

Report 120

Treaties tabled on 5 July and 16 August 2011

Measure 1 (2005) Annex VI to the Protocol on Environmental Protection to the Antarctic Treaty: Liability arising from environmental emergencies (Stockholm, 17 June 2005)

Measure 4 (2004) Insurance and contingency planning for tourism and non-governmental activities in the Antarctic Treaty area (Cape Town, 4 June 2004)

Measure 15 (2009) Landing of persons from passenger vessels in the Antarctic Treaty area (Baltimore, 17 April 2009)

The Government of Australia and the Government of the Republic of the Marshall Islands on the Exchange of Information with Respect to Taxes done at Majuro on 12 May 2010

The Government of Australia and the Government of the Republic of Mauritius on the Exchange of Information with Respect to Taxes (Port Louis on 8 December 2010)

The Government of Australia and the Government of Montserrat (as authorised by the Government of the United Kingdom of Great Britain and Northern Ireland) on the Exchange of Information with Respect to Taxes (London on 23 November 2010)

Agreement between the Government of Australia and the Government of the Republic of the Marshall Islands for the Allocation of Taxing Rights with Respect to Certain Income of Individuals and to Establish a Mutual Agreement Procedure in Respect of Transfer Pricing Adjustments, done at Majuro on 12 May 2010

Agreement between the Government of Australia and the Government of the Republic of Mauritius for the Allocation of Taxing Rights with Respect to Certain Income of Individuals and to Establish a Mutual Agreement Procedure in Respect of Transfer Pricing Adjustments (Port Louis, 8 December 2010)

Australia and the Republic of Hungary on Social Security done at Gödöllő – 7 June 2011

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Measure 15 (2009) Landing of persons from passenger vessels in the Antarctic Treaty area (Baltimore, 17 April 2009)

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Membership of the Committee

Chair Mr Kelvin Thomson MP

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Senator Michaelia Cash
(until 7/7/11)

Mr Jamie Briggs MP

Senator the Hon Helen Coonan
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Senator David Fawcett
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Resolution of Appointment

The Resolution of Appointment of the Joint Standing Committee on Treaties allows it to inquire into and report on:

- a) matters arising from treaties and related National Interest Analyses and proposed treaty actions and related Explanatory Statements presented or deemed to be presented to the Parliament;
- b) any question relating to a treaty or other international instrument, whether or not negotiated to completion, referred to the committee by:
 - (i) either House of the Parliament, or
 - (ii) a Minister; and
- c) such other matters as may be referred to the committee by the Minister for Foreign Affairs and on such conditions as the Minister may prescribe.



List of recommendations

2 Measure 1 (2005) Annex VI to the Protocol on Environmental Protection to the Antarctic Treaty: Liability arising from environmental emergencies (Stockholm, 17 June 2005)

Measure 4 (2004) Insurance and contingency planning for tourism and non-governmental activities in the Antarctic Treaty area (Cape Town, 4 June 2004)

Measure 15 (2009) Landing of persons from passenger vessels in the Antarctic Treaty area (Baltimore, 17 April 2009)

Recommendation 1

The Committee supports *Measure 1 (2005) Annex VI to the Protocol on Environmental Protection to the Antarctic Treaty: Liability arising from environmental emergencies (Stockholm, 17 June 2005)* and recommends that binding treaty action be taken.

Recommendation 2

The Committee supports *Measure 4 (2004) Insurance and contingency planning for tourism and non-governmental activities in the Antarctic Treaty area (Cape Town, 4 June 2004)* and recommends that binding treaty action be taken.

Recommendation 3

The Committee supports *Measure 15 (2009) Landing of persons from passenger vessels in the Antarctic Treaty area (Baltimore, 17 April 2009)* and recommends that binding treaty action be taken.

3 Five tax agreements involving the Marshall Islands, Mauritius and Montserrat

Recommendation 4

The Committee supports the *Agreement between the Government of Australia and the Government of the Republic of the Marshall Islands on the Exchange of Information with Respect to Taxes* and recommends that binding treaty action be taken.

Recommendation 5

The Committee supports the *Agreement between the Government of Australia and the Government of the Republic of Mauritius on the Exchange of Information with Respect to Taxes* and recommends that binding treaty action be taken.

Recommendation 6

The Committee supports the *Agreement between the Government of Australia and the Government of Montserrat (as authorised by the Government of the United Kingdom of Great Britain and Northern Ireland) on the Exchange of Information with Respect to Taxes* and recommends that binding treaty action be taken.

Recommendation 7

The Committee supports the *Agreement between the Government of Australia and the Government of the Republic of the Marshall Islands for the Allocation of Taxing Rights with Respect to Certain Income of Individuals and to Establish a Mutual Agreement Procedure in Respect of Transfer Pricing Adjustments* and recommends that binding treaty action be taken.

Recommendation 8

The Committee supports the *Agreement between the Government of Australia and the Government of the Republic of Mauritius for the Allocation of Taxing Rights with Respect to Certain Income of Individuals and to Establish a Mutual Agreement Procedure in Respect of Transfer Pricing Adjustments* and recommends that binding treaty action be taken.

4 Agreement between Australia and the Republic of Hungary on Social Security (Gödöllő – 7 June 2011)

Recommendation 9

The Committee supports the *Agreement between Australia and the Republic of Hungary on Social Security* and recommends that binding treaty action be taken.

Introduction

Purpose of the report

- 1.1 This report contains the Joint Standing Committee on Treaties' review of treaty actions tabled on 5 July and 16 August 2011.
- 1.2 These treaty actions are proposed for ratification and are examined in the order of tabling:
 - **Tabled 5 July 2011**
 - ⇒ *Measure 1 (2005) Annex VI to the Protocol on Environmental Protection to the Antarctic Treaty: Liability arising from environmental emergencies (Stockholm, 17 June 2005)*
 - ⇒ *Measure 4 (2004) Insurance and contingency planning for tourism and non-governmental activities in the Antarctic Treaty area (Cape Town, 4 June 2004)*
 - ⇒ *Measure 15 (2009) Landing of persons from passenger vessels in the Antarctic Treaty area (Baltimore, 17 April 2009)*
 - **Tabled 16 August 2011**
 - ⇒ *The Government of Australia and the Government of the Republic of the Marshall Islands on the Exchange of Information with Respect to Taxes done at Majuro on 12 May 2010*
 - ⇒ *The Government of Australia and the Government of the Republic of Mauritius on the Exchange of Information with Respect to Taxes (Port Louis on 8 December 2010)*

