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**Australian Government****Department of Foreign Affairs and Trade****Submission 6**
TT in February 2006

22 April 2006

Dr Andrew Southcott MP
Chair
Joint Standing Committee on Treaties
Parliament House
CANBERRA ACT 2600

Dear Dr Southcott

I refer to the public hearing by the Joint Standing Committee on Treaties (JSCOT) into the Exchange of Notes Constituting a Treaty between the Government of Australia and the Government of the Republic of Singapore to amend the Singapore-Australia Free Trade Agreement (SAFTA) which was tabled on 28 February 2006.

You may recall that at that hearing two questions from members of the JSCOT were taken on notice by the Department of Foreign Affairs and Trade. I would like to provide you with answers to those questions.

With respect to your question concerning the numerical quota in Singapore for wholesale bank licenses before 2007, Singapore listed a reservation in Annex 4-I-(B)-26 to SAFTA stating a maximum of 20 new wholesale bank licenses would be granted by the Monetary Authority of Singapore (MAS) between 30 June 2001 and 30 June 2003.

For the period 1 July 2003 until 28 July 2007 (four years after SAFTA's entry into force) MAS advised that it was prepared to issue a limited number of wholesale bank licenses but that no formal quota had been set for that period.

The removal of any numerical quota for Australian banks from 1 January 2007 will ensure there are no limitations on the number of Australian banks which can be granted wholesale banking licenses in Singapore from that date. Of course, any Australian bank applying for a wholesale banking licence will still have to meet Singapore's admission criteria for such a licence.

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In relation to the question from JSCOT Deputy Chairman, Mr Kim Wilkie MP, concerning the number of Singaporean companies which have begun exporting to Australia since SAFTA's entry into force, the relevant Singaporean government agency (International Enterprise Singapore) has advised that the number of Singaporean companies exporting to Australia since SAFTA's entry into force in July 2003 has increased by 301 companies.

Yours sincerely



Miles Armitage
Assistant Secretary
Maritime South-East Asia Branch

cc: JSCOT Secretariat