



## **PRESS RELEASE**

19 April 2006

### **MEMBERS SURVEY SHOWS CONFIDENCE IN TRADE**

The AIBC conducted a survey of members on 7 April, seeking feedback on perceptions of the effects of the current political situation between Indonesia and Australia, on trade and investment. 12% of members responded. A summary of the results of the survey follows:

#### **1. What is the nature of your business?**

Import	6%
Export	24%
Investment	0%
Services	61%
Other	24%

#### **2. What effect will the recent deterioration in the political relationship between Indonesia and Australia have on YOUR industry?**

No impact - Business as usual	55%
Minimal Impact (<10% impact) - Reduced travel, loss of minor customers/ suppliers/ investment	33%
Significant Impact (10 - 50% impact) - Loss of major customers/ suppliers/ investment	6%
Crippling Impact - Unable to continue business/ trade/ investment	3%

#### **3. What effect will the recent deterioration in the political relationship between Indonesia and Australia have on YOUR business?**

No impact - Business as usual	52%
Minimal Impact (<10% impact) - Reduced travel, loss of minor customers/ suppliers/ investment	33%
Significant Impact (10 - 50% impact) - Loss of major customers/ suppliers/ investment	6%
Crippling Impact - Unable to continue business/ trade/ investment	3%

#### **4. What effect will the recent deterioration in the political relationship between Indonesia and Australia have on bilateral trade/ business/ investment?**

No impact - Business as usual	22%
Minimal Impact (<10% impact) - Reduced travel, loss of minor customers/ suppliers/ investment	63%
Significant Impact (10 - 50% impact) - Loss of major customers/ suppliers/ investment	9%
Crippling Impact - Unable to continue business/ trade/ investment	0%

#### **5. Do you think the current problems will have any lasting effect on bilateral trade?**

Yes	36%
No	64%

These results show a convincing majority of members do not believe that the current situation is presently having any significant adverse effect on trade, despite some media headlines to the contrary.

The AIBC finds the present political situation regrettable. We hope that wise heads prevail and, for the sake of preserving the nearly \$9B annual two-way total trade between Indonesia and Australia, that the situation can be quickly resolved.

We are maintaining an active dialogue with Department of Foreign Affairs and Trade, with the Indonesian Consuls-General and with the Indonesian Embassy in Canberra. We have lobbied the Embassy to encourage an early return of the Ambassador to Australia, as we believe his presence here will help to discuss and ease the situation.

The AIBC is proceeding with a planned trade delegation to Indonesia in June this year. We continue to receive active support from the Indonesian Consuls-General in Australia for this planned visit. We are also proceeding with planning for a major international conference in Adelaide in November.

If the situation deteriorates or is prolonged, we will conduct a further survey of members.

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