- ⇒ *The Government of Australia and the Government of Montserrat (as authorised by the Government of the United Kingdom of Great Britain and Northern Ireland) on the Exchange of Information with Respect to Taxes (London on 23 November 2010)*
- ⇒ *Agreement between the Government of Australia and the Government of the Republic of the Marshall Islands for the Allocation of Taxing Rights with Respect to Certain Income of Individuals and to Establish a Mutual Agreement Procedure in Respect of Transfer Pricing Adjustments, done at Majuro on 12 May 2010*
- ⇒ *Agreement between the Government of Australia and the Government of the Republic of Mauritius for the Allocation of Taxing Rights with Respect to Certain Income of Individuals and to Establish a Mutual Agreement Procedure in Respect of Transfer Pricing Adjustments (Port Louis, 8 December 2010)*
- ⇒ *Australia and the Republic of Hungary on Social Security done at Gödöllő – 7 June 2011*

- 1.3 The Committee's resolution of appointment empowers it to inquire into any treaty to which Australia has become signatory, on the treaty being tabled in Parliament.
- 1.4 The treaties, and matters arising from them, are evaluated to ensure that ratification is in the national interest, and that unintended or negative effects on Australians will not be entailed.
- 1.5 Prior to tabling, major treaty actions are subject to a *National Interest Analysis* (NIA), prepared by Government. This document considers arguments for and against the treaty, outlines the treaty obligations and any regulatory or financial implications, and reports the results of consultations undertaken with State and Territory Governments, Federal and State and Territory agencies, and with industry or non-government organisations.
- 1.6 A Regulation Impact Statement (RIS) may accompany the NIA. The RIS provides an account of the regulatory impact of the treaty action where adoption of the treaty will involve a change in the regulatory environment for Australian business. A RIS has been tabled with the *Measure 1 (2005) Annex VI to the Protocol on Environmental Protection to the Antarctic Treaty: Liability arising from environmental emergencies* (Stockholm, 17 June 2005); *Measure 4 (2004) Insurance and contingency planning for tourism and non-governmental activities in the Antarctic Treaty area* (Cape Town, 4 June 2004) and *Measure 15 (2009) Landing of persons from passenger vessels in the*

Antarctic Treaty area (Baltimore, 17 April 2009). The remaining treaties do not require an RIS.

1.7 The Committee takes account of these documents in its examination of the treaty text, in addition to other evidence taken during the inquiry program.

1.8 Copies of each treaty and its associated documentation may be obtained from the Committee Secretariat or accessed through the Committee's website at:

<www.aph.gov.au/house/committee/jsct>

Conduct of the Committee's review

1.9 The treaty actions reviewed in this report were advertised on the Committee's website from the date of tabling and in the national press on 11 May and 8 June 2011. Submissions were invited by 29 July 2011 for those treaties tabled on 5 July, and Friday 9 September 2011 for those treaties tabled on 16 August, with extensions available on request.

1.10 Invitations were made to all State Premiers, Chief Ministers and to the Presiding Officers of each Parliament to lodge submissions. The Committee also invited submissions from individuals and organisations with an interest in the particular treaty under review.

1.11 Submissions received and their authors are listed at Appendix A, and the Exhibit received is list at Appendix B.

1.12 The Committee examined the witnesses on each treaty at public hearings held in Canberra on 22 August and 12 September 2011.

1.13 Transcripts of evidence from the public hearings may be obtained from the Committee Secretariat or accessed through the Committee's website under the treaty's tabling dates, being:

■ 5 July 2011

<<http://www.aph.gov.au/house/committee/jsct/5july2011/hearings.htm>>

■ 16 August 2011

<<http://www.aph.gov.au/house/committee/jsct/16august2011/hearings.htm>>

1.14 A list of witnesses who appeared at the public hearings is at Appendix C.



Measure 1 (2005) Annex VI to the Protocol on Environmental Protection to the Antarctic Treaty: Liability arising from environmental emergencies (Stockholm, 17 June 2005)

Measure 4 (2004) Insurance and contingency planning for tourism and non-governmental activities in the Antarctic Treaty area (Cape Town, 4 June 2004)

Measure 15 (2009) Landing of persons from passenger vessels in the Antarctic Treaty area (Baltimore, 17 April 2009)

Introduction

- 2.1 On 5 July 2011, *Measure 1 (2005) Annex VI to the Protocol on Environmental Protection to the Antarctic Treaty: Liability arising from environmental emergencies* (Stockholm, 17 June 2005); *Measure 4 (2004) Insurance and contingency planning for tourism and non-governmental activities in the Antarctic Treaty area* (Cape Town, 4 June 2004); and *Measure 15 (2009)*

Landing of persons from passenger vessels in the Antarctic Treaty area (Baltimore, 17 April 2009) were tabled in the Commonwealth Parliament.

- 2.2 This series of amendments reflects changes to the administration of the Antarctic and its environment. All three measures apply to the 1961 Antarctic Treaty and were adopted unanimously by the Consultative Parties at the 27th, 28th and 32nd Antarctic Treaty Consultative Meetings (ATCM).¹
- 2.3 Australia has been a Consultative Party to the Treaty since it came into force on 23 June 1961. Twelve countries were original signatories to the Antarctic Treaty in 1959. Of these, seven claim territory in Antarctica. Thirty-six other countries have now become Parties to the Treaty by acceding, for a total of 47 Parties.²
- 2.4 Consultative Parties are those Parties entitled to participate in Antarctic Treaty Consultative Meetings. These are the original 12 signatories to the Antarctic Treaty, and those that demonstrate their interest in Antarctica by 'conducting substantial research activity there'. Sixteen of the acceding countries have had their activities in Antarctica recognised according to this provision, and consequently there are 28 Consultative Parties as of April 2011. The other 20 Non-Consultative Parties are invited to attend the Consultative Meetings but do not participate in the decision-making.³
- 2.5 The Treaty is a multilateral agreement that:
- requires the Contracting Parties to ensure that Antarctica is used exclusively for peaceful purposes;
 - guarantees freedom of scientific research;
 - promotes international scientific cooperation;
 - allows for the inspection of facilities between Contracting Parties;

1 National Interest Analysis [2011] ATNIA 13 with attachment on consultation *Measure 1 (2005) Annex VI to the Protocol on Environmental Protection to the Antarctic Treaty: Liability arising from environmental emergencies* (Stockholm, 17 June 2005), [2011] ATNIF 7; National Interest Analysis [2011] ATNIA 14 with attachment on consultation *Measure 4 (2004) Insurance and contingency planning for tourism and non-governmental activities in the Antarctic Treaty area* (Cape Town, 4 June 2004) [2011] ATNIF 8; National Interest Analysis [2011] ATNIA 15 with attachment on consultation *Measure 15 (2009) Landing of persons from passenger vessels in the Antarctic Treaty area* (Baltimore, 17 April 2009) [2011] ATNIF 9; para 1. (Hereafter referred to as 'NIA' 'Measure 1', 'Measure 4 and/or 'Measure 15')

2 'Australian Antarctic Division: Treaty Partners', <<http://www.antarctica.gov.au/antarctic-law-and-treaty/treaty-partners>>, accessed 13 September 2011.

