Commission, an independent agency, is the Australian Government's principal review and advisory body on microeconomic policy and regulation. It conducts public inquiries and research into a broad range of economic and social issues affecting the welfare of Australians.

The Commission's independence is underpinned by an Act of Parliament. Its processes and outputs are open to public scrutiny and are driven by concern for the wellbeing of the community as a whole.

Information on the Productivity Commission, its publications and its current work program can be found on the World Wide Web at www.pc.gov.au or by contacting Media and Publications on (03) 9653 2244.



18 October 2006

The Treasurer
Parliament House
CANBERRA ACT 2600

Dear Treasurer

We submit to you the Productivity Commission's annual report for 2005-06. The report is prepared in accordance with section 10 of the *Productivity Commission Act 1998*. The Commission's Act requires that a copy of this report be tabled within 15 sitting days of each House of Parliament after the day of receipt of the report.

Yours sincerely

Gary Banks
Chairman

Gary Potts
Commissioner

Neil Byron
Commissioner

Judith Sloan
Commissioner

Robert Fitzgerald
Commissioner

Philip Weickhardt
Commissioner

Steven Kates
Commissioner

Michael Woods
Commissioner

Chairman and Commissioners



Gary Banks (Chairman), Judith Sloan and Robert Fitzgerald



Mike Woods and Neil Byron



Steven Kates and Philip Weickhardt

Absent: Tony Hinton and Gary Potts

Acknowledgments

The Commission wishes to thank its staff for their continued efforts, commitment and support during the past year.

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Abbreviations

ABARE	Australian Bureau of Agriculture and Resource Economics
ABS	Australian Bureau of Statistics
ACCC	Australian Competition and Consumer Commission
AGCNCO	Australian Government Competitive Neutrality Complaints Office
AIHW	Australian Institute of Health and Welfare
ANAO	Australian National Audit Office
ANU	Australian National University
APS	Australian Public Service
BCA	Business Council of Australia
COAG	Council of Australian Governments
CRC	COAG Reform Council
CSIRO	Commonwealth Scientific and Industrial Research Organisation
GDP	Gross domestic product
ESD	Ecologically Sustainable Development
GTEs	Government trading enterprises
IMF	International Monetary Fund
NCP	National competition policy
NRA	National Reform Agenda
OECD	Organisation for Economic Co-operation and Development
OHS	Occupational health and safety
ORR	Office of Regulation Review
PC	Productivity Commission
RIS	Regulation Impact Statement
SES	Senior Executive Service
WTO	World Trade Organization