

Jim McMillan

Barrister

1/3 Whitfield Street

Darwin NT 0800

23 August 2019

Mr Dave Sharma MP

Chair

Joint Standing Committee on Treaties

PO Box 6021

Parliament House

Canberra ACT 2600

Dear Mr Sharma,

Re: Indonesia-Australia Comprehensive Economic Partnership Agreement

I write to you in a personal capacity and as someone who has a long-term interest in the Australian Indonesian relationship. I ask that your committee considers this brief submission in its consideration of the Indonesia-Australia Comprehensive Partnership Agreement ("IA-CEPA").

My interest in Indonesia stems from my experience living in Jakarta for 4 years from 2008 to 2012, as a seconded tax partner with PwC, a Big 4 accounting firm. My work was focussed on inbound investment, and advising clients on tax structuring and compliance obligations, as well as transactional due diligence. In addition, since returning to Australia, I have maintained an active interest in Indonesia, through my involvement with the Australia Indonesia Association of SA and the Australian Indonesian Business Council, and through PhD research about tax compliance effectiveness in Indonesia. I have been a regular visitor to Indonesia since I ceased living in Jakarta.

It has become evident to me that maintaining a strong relationship with Indonesia must be a high priority for Australia. We share common concerns about regional security matters. We are in close proximity to each other. As a result of the ongoing growth in Indonesia's economy, its GDP is now comparable with ours, and Indonesia is on track to become once of the world's 5 largest economies over coming decades. The future opportunities available to Australian businesses as a result of this projected growth are substantial. The ratification of IA-CEPA is therefore a critical step in opening up market opportunities for Australian businesses in Indonesia. It is anticipated that IA-CEPA will lead to the removal and reduction not only of tariff barriers, but also, critically, other trading restrictions, such as through a simplified import clearance process. These changes are real and substantial, and provide Australian businesses with advantages in opening up new markets in Indonesia.

I urge your committee to endorse Australian ratification of IA-CEPA.

JF McMillan