3 'Australian Antarctic Division: Treaty Partners', <<http://www.antarctica.gov.au/antarctic-law-and-treaty/treaty-partners>>, accessed 13 September 2011.

- sets aside the question of territorial sovereignty in Antarctica; and
 - provides for regular meetings between the Contracting Parties.⁴
- 2.6 A large proportion of Antarctica is within Australia's jurisdiction. Australia also has an extensive research program in the Antarctic. Australia took a leading role in the formation of the Treaty, and successive Australian governments have viewed the implementation of the Treaty and associated agreements as a high priority. Australia is a strong advocate for the Treaty and has actively contributed to the development of the additional instruments in the Treaty system, including the *Protocol on Environmental Protection to the Antarctic Treaty* (1998).⁵
- 2.7 Government and non-government activities in Antarctica have increased markedly over the past three decades.⁶ For example, the number of passengers landing by vessel in Antarctica increased from 6,704 in 1992-93 to 32,637 in 2007-08. The number of cruise-only vessel passengers increased from 936 in 1999-00 to 15,026 in 2009-10.⁷ Activities posing the greatest risk to the Antarctic environment include the operation and resupply of national Antarctic program stations and the operation of vessels.⁸ The Committee also notes the pressure imposed on the Antarctic environment by increased tourist visitor numbers.

Aim of the treaties

Measure 1

- 2.8 The costs associated with a response to an environmental emergency in the Antarctic are likely to be significant given the region's distance from ports and response facilities and difficult operating conditions.
- 2.9 As a result, Antarctic Treaty Consultative Parties (ATCP) agreed that in order to minimise risk to the Antarctic environment, government and non-government operators alike must be obliged to:
- undertake reasonable preventative measures;
 - establish contingency plans;

4 NIA Measure 1, Measure 4 and Measure 15, para 6.

5 NIA Measure 1, Measure 4 and Measure 15, para 7.

6 Regulation Impact Statement (RIS), Measure 1, para. 1.8.

7 RIS, Measure 15, paras. 1.3 & 1.4.

8 RIS, Measure 1, para. 1.8.

- undertake prompt and effective response action to environmental emergencies they cause; and
- compensate a Party that responds to an environmental emergency in its stead.⁹

Measure 4

2.10 ATCPs agree that all operators planning to conduct activities in the Antarctic must recognise and prepare adequately for the inherent dangers associated with operations conducted in such an inhospitable and isolated environment. The following aspects are of particular relevance:

- the health and safety of individuals participating in activities;
- the health and safety of rescuers and integrity of equipment used to undertake search and rescue operations in the Antarctic;
- the significant costs associated with the conduct of search and rescue, and medical care and evacuation operations in the Antarctic;
- the potential for disruption to national Antarctic programs (particularly scientific research activities) due to unplanned diversions of critical and limited resources to conduct search and rescue, medical care and evacuation operations; and
- the lack of a right to compensation for costs under existing arrangements where ATCPs provide assistance to vessels and aircraft in distress.¹⁰

2.11 In addition, contingency plans and arrangements must be in place prior to activities commencing and such plans cannot be reliant upon support from other operators or national programs unless prior agreement has been reached.¹¹

2.12 Prior to the introduction of Measure 4, a non-obligatory system of self-regulation had been in place. In 1994, the 18th ATCM adopted a non-obligatory *Recommendation XVIII-1 Tourism and non-governmental activities* that recommends operators:

- ensure that activities are self-sufficient and do not require assistance from ATCPs unless such arrangements for assistance have been agreed in advance;

9 RIS, Measure 1, paras. 1.8 & 1.9.

10 RIS, Measure 4, para. 1.5.

11 NIA Measure 4, para. 10.

- provide information to assist in the preparation of contingency plans for emergency situations including search and rescue, medical care and evacuation; and
- consider insurance.¹²

2.13 In 2004, the 27th ATCM adopted Resolution 4 (2004) *Guidelines on contingency planning, insurance and other matters for tourist and other non-governmental activities in the Antarctic Treaty area* that recommends operators organising or conducting tourist or other non-governmental activities in the Antarctic:

- ensure that appropriate contingency plans and sufficient arrangements for health and safety, search and rescue, medical care and evacuation have been drawn-up and are in place prior to the start of the activity;
- ensure that such plans and arrangements are not reliant on support from other operators or national Antarctic programs without their express written agreement; and
- ensure that adequate insurance or other arrangements are in place to cover any costs associated with search and rescue, medical care and evacuation.¹³

2.14 Resolution 4 (2004) is intended as an interim arrangement during the implementation period for Measure 4 (2004).¹⁴

Measure 15

2.15 This Measure places restrictions on certain tourist or other non-governmental activities in the Antarctic in the Treaty area. The Contracting Parties are obliged to impose requirements on their authorised operators. The new requirements will mean that, for vessels carrying more than 500 passengers, operators must refrain from making any landings in the Antarctic. For vessels carrying 500 or fewer passengers, operators must:

- coordinate with each other with the objective that no more than one tourist vessel is at any landing site at any one time;
- ensure that no more than 100 passengers are ashore at any one time; and
- maintain a 1:20 guide-to-passenger ratio ashore.¹⁵

12 RIS, Measure 1, para. 1.7.

13 RIS, Measure 1, para. 1.8.

14 RIS, Measure 1, para. 1.9

- 2.16 The Measure also provides that these requirements may be subject to further adjustment by the Consultative Parties at future sessions of the ATCM.¹⁶
- 2.17 This Measure is a recognition by the ATCPs that vessel-borne tourism operations in the Antarctic have expanded markedly over the past two decades. Australians constitute a large proportion of consumers within the Antarctic tourism markets, representing approximately 9 per cent of Antarctic tourists.¹⁷

Australia's interest in accepting the measures

- 2.18 In all three cases, the Australian Government has strategic and policy interests in Antarctica and their implementation would directly contribute to:
- the maintenance of the Antarctic Treaty system and enhancement of Australia's standing and influence within it; and
 - the protection of the Antarctic environment.
- 2.19 Furthermore, Australia must participate proactively within the governance institutions of the Antarctic Treaty system to enhance its influence and advance its Antarctic interests. Because Measures adopted by the ATCM do not enter into force until they are implemented by all ATCPs, taking the necessary domestic actions in a timely manner is crucial to Australia's maintenance of influence within the Antarctic Treaty system.¹⁸

International approval

- 2.20 The Committee notes the status of these agreements. Each Measure will only come into force when all 28 consultative party members have approved them. To date, five have approved Measure 1, ten have approved Measure 4 and only one – Japan – has approved Measure 15.¹⁹

15 NIA Measure 15, para. 9

16 NIA Measure 15, para. 10.

17 RIS, Measure 15, paras. 1.3 & 1.4.

18 RIS, Measure 1, paras. 1.17 & 1.19; RIS, Measure 4, para 1.14 – 1.15, & RIS, Measure 15, para. 4.14.

19 Mr Jonathon Barrington, Senior Policy Officer, Strategic branch, Australian Antarctic Division,

Thus, Australia is not yet bound by any of the amendments, and will only be bound when all other members have approved.

