

Survey highlights optimism among Australian-Thai businesses

- *AustCham members plan to increase investment in Thailand*
- *Political instability, visas remain key growth challenges*

Bangkok, 21 January 2016 – A business survey by the Australian-Thai Chamber of Commerce (AustCham) showed that more than two-thirds of its members are planning to increase their investment in the region, with Thailand ranked highest for growth opportunities ahead of India, Australia, Vietnam and Indonesia.

According to AustCham's Business Survey – the first of its kind by the Chamber – some 67% of 98 member organisations expected to lift their investment in Thailand over the next two years, with 74% anticipating an increase over five years. Thailand was also rated as having the greatest prospects for growth (61%) in the region, ahead of India (55%) and Australia (48%).

AustCham's Business Survey gauged about a third of its 299 members' views on the key issues and characteristics of doing business in Thailand. Relations between the two countries are increasing: Bilateral trade more than doubled over the past decade from \$9.6 billion in 2005 to \$19.1 billion in 2014*. Major Australian exports to Thailand include crude petroleum, oil and wheat, while Thailand exports to Australia include vehicles and steel & rubber products.

The Business Survey underscored the success of the bilateral relationship, with 42% of respondents reporting increased profitability for their company in 2015 compared with a year earlier.

Mr Brenton Mauriello, President of AustCham Thailand, said: "Generally, AustCham members are cautiously optimistic about the short to medium term business outlook in Thailand, with many reporting improved financial results last year amid a period of political instability.

"Considering the survey was conducted during the Bangkok bombing period, it bodes very well that two-thirds of our members are planning to increase their investment – and underscores the strength of the long-term partnerships that have developed between the Australian and Thai business communities since diplomatic ties began some 60 years ago."

Still, AustCham members' optimism was tempered by political instability, with 55% of respondents citing it as their main concern. Some 70% also ranked work permit and visa processing restraints as moderately to extremely important, consuming a significant amount of time and limiting the growth of small to medium business enterprises.

"Visas and work permits are a particular issue where the AustCham Board of Directors are advocating for change," Mr Mauriello said. "Making these processes simpler will enable significant efficiency gains, assist both new and established businesses and ultimately facilitate the growth of a productive economy.

Mr Mauriello pointed to Australian companies' strength in education and training, as well as services innovation, as potentially playing larger roles, particularly as local firms target innovation, training and infrastructure as keys to unlocking Thailand's economy.

"Australian expats and businesses remain staunch investors in Thailand and have much to offer as the country undergoes political and economic challenges. Our role at AustCham is to facilitate the growth in bilateral relations by helping to resolve some of the challenges that the survey highlighted," he said.

* ["Beyond Tafta", Australian Embassy, Bangkok](#)

About the AustCham Business Survey

AustCham's inaugural Business Survey 2015 gauged the views of 98 of the Chamber's 299 member companies. The survey was conducted at the end of a membership renewal cycle and during a period of domestic tension with the 2015 Bangkok bombing occurring in the middle of the survey administration. AustCham will conduct its Business survey again in late 2016 to track the changes in the business community, providing vital insight into the foreign business community.

About AustCham

The Australian Chamber of Commerce Thailand (AustCham) is a not-for-profit organization that for 39 years has comprised of individuals and organisations wishing to develop and promote business relationships between Thailand and Australia. At the time of the survey AustCham Thailand had 337 members representing 299 companies covering broad cross section of the Australian business community in Thailand, almost 70% of which have been in Thailand for more than 10 years. The Travel and Hospitality, Manufacturing and Professional Service sectors represent over half of the AustCham membership base.

The AustCham Board is working with the Board of Trade in Thailand, pursuing improvements to visa and work permit processes for foreign business. AustCham is also working closely with the Australian Embassy and various Thai Government agencies including the Board of Investment, Ministry of Commerce and Department of Labour on the issue of trade liberalisation.

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