



Committee Secretary  
Joint Standing Committee on Treaties  
PO Box 6021  
Parliament House  
Canberra ACT 2600  
Submitted via My Parliament web portal

Friday 28 April 2017

Dear Committee

**Inquiry: The Singapore Free Trade Agreement - Amendment.**

This submission to the inquiry by the Joint Standing Committee on Treaties into the following treaty: *Agreement to Amend the Singapore-Australia Free Trade Agreement*, is being made by the Australian Chamber of Commerce, Singapore (“AustCham Singapore”).

**About AustCham Singapore**

Established in 1983, AustCham Singapore has more than 700 members. Our members cover the broad cross section of the Australian business community in Singapore:

- Australian companies in Singapore;
- Australians working for Australian and non-Australian companies in Singapore; and
- Singaporeans and other nationalities who have a connection to Australian business (whether in Australia or the region).

The one common theme is a connection to Australian business. Our mission statement reads as follows:

*“We are the Australian business community in Singapore. We are committed to assisting our members achieve business success through:*

- *Connecting members to business, government, each other and our culture by hosting, facilitating and providing events and services for members;*
- *Keeping members informed and up to date with the latest issues and opportunities in Singapore and the region; and*
- *Offering members access to regional Australian chambers, the Australian High Commission, Australian and Singapore government agencies and business.*

*We are your Australian business connection in Singapore.”*

This reflects our premier position in leading the Australian business community in Singapore.

**Submission**

AustCham Singapore welcomes further developments to the Singapore Australia Free Trade Agreement (SAFTA) and we believe these updates to be in the Australian national interest, in that they strongly support Australian businesses operating in Singapore. We recognise Australian products have been able to enter Singapore tariff-free since 2003 when the SAFTA first entered into force, but the update currently before the Parliament enhances the value of the Agreement to



Australian business through the inclusion of improvements in areas of interest and significant benefit to our members and the broader Australian business community. These include:

**Mobility:**

Under the proposal, Australians would enjoy longer lengths of stay for independent executives, contractual service suppliers and their families (up from three months to two years). Longer lengths of stay for intra-corporate transferees and their families (up from two years to three years).

Labour mobility is a significant issue for many Australian businesses and the ability to move staff from offices in Australia to Singapore more freely would be of great benefit. Singapore is an excellent country in which to do business and there are many opportunities for Australian businesses to expand into this region. Australian businesses have many of the skills Singapore needs in sectors identified by the Singapore Government as areas of growth and investment. These include areas like medtech, fintech and innovation. Singapore also offers a gateway to the broader ASEAN region, which if viewed as a country, would be the seventh largest economy in the world.

Currently each new (non-Singaporean) employee needs to go through the standard application process for an Employment Pass from the Singapore Government and this is both time-consuming and not always successful. We have been made aware of cases of businesses having applications declined or staff appointments delayed due to the lengthy process involved, this increases uncertainty for business and can have a significant financial impact. The changes proposed under the update to SAFTA would mean Australian businesses could act with greater certainty, they would be able to bring the staff and expertise they need from Australia to Singapore easily, offering them a greater chance of success. By avoiding the current lengthy process, Australian businesses would have a competitive advantage.

**Access:**

Under the proposal Australian businesses would have access to a dedicated help desk and streamlined processes to facilitate temporary entry and work permits for Australian business people. This would mean any potential issues with matters of employment would be able to be seen to quickly and efficiently rather than through the current appeals process. This help desk is the first of its kind and would allow Australian businesses to cut through the red tape currently associated with the employment visa process.

**Professional Services:**

The proposed updates to SAFTA provide greater certainty for Australians in the professional services sector. Whilst SAFTA does not go far enough to allow for reciprocal recognition of Lawyers in the domestic market, the concessions provided by Singapore to Australian law firms in establishing joint law ventures and formal law alliances are welcomed and importantly provide a strong point of reference for future liberalisation discussions. Individuals from the professional services industry make up 22% of our membership, making it one of the largest industry groups across our community. These updates would allow this industry greater certainty.



Under the proposal, Australia and Singapore would also work to establish a framework to support mutual recognition of professional qualifications. Priority would be given to arrangements for engineers and accountants, with Singapore and Australia agreeing to commence negotiations on Mutual Recognition Arrangements (MRAs). This will open the doors to many highly skilled Australian workers in these industries and allow them the experience of working on international project for Australian companies.

**Summary:**

AustCham Singapore strongly supports the updates to the Singapore-Australia Free Trade Agreement as we believe they will significantly benefit the Australian business community from small businesses and entrepreneurs, to larger Australian corporations. With these updates, the opportunities for Australian businesses to successfully expand are greatly increased and the impact of this success on domestic operations of these businesses can only be positive. There is substantial potential for growth across the ASEAN region and Singapore's position means it is a logical hub for business to access these markets. The increased cooperation between Singapore and Australia builds on an already strong relationship and we believe these updates will allow Australian businesses to take advantage of the opportunities on offer in Singapore and the region more broadly.

AustCham Singapore would like to congratulate the Australian and Singapore Governments on their cooperation and commitment to supporting Australian business in Singapore.

Thank you for the opportunity to make this submission to the Joint Standing Committee on Treaties. Should the Committee wish to seek further comment on the matters raised please contact:

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Yours faithfully

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