- 2.21 Nonetheless, this does not mean that the members are neglecting their responsibilities. The Department of Sustainability, Environment, Water, Population and Communities explained:

...there is a strong commitment among the parties to see these things move into force. The intention, then, is for each party to take these things forward. Australia is in the leading part of the parties seeking to adopt these measures, but each party, particularly in relation to Measure 1, 2005, looks at its national domestic legislative processes and teases out the aspects of the liability convention in terms of its implementation...

One other thing that I will mention is that, in the margins of the Antarctic Treaty Consultative Meeting, the consultative parties sit down and discuss implementation of measures as a routine matter of business and share information and get an understanding and appreciation of how to implement these. As well, the parties that have implemented these measures have release copies of the legislation they have used, as well as the other materials that support the legislation.²⁰

Costs

- 2.22 There are no foreseeable financial costs to the Commonwealth of Australia associated with compliance with the proposed treaty action.²¹ The Department of Sustainability, Environment, Water, Population and Communities indicated that whatever departmental costs are incurred, they will be within normal operating activities.²² In terms of Measure 1, Australia has in place procedures to promptly and effectively respond to

Department of Sustainability , Environment, Water, Population and Communities, *Committee Hansard*, 22 August 2011, p. 6.

20 Mr Jonathon Barrington, Senior Policy Officer, Strategic branch, Australian Antarctic Division, Department of Sustainability , Environment, Water, Population and Communities, *Committee Hansard*, 22 August 2011, pp. 6-7.

21 NIA, Measure 1, para 12; Measure 14, & 15, para. 15.

22 Mr Jonathon Barrington, Senior Policy Officer, Strategic branch, Australian Antarctic Division, Department of Sustainability , Environment, Water, Population and Communities, *Committee Hansard*, 22 August 2011, p. 8.

environmental emergencies arising from its national program activities in the Antarctic.²³

- 2.23 With respect to the tourist industry, the Department of Sustainability, Environment, Water, Population and Communities also indicated that those tourist operators affected by the amendments were already voluntarily abiding by its provisions and were unlikely to incur further costs when the Measures come into effect.

Tourism operators go to inordinate lengths to maintain the pristine nature of Antarctica. So as an initiative the tourism operators have worked together to form the International Association of Antarctica Tour Operators and through that they have arranged a number of self-regulatory mechanisms that have then moved on to become regulatory mechanisms under the Antarctic Treaty. So in this context measure 4 and measure 15 derive from the work of the tourism industry itself and are moving through a resolution process from applying on a voluntary basis to now a regulatory process where they will apply an obligatory process.²⁴

Conclusion

- 2.24 The Committee recognises the importance of the proposed amendments and supports their approval.
- 2.25 The three separate Measures contribute to the protection of the Antarctic environment and, given Australia's strategic and policy interests in Antarctica, their implementation would directly contribute to the maintenance of the Antarctic Treaty system and enhancement of Australia's standing and influence within it.
- 2.26 The Commonwealth Government is not expected to incur any costs – those costs that are expected will be absorbed within normal operating activities – and tourist and non-government operators are, to a large degree, already applying the necessary measures to their operations.

23 NIA, Measure 1, para. 12.

24 Mr Jonathon Barrington, Senior Policy Officer, Strategic branch, Australian Antarctic Division, Department of Sustainability, Environment, Water, Population and Communities, *Committee Hansard*, 22 August 2011, pp. 7 – 8.

- 2.27 This confluence of interests and circumstances draws the Committee towards the conclusion that these amendments should be supported with binding treaty action.

Recommendation 1

The Committee supports *Measure 1 (2005) Annex VI to the Protocol on Environmental Protection to the Antarctic Treaty: Liability arising from environmental emergencies (Stockholm, 17 June 2005)* and recommends that binding treaty action be taken.

Recommendation 2

The Committee supports *Measure 4 (2004) Insurance and contingency planning for tourism and non-governmental activities in the Antarctic Treaty area (Cape Town, 4 June 2004)* and recommends that binding treaty action be taken.

Recommendation 3

The Committee supports *Measure 15 (2009) Landing of persons from passenger vessels in the Antarctic Treaty area (Baltimore, 17 April 2009)* and recommends that binding treaty action be taken.

Five tax agreements involving the Marshall Islands, Mauritius and Montserrat

Background

3.1 This Chapter reviews the following five bilateral tax related agreements:

- *the Agreement between the Government of Australia and the Government of the Republic of the Marshall Islands on the Exchange of Information with Respect to Taxes, done at Majuro on 12 May 2010;*
- *the Agreement between the Government of Australia and the Government of the Republic of Mauritius on the Exchange of Information with Respect to Taxes (Port Louis, 8 December 2010);*
- *the Agreement between the Government of Australia and the Government of Montserrat (as authorised by the Government of the United Kingdom of Great Britain and Northern Ireland) on the Exchange of Information with Respect to Taxes (London, 23 November 2010);*
- *the Agreements between the Government of Australia and the Government of the Republic of the Marshall Islands for the Allocation of Taxing Rights with Respect to Certain Income of Individuals and to Establish a Mutual Agreement Procedure in Respect of Transfer Pricing Adjustments, done at Majuro on 12 May 2010; and*
- *the Agreement between the Government of Australia and the Government of the Republic of Mauritius for the Allocation of Taxing Rights with Respect to Certain Income of Individuals and to Establish a Mutual Agreement Procedure in Respect of Transfer Pricing Adjustments (Port Louis, 8 December 2010)*

3.2 These agreements are being considered together because they are all part of Australia's implementation of the Organisation for Economic

Development and Cooperation (OECD) standards on the elimination of harmful tax practices.

