



27 August 2018

The Hon Scott Morrison MP
Prime Minister
Parliament House
CANBERRA ACT 2600
AUSTRALIA

Dear Prime Minister,

On behalf of the Australian Chamber of Commerce in Hong Kong, Australia's largest international chamber, may I extend our congratulations on becoming the 30th Prime Minister of Australia.

We remain extremely grateful to you for making time during a critical legislative program in Parliament House back in June to meet with myself and our Deputy Chair Darren Bowdern. It was a very productive meeting and we were very pleased to have the opportunity to meet with you and your advisers on matters of importance to our members.

We look forward to an ongoing productive dialogue with the Morrison Government. We certainly look forward to the opportunity to meet with you in your new position as Prime Minister.

Importantly, we welcome your comments regarding the need for stability which is so central to attracting much-needed investment into the nation and to promoting business confidence and safeguarding Australian's international reputation.

May we take this opportunity to reiterate our support for a Double Tax Agreement between Australia and Hong Kong which we believe will significantly contribute to such business certainty and encourage much-needed investment into Australia. Indeed, such an initiative would send an important signal at this time.

Might we respectfully ask that in your position as Prime Minister, you give broader consideration to the impact of The Treasury Laws Amendment (Reducing Pressure on Housing Affordability Measures No. 2 Bill 2018) on non-resident Australians. The chamber wholeheartedly supports efforts to address housing affordability in Australia (and we note with interest some of the measures you put in place as Treasurer have had a positive impact on addressing affordability), however the punitive impact on non-resident Australians is substantial.

As we have discussed, the retrospective nature of the amendment is acting as a powerful disincentive to Australians who might otherwise consider gaining invaluable international experience. It is these returning Australians who bring with them a wealth of invaluable experience which contributes to economic competitiveness and in turn leads to jobs and growth. This amendment is causing a great deal of concern amongst our membership base – both individuals who are forging careers internationally and for large Australian corporates seeking to transfer staff offshore – as well as concern by the hundreds of thousands of Australians elsewhere around the world.

While we certainly appreciate that the bill has been passed by both Houses, it has not yet been gazetted and our members continue to agitate about this important issue. We would ask, Prime Minister, that you give consideration to modifying the CGT rules as they relate to non-resident Australians and the main residence exemption, particularly addressing the retrospective nature of what is currently proposed.

We welcome your cabinet appointments of the Minister for Foreign Affairs The Hon Marise Payne and of the Minister for Trade, Tourism and Investment The Hon Simon Birmingham. We look forward to engaging with both ministers on matters relating to Australia's engagement with Asia, and in relation to business and commercial opportunities within the region.

May we also take this opportunity to acknowledge the significant contribution of the former Minister of Foreign Affairs The Hon Julie Bishop and of the previous Minister for Trade, Tourism and Investment, The Hon Steve Ciobo.

We also want to acknowledge the extraordinary support and partnership we receive from the Australian Consul General Michaela Browning and from Senior Trade Commissioner Sam Guthrie and their respective teams here in Hong Kong who are an outstanding asset to the Australian business and wider community in Hong Kong and beyond.



Mr Prime Minister, I hope we can continue to provide a valuable perspective on behalf of international Australians who play a critical role in the nation's position in a global marketplace. We would be very happy to engage with you and your Government if you feel we can offer insight and an informed response in the context of your policy deliberations on matters relating to engagement with Hong Kong, China and indeed with Asia more generally.

Once again, our warmest congratulations.

Yours Sincerely,

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