

17 April 2009

Mr Jerome Brown
Acting Secretary
Joint Standing Committee on Treaties
Department of House of Representatives
PO Box 6021
Parliament House
CANBERRA ACT 2600

Business
Council of
Australia



Dear Mr Brown

ASEAN–AUSTRALIA–NEW ZEALAND FREE TRADE AGREEMENT

I am writing on behalf of the Business Council of Australia (BCA) to convey our support for Australia being a party to the *ASEAN–Australia–New Zealand free trade area* agreement (the agreement) that was signed by Australia's Minister for Trade, the Hon. Simon Crean MP, on 27 February 2009.

If the agreement is ratified and comes into force, it will provide some significant new commercial opportunities for businesses, and generate additional economic benefits for the people of the nations involved.

The BCA welcomes the commitments in the agreement to reduce barriers to trade in goods and services and to improve the rules relating to investment and government procurement. We envisage that the investment provisions, including the investor-state arrangements, will encourage the flow of investment between the nations that are parties to the agreement.

The agreement also contains important new arrangements concerning the movement of people for commercial purposes. These include the commitments to extend temporary business entry travel rights for people engaged in the supply and sale of goods and services, or involved in investment activity.

Beyond the potential commercial and economic benefits, the BCA regards the agreement as being strategically important for Australia and New Zealand given that it is in our interests to build cooperative and effective relationships with South East Asia. The priority given to economic cooperation, including the implementation arrangements for the agreement, will contribute to strengthening these relationships.


Furthermore, the agreement has been finalised at a time when all nations are encountering enormous challenges resulting from the global economic downturn. Governments, in cooperation with business and industry, need to continue the work of opening up economies to trade and investment. This agreement can make an important contribution to restoring confidence and achieving a sustainable economic recovery.

The BCA recognises that in some areas the commitments to lower trade and investment barriers are limited. This is especially the case with respect to a number of industries in the services sector. However, the agreement provides an important basis on which to continue to work cooperatively with the nations of South East Asia to make doing business across borders less restrictive and less costly over time.

Overall, we regard the agreement as one that would, if ratified, make a valuable contribution to strengthening our commercial and wider relationships in a region that is vital to Australia's interests.

If you require any further information, please contact Patrick Coleman, Director Policy, Business Council of Australia on: 03 8664 2609.

Yours sincerely

A handwritten signature in black ink, appearing to read 'J.W.H. Denton', with a stylized flourish at the end.

John W.H. Denton
Chair
BCA Task Force on Global Engagement