OECD Standards on the Elimination of Harmful Tax Practices

3.3 Since 2000, the OECD has worked with non-OECD low tax countries to address harmful tax practices through the Global Forum on Transparency and Exchange of Information for Tax Purposes.¹ The OECD identifies the following as harmful tax practices:

- no or low taxation of income;
- a lack of transparency in relation to which persons or organisations are subject to the low tax regime and the amount of income concerned;
- little or no exchange of information with countries from which persons or organisations transfer income to the low tax economy; and
- a low or no tax regime that does not extend to persons or organisations within the low tax economy.²

3.4 The Global Forum established a set of standards on the elimination of harmful tax practices that provide the basis for the OECD's work with low tax countries. In summary, the standards require low tax countries which are members of the Global Forum to:

- refrain from adopting new measures that extend the scope of, or strengthen existing provisions that constitute harmful tax practices;
- review their existing measures for the purpose of identifying and removing legislation or administrative practices that could constitute harmful tax practices;
- remove features of their tax regime that have been identified by the OECD as harmful;
- ask other members of the Forum to review their tax provisions that could constitute a harmful tax practice;

1 Organisation for Economic Development and Cooperation (OECD), *Global Forum on Transparency and Exchange of Information for Tax Purposes Information Brief*, September 2011, <<http://www.oecd.org/dataoecd/32/45/43757434.pdf>>, viewed 18 September 2011.

2 OECD, *The OECD's Project on Harmful Tax Practices: 2006 Update on Progress in Member Countries*, 2006, p. 3.

- coordinate their national treaty responses to harmful tax practices adopted by other countries; and
 - encourage non members to associate themselves with these standards.³
- 3.5 More than 60 low tax countries have joined the Global Forum and committed to the implementation of OECD standards on the elimination of harmful tax practices. The OECD claims that every country identified as a low tax country when the Global Forum commenced its work in 2000 has now agreed to cooperate with the OECD to remove harmful tax practices.⁴

Tax Information Exchange Agreements

- 3.6 The principal mechanism developed by the OECD to combat harmful tax practices is the Tax Information Exchange Agreement (TIEA).
- 3.7 TIEAs establish a legal basis for the exchange of tax information relating to certain persons and other entities between jurisdictions. In effect, a TIEA will prevent a person or organisation in one jurisdiction from concealing their income by transferring it to the other jurisdiction.⁵
- 3.8 Over 500 TIEAs have been negotiated this year. Table 3.1 below shows that the number of agreements signed has increased dramatically since 2008.

3 OECD, *Harmful Tax Competition: An Emerging Global Issue*, 1998, p. 71.

4 OECD, *Global Forum on Transparency and Exchange of Information for Tax Purposes Information Brief*, September 2011, < <http://www.oecd.org/dataoecd/32/45/43757434.pdf>>, viewed 18 September 2011.

5 *National Interest Analysis* [2011] ATNIA 16, *Agreements on the Exchange of Information with Respect to Taxes between Australia and: the Marshall Islands* [2010] ATNIF 34; *Mauritius* [2010] ATNIF 52; and *Montserrat* [2010] ATNIF 50, Para. 5. Hereafter referred to as the TIEA NIA.

Table 3.1: TIEAs signed annually

Year	Number of TIEAs signed
2000	1
2001	2
2002	8
2003	9
2004	9
2005	11
2006	11
2007	23
2008	50
2009	250
2010	459
2011 (to date)	500

Source OECD, *Global Forum on Transparency and Exchange of Information for Tax Purposes Information Brief, September 2011*, < <http://www.oecd.org/dataoecd/32/45/43757434.pdf>>, viewed 18 September 2011.

Australian TIEAs

3.9 Australia has signed 31 TIEAs to date.⁶ The Committee has previously reviewed Australian TIEAs in Reports 73, 87, 99, 102, 107, 112 and 114.

3.10 The proposed TIEAs being considered in this Chapter involve the Marshall Islands, Mauritius, and Montserrat.⁷

3.11 According to the National Interest Analysis (NIA):

The proposed Agreements will help Australia protect its revenue base by allowing the Commissioner of Taxation to request and receive tax and income related information held in the Marshall Islands, Mauritius or Montserrat, and will discourage tax evasion by individuals and other entities in Australia.⁸

3.12 In relation to the parties to the TIEA's being considered here, Australian Transaction Reports and Analysis Centre (AUSTRAC) data indicates that

⁶ Mr Gregory Wood, Manager, International Tax Treaties Unit, International Tax and Treaties Division, Department of the Treasury, *Committee Hansard*, 12 September 2011, p. 2.

⁷ TIEA NIA, para. 5.

⁸ TIEA NIA, para. 6.

the flow of funds is relatively small between Australia, the Marshall Islands, and Montserrat. On the other hand, a significant flow of funds does occur between Australia and Mauritius.⁹

- 3.13 While most funds flowing to and from low tax countries are legitimate, the legal frameworks and systems that make low tax countries attractive may also be used to evade paying tax.¹⁰
- 3.14 Montserrat is an internally self-governing overseas territory of the United Kingdom (UK). It requires UK Government approval before undertaking international commitments. The UK has authorised the proposed Agreement. Montserrat's nominated competent authority - the Comptroller of Inland Revenue - will be responsible for the exchange of tax information with Australia.¹¹ The Marshall Islands and Mauritius are both independent republics.
- 3.15 Australia will fulfil its obligations under the proposed agreements using existing legislation, specifically, section 23 of the *International Tax Agreements Act 1953*. No further legislation or regulation is required in order to implement the proposed Agreements.¹²

Costs

- 3.16 The Australian Taxation Office (ATO) claims that the proposed agreements will have a small administrative and financial impact. As the Marshall Islands, Mauritius and Montserrat are unlikely to routinely need Australian information for their own tax purposes it is likely that most requests for information will originate from Australia.
- 3.17 As with previous TIEAs, some resources may need to be allocated by the ATO to both provide technical assistance to the Marshall Islands, Mauritius or Montserrat in relation to their exchange of information procedures, and to fund requests for information. The resources allocated to fund requests for information are called 'extraordinary costs'. Memoranda of Understanding with the three jurisdictions that define the 'extraordinary costs' have been agreed. 'Extraordinary costs' are defined as:
- fees charged by third parties for carrying out research;
 - fees charged by third parties for copying documents;

9 TIEA NIA, para. 13.

10 TIEA NIA, para. 13.

11 TIEA NIA, para. 8.

12 TIEA NIA, para. 27.

- costs of engaging experts, interpreters or translators;
 - costs of conveying documents to Australia;
 - litigation costs of the Requested State (or Party) in relation to a specific request for information; and
 - costs of obtaining depositions or testimony.¹³
- 3.18 In each case, the cost must be considered 'reasonable'. The precise meaning of 'reasonable' in this context is not defined.¹⁴ The Committee expects that the ATO will ensure that costs are kept to a minimum.

