



15 August 2014

Committee Secretary
Joint Standing Committee on Treaties
PO Box 6021
Parliament House
Canberra ACT 2600
Email: jsct@aph.gov.au

Dear Committee Secretary,

Committee Inquiry into the Japan-Australia Economic Partnership Agreement

Thank you for the opportunity to provide feedback on the Japan-Australia Economic Partnership Agreement (JAEPA). This submission, highlighting the expected benefits of the agreement, will hopefully assist in providing further support for the JAEPA.

The Australian and New Zealand Chamber of Commerce in Japan (ANZCCJ) is an independent, non-profit organisation that has been dedicated to the development of commerce between Australia, New Zealand and Japan since 1972. With 600 members in Japan, our mission is to play a constructive and meaningful role in developing Australia/New Zealand-Japan business by providing members with an effective source of information, representation and commercial connections.

General Comments

We strongly urge the government to bring about early passing of the JAEPA legislation. The process of securing the agreement was indeed a long one but one that sought to bring our two countries closer. It is important we seek to realise the benefits of the agreement, both direct and indirect, as soon as possible so as to allow for improved and enhanced commercial ties.

Our Chamber's membership will benefit from an early conclusion to the agreement, in both Australia and Japan, and in a number of different sectors. Predominantly, these sectors include members whose business is in the food and agriculture, services, mining and tourism.

The ANZCCJ has a number of committees who work hard to ensure improved business conditions for the membership. Some of these committees include the Food, Agriculture and Hospitality Committee, Services Committee and Independent Business Committee.

Members of these committees, including wine exporters, dairy companies, beef producers and exporters, hotel operators, lawyers, financial service providers and other SMEs have worked tirelessly to realise greater benefits for their sectors under the FTA/JAEPA.

Not only is an early passing of the JAEPA important for exporters and for those who conduct business in Japan but it also sends a clear message to Japanese investors that Australia is an attractive investment destination. It will promote further growth and diversification in the flow of Japanese investment into Australia by raising the screening threshold for investment in agricultural land and agribusinesses at lower levels. JAEPA also provides enhanced protections and certainty for bilateral investments. For these reasons we welcome the agreement and the investment and business activity it is likely to result in.



Our members include Australian companies, SMEs and individuals working and living in Japan. In 2012, our Japanese corporate membership increased by over 100%. For this reason, our Chamber is truly bilateral and as such, while we obviously work to improve business conditions and access for our Australian members, we do this by engaging closely and in a committed fashion with our Japanese members and the broader Japanese business community. Our Secretariat, like me, has noticed an increase in enquiry from Japanese companies looking to learn more about Australia as a potential source of product and investment. The level of enquiry has increased since the conclusion of the talks and the subsequent visit by the Japanese PM to Australia.

As one of our Platinum Sponsors, Rio Tinto has stated in material it provided the Chamber for inclusion in this submission: "In other areas where there is no direct effect on our business, in that the EPA will contribute to the health of our Japanese customers, suppliers and other business partners through increased bilateral trade, it is good for us as well."

Our Chamber was established over 40 years ago and as such, our members have experienced first-hand the remarkable change that has taken place in both Japan's economy and the bilateral relationship. While much of this change took place over the years, it is important to remember the great strides the Japanese government took to collaborate with Australia and reach this important milestone. It is not that long ago when such a result seemed to be unlikely to achieve. As our Chamber remarked at the time of the visit to Australia by PM Abe and at the time of the conclusion of the agreement, "Prime Minister Abe's visit to Australia and New Zealand was an important milestone for the bilateral relations between Japan and Australia. It will enhance an already strong trading relationship, promote closer regional security and create further opportunities for the business community in the three countries."

Conclusion

The ANZCCJ warmly congratulates the conclusion of the JAEPA in Australia and Japan and strongly encourages the early passing of the agreement. The role played by the JAEPA will be critical for the ongoing bilateral trade between Australia and Japan.

Please do not hesitate to contact me if you would like to discuss any aspect of our views.

Yours sincerely,

Melanie Brock
Chair
The Australian and New Zealand Chamber of Commerce in Japan