How the information is obtained

- 3.19 Parties to a TIEA must provide on request information relevant to the administration of the other party's tax laws.¹⁵
- 3.20 Where the requested information is not in possession of the party, it must use its information gathering powers to obtain the requested information. The information gathering powers must include the authority to obtain information held by financial institutions and any person acting in an agency or fiduciary capacity, as well as information concerning ownership of companies, partnerships, trusts, foundations, and other persons.¹⁶
- 3.21 The information must be provided as witnessed and authenticated copies of original records. Witnessed and authenticated copies will enable the requesting party to satisfy evidentiary requirements in domestic tax proceedings.¹⁷
- 3.22 In certain circumstances, the requesting party may be permitted to interview individuals and examine records in the jurisdiction of the party holding the information.¹⁸

13 TIEA NIA, para. 30.

14 TIEA NIA, para. 30.

15 TIEA NIA, para. 16.

16 TIEA NIA, para. 16.

17 TIEA NIA, para. 18.

18 TIEA NIA, para. 18.

Privacy safeguards

- 3.23 The proposed agreements incorporate two mechanisms for protecting the private information of individuals or organisations subject to a request for information.
- 3.24 Firstly, a party may refuse a request if the request is not in conformity with the proposed agreement or if the requesting party would be unable to obtain the requested information under its own laws.¹⁹
- 3.25 Secondly, in instances where information is provided by one party to the other, the information provided is to be considered confidential. Confidential information may be disclosed only to persons or authorities concerned with the administration or enforcement of taxation covered by the proposed agreement, although this may include public court proceedings or in judicial decisions.²⁰

Allocation of taxing rights and transfer pricing adjustments agreements

- 3.26 The agreements relating to the allocation of taxing rights with respect to certain income of individuals and to establish a mutual agreement procedure in respect of transfer pricing adjustments are part of suite of benefits Australia offers to low tax countries to encourage agreement on a TIEA.²¹
- 3.27 Of the three low tax countries involved in the TIEAs considered in this Chapter, the Marshall Islands and Mauritius have availed themselves of the opportunity to negotiate such agreements.
- 3.28 The other benefits Australia offers to low tax countries include:
- public recognition – Australia will no longer refer to the jurisdiction as a ‘tax haven’ in any official publication;
 - technical assistance; and

19 TIEA NIA, para. 22.

20 TIEA NIA, para. 23.

21 *National Interest Analysis [2011] ATNIA 17, Agreements for the Allocation of Taxing Rights with Respect to Certain Income of Individuals and to Establish a Mutual Agreement Procedure in Respect of Transfer Pricing Adjustments between Australia and the Marshall Islands ([2010] ATNIF 36) and Mauritius ([2010] ATNIF 53), para. 8.* Hereafter called the Allocation of Taxing Rights NIA.

- listing of the jurisdiction's stock exchange in Australia's regulations, which provides certain benefits.²²
- 3.29 In order to implement the agreements, it will be necessary to make minor amendments to the *International Tax Agreements Act 1953*. The amendments will involve the insertion of each proposed agreement as a Schedule to that Act. Legislation for this purpose is expected to be introduced into Parliament in 2011.²³
- 3.30 The proposed agreements will have a financial impact on the ATO, which will administer the Agreements. However, the small number of taxpayers likely to be affected by the proposed agreements ensures that this impact will be minimal.²⁴

Allocation of taxing rights

- 3.31 The proposed agreements provide for the allocation of taxing rights between Australia and the Marshall Islands and between Australia and Mauritius with respect to the specified income of specified classes of individuals who are residents of Australia, the Marshall Islands, or Mauritius. The Agreements are intended to prevent double taxation, as well as assist to combat offshore tax evasion.²⁵
- 3.32 Under the agreements, Australia will not tax Australian sourced pensions and retirement annuities paid to residents of the Marshall Islands or Mauritius, provided the income is taxed in the Marshall Islands or in Mauritius. Conversely, Australia can tax pensions and retirement annuities paid from the Marshall Islands and Mauritius to Australian residents, where the income is not taxed in the Marshall Islands or Mauritius.²⁶
- 3.33 In addition, Australia will not tax the salaries of government employees of the Marshall Islands or of Mauritius working for non-commercial purposes in Australia. Reciprocal obligations apply in respect of Australian government employees working in the Marshall Islands or in Mauritius.²⁷

22 Mrs Deborah Anne Robinson, TIEA Project Leader, Internationals, Large Business and Internationals, Australian Taxation Office, *Committee Hansard*, 12 September 2011, p. 4.

23 Allocation of Taxing Rights NIA, para. 18.

24 Allocation of Taxing Rights NIA, para. 22.

25 Allocation of Taxing Rights NIA, para. 7.

26 Allocation of Taxing Rights NIA, para. 13.

27 Allocation of Taxing Rights NIA, para. 14.

- 3.34 Finally, Australia will not tax maintenance, education or training payments received by students or business apprentices from both countries who are temporarily studying in Australia, if those payments are from sources outside Australia. Reciprocal obligations apply to payments received by Australian students or business apprentices temporarily studying in both countries.²⁸
- 3.35 Other income will remain liable to Australian tax as required under Australian law. The arrangements only apply to residents of either contracting parties.²⁹ In Australia, the agreements apply only to federal income tax. Other federal, state and territory taxes are not subject to these agreements.³⁰

Transfer pricing

- 3.36 Transfer pricing determinations relate to the taxable profits that an enterprise realises from transactions with related enterprises. This includes transactions between offices of the same organisation located in different countries, or transactions between organisations in different countries that are owned by a single parent organisation.³¹
- 3.37 The OECD indicates that the international consensus is for transfer pricing profits to be comparable to the profits that would have been realised in comparable transactions between independent enterprises.³²
- 3.38 Each agreement contains a mechanism to assist in the resolution of disputes arising from transfer pricing adjustments made to taxpayers' income by Australia and the Marshall Islands or Mauritius.³³
- 3.39 The relevant authority in one party may make a transfer pricing adjustment where it considers that the taxable profits in its own jurisdiction have been underestimated or artificially reduced by a taxpayer charging unreasonable prices on transactions with related entities in the other signatory party.³⁴

28 Allocation of Taxing Rights NIA, para. 15.

29 Allocation of Taxing Rights NIA, para. 10.

30 Allocation of Taxing Rights NIA, para. 11.

31 OECD, *About Transfer Pricing*, <<http://www.oecd.org/ctp/tp>> viewed 18 September 2011.

32 OECD, *About Transfer Pricing*, <<http://www.oecd.org/ctp/tp>> viewed 18 September 2011.

33 Allocation of Taxing Rights NIA, para. 16.

34 Allocation of Taxing Rights NIA, para. 16.

- 3.40 The agreements permit taxpayers affected by one party to present a case to the competent authority of the other party and obliges all parties to endeavour to resolve such disputes.³⁵

Conclusion

- 3.41 As indicated above, Australia has now signed 30 TIEAs with low tax countries. In the last couple of inquiries into TIEAs, the Committee has expressed some interest in whether the agreements were producing measurable results. The Committee is gratified to note that results are starting to be measured.
- 3.42 The ATO advised the Committee that 27 requests for information from countries with which Australia has signed a TIEA have been made.³⁶ In addition, the ATO has observed a significant decline in fund flows from Australia to low tax countries, including a decline of 80 per cent of fund flows to Liechtenstein, 50 per cent to Vanuatu, and 22 per cent to Switzerland.³⁷ It is gratifying to note that the decline in fund flows to Vanuatu preceded the ratification of the relevant TIEA.³⁸ In other words, the prospect of such an agreement coming into effect is enough to significantly reduce fund flows.
- 3.43 The Committee hopes the present set of agreements have a similar effect.

Recommendation 4

The Committee supports the *Agreement between the Government of Australia and the Government of the Republic of the Marshall Islands on the Exchange of Information with Respect to Taxes* and recommends that binding treaty action be taken.

35 Allocation of Taxing Rights NIA, para. 16.

36 Mrs Deborah Anne Robinson, TIEA Project Leader, Internationals, Large Business and Internationals, Australian Taxation Office, *Committee Hansard*, 12 September 2011, p. 3.

37 Australian Taxation Office, *Compliance Program 2011-12*, p. 25.

38 Mr Gregory Wood, Manager, International Tax Treaties Unit, International Tax and Treaties Division, Department of the Treasury, *Committee Hansard*, 12 September 2011, p. 4.

Recommendation 5

The Committee supports the *Agreement between the Government of Australia and the Government of the Republic of Mauritius on the Exchange of Information with Respect to Taxes* and recommends that binding treaty action be taken.

Recommendation 6

The Committee supports the *Agreement between the Government of Australia and the Government of Montserrat (as authorised by the Government of the United Kingdom of Great Britain and Northern Ireland) on the Exchange of Information with Respect to Taxes* and recommends that binding treaty action be taken.

Recommendation 7

The Committee supports the *Agreement between the Government of Australia and the Government of the Republic of the Marshall Islands for the Allocation of Taxing Rights with Respect to Certain Income of Individuals and to Establish a Mutual Agreement Procedure in Respect of Transfer Pricing Adjustments* and recommends that binding treaty action be taken.

Recommendation 8

The Committee supports the *Agreement between the Government of Australia and the Government of the Republic of Mauritius for the Allocation of Taxing Rights with Respect to Certain Income of Individuals and to Establish a Mutual Agreement Procedure in Respect of Transfer Pricing Adjustments* and recommends that binding treaty action be taken.

Agreement between Australia and the Republic of Hungary on Social Security (Gödöllő – 7 June 2011)

Introduction

- 4.1 This treaty action, the *Agreement between Australia and the Republic of Hungary on Social Security* done at Gödöllő on 7 June 2011 (the Agreement) is the latest in a number of similar bilateral social security agreements entered into by Australia to close the gap in social security coverage for people who migrate between Australia and countries that possess similar levels of social security coverage.¹
- 4.2 The agreements are intended to overcome barriers to pension payments, such as citizenship requirements, minimum contribution periods, and current country of residence.²
- 4.3 Recent agreements have centred on Eastern European countries, from which Australia accepted a significant number of refugees in the decades following the Second World War.³ The countries have included:
- The Slovak Republic (examined by the Committee in *Report 117*);
 - Austria (see *Report 115*);
 - The Czech Republic (see *Report 112*);

1 *National Interest Analysis (NIA) [2011] ATNIA 19, Agreement between Australia and the Republic of Hungary on Social Security [2011] ATNIF 12, para. 3.*

2 NIA, para. 3.

3 Mr Peter Hutchinson, Section Manager, Agreements, International Branch, Department of Families, Housing, community Services and Indigenous Affairs, *Committee Hansard*, 12 September 2011, p. 6.

- the Former Yugoslav Republic of Macedonia (see *Report 112*); and
 - Poland (see *Report 108* and *Report 110*).
- 4.4 The Agreement under consideration here provides for access to Australian and Hungarian retirement benefits, and greater portability of these benefits between the two countries. People moving between Hungary and Australia will have their entitlement to benefits recognised in both countries.⁴
- 4.5 According to the National Interest Analysis (NIA), the Agreement will have the additional benefit of ensuring employers and employees who travel between the two countries do not have double liability in respect of the same work of an employee. The NIA argues that the Agreement will bring economic and social benefits to Australia and facilitate business links between the two countries by reducing costs.⁵
- 4.6 The Agreement will apply to the Australian aged pension and the Hungarian age, disability and survivor's benefit.⁶
- 4.7 Because of the migration flows between Hungary and Australia, the Agreement will provide substantial benefits in net pension flows to Australia. The Department of Families, Housing, Community Services and Indigenous Affairs estimates that approximately 5,000 people living in Australia will be able claim a Hungarian pension to which they had no previous entitlement. This will increase ongoing Hungarian pension flows into Australia by around \$5 million per year.⁷
- 4.8 Conversely, around 40 people in Hungary will be able claim an Australian pension, increasing ongoing Australian pension flows into Hungary by approximately \$320,000 per year.⁸

Operation of the Agreement

- 4.9 Once in place, the Agreement will require that Australia:
-

4 NIA, para. 4.

5 NIA, para. 5.

6 NIA, para. 4.

7 Mr Peter Hutchinson, Section Manager, Agreements, International Branch, Department of Families, Housing, community Services and Indigenous Affairs, *Committee Hansard*, 12 September 2011, p. 6.

8 Mr Peter Hutchinson, Section Manager, Agreements, International Branch, Department of Families, Housing, community Services and Indigenous Affairs, *Committee Hansard*, 12 September 2011, p. 6.

- regard residents of Hungary who have been Australian residents at some time, and Australian residents who are temporarily in Hungary, as Australian residents for the purpose of claiming the Australian age pension;⁹
- regard periods of contributions or their equivalent in Hungary as periods of residence in Australia for the purpose of meeting the 10 year residence qualifying period for Australian age pension;¹⁰ and
- calculate the rate of Australian age pension as required under the Agreement.¹¹

4.10 Hungary will be required to:

- regard residents of Australia who have been residents of Hungary at some time, and Hungarian residents who are temporarily in Australia, as Hungarian residents for the purpose of claiming the Hungarian age, disability and survivor's benefit;¹²
- regard periods of contributions or their equivalent in Australia as periods of residence in Hungary for the purpose of meeting the 15 year residence qualifying period for the Hungarian age, disability and survivor's benefit;¹³ and
- calculate the rate of the Hungarian age, disability and survivor's benefit according to their creditable period and pensionable earnings.¹⁴

4.11 The Agreement contains a number of administrative provisions designed to ensure its' smooth operation, including:

- each country regarding the date of claim lodgement in one country as the date of lodgement in the other country and, where relevant, to regard a claim for pension from one country as a claim for the equivalent payment from the other country;
- guaranteeing payment of benefits in the event that currency controls are imposed by either country;

9 *Agreement between Australia and the Republic of Hungary on Social Security*, Article 12.

10 *Agreement between Australia and the Republic of Hungary on Social Security*, Article 13.

11 *Agreement between Australia and the Republic of Hungary on Social Security*, Article 14.

12 *Agreement between Australia and the Republic of Hungary on Social Security*, Article 15.

13 Mr Peter Hutchinson, Section Manager, Agreements, International Branch, Department of Families, Housing, community Services and Indigenous Affairs, *Committee Hansard*, 12 September 2011, p. 8.

14 *Agreement between Australia and the Republic of Hungary on Social Security*, Article 19.

- guaranteeing the payment of benefits without deductions for government fees or charges;
 - permitting each country to conclude an administrative arrangement to designate liaison bodies to implement and administer the Agreement;
 - allowing for the exchange of information and for generally assisting each other in implementing the Agreement;
 - providing confidentiality for exchanged information; and
 - resolving disputes and reviewing the Agreement upon request by either country.¹⁵
- 4.12 Each country applies its own standards, such as requirements for documentary proof of entitlement, in relation to the process for applying for a benefit. The Department of Families, Housing, Community Services and Indigenous Affairs indicated that these requirements can occasionally cause problems for people who came to Australia as refugees from Eastern Europe with little or no documentary evidence of their place and time of birth and their previous country of residence.¹⁶
- 4.13 The Department advised that in these instances Centrelink provides as much assistance as possible, and can negotiate with the corresponding agency in the other country to overcome such difficulties.¹⁷

Implementing the Agreement

- 4.14 The *Social Security (International Agreements) Act 1999* gives effect in domestic law to relevant provisions of social security agreements that are scheduled to the Act. A new Schedule containing the full text of the Agreement will be added pursuant to sections 8 and 25 of the Act.¹⁸
- 4.15 Provisions of social security agreements relating to double superannuation coverage are automatically given effect in domestic law once agreements are scheduled to the *Social Security (International Agreements) Act 1999*.

15 NIA, para. 15.

16 Mr Peter Hutchinson, Section Manager, Agreements, International Branch, Department of Families, Housing, community Services and Indigenous Affairs, *Committee Hansard*, 12 September 2011, p. 7.

17 Mr Peter Hutchinson, Section Manager, Agreements, International Branch, Department of Families, Housing, community Services and Indigenous Affairs, *Committee Hansard*, 12 September 2011, p. 8.

18 NIA, para. 17.

This happens pursuant to paragraph 27(1)(e) of the *Superannuation Guarantee (Administration) Act 1992* and regulation 7AC of the *Superannuation Guarantee (Administration) Regulations 1993*, which together provide that payment of salary or wages to an employee who has been sent temporarily to work in Australia will not give rise to a superannuation guarantee obligation for the overseas employer, provided that a scheduled social security agreement is in place.¹⁹

Cost

- 4.16 The Agreement was funded in the 2011-12 Budget at a cost of \$3.8 million over the forward estimates period. It is expected to reduce ongoing pension outlays by around \$1.3 million in the first full year. Departmental costs incurred by the Department of Families, Housing, Community Services and Indigenous Affairs, Centrelink and the Australian Taxation Office, total \$5.1 million over the forward estimates period, and are primarily one-off set up costs.²⁰
- 4.17 The Department estimates that incoming pension payments should cover the set up costs within a period of ten years, after which Australia will be a net beneficiary of the Agreement.²¹

Conclusion

- 4.18 This Agreement will bring a significant benefit to a large number of Australian Hungarians. Like previous agreements of this sort, it is one of the few treaties to bring a direct benefit to a group of Australians. The Committee is happy to support this Agreement.

19 NIA, paras. 17-18.

20 NIA, para. 19.

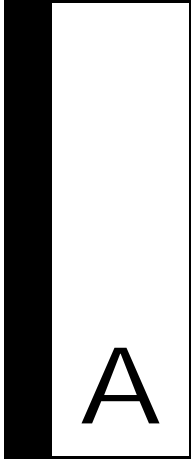
21 Mr Peter Hutchinson, Section Manager, Agreements, International Branch, Department of Families, Housing, community Services and Indigenous Affairs, *Committee Hansard*, 12 September 2011, p. 8.

Recommendation 9

The Committee supports the *Agreement between Australia and the Republic of Hungary on Social Security* and recommends that binding treaty action be taken.

Senator Simon Birmingham

Acting Chair



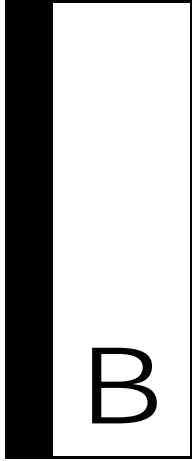
Appendix A — Submissions

Treaties tabled on 5 July 2011

- 1.1 Australian Patriot Movement

Treaties tabled on 16 August 2011

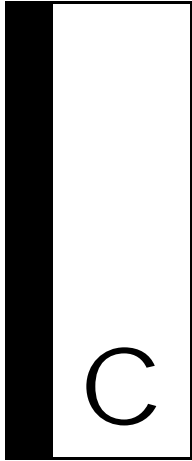
- 1 Australian Patriot Movement
- 1.2 Australian Patriot Movement
- 2 Australian Taxation Office



Appendix B — Exhibit

Treaties tabled on 16 August 2011

- 1 Australian Taxation Office
Compliance program 2011-12



Appendix C — Witnesses

Monday, 22 August 2011 - Canberra

Department of Sustainability, Environment, Water, Population and Communities

Mr Jonathon Barrington, Senior Policy Officer, Australian Antarctic Division, Strategies Branch, Territories, Environment & Treaties Section

Dr Phillip Tracey, Senior Policy Officer, Australian Antarctic Division, Strategies Branch, Territories, Environment & Treaties Section

Monday, 12 September 2011 - Canberra

Australian Taxation Office

Ms Deborah Robinson, TIEA Project Leader, Transparency Practice, Large Business & International

Department of Families, Housing, Community Services and Indigenous Affairs

Mr Peter Hutchinson, Agreements Section Manager, International Branch

Department of Foreign Affairs and Trade

Mr David Mason, Executive Director, Treaties Secretariat, International Legal Branch

Department of Treasury

Ms Heather Sturgiss, Analyst, Contributions and Accumulation Unit; Personal & Retirement Income Division

Mr Gregory Wood, Manager, International Tax Treaties Unit, International Tax & Treaties Division

