

THE HON ANDREW ROBB AO MP

MINISTER FOR TRADE AND INVESTMENT

Mr Gao Hucheng Minister of Commerce The People's Republic of China 17 June 2015

Dear Minister Gao,

In connection with the signing of the China-Australia Free Trade Agreement (the "Agreement") and discussions in relation to Chapter 8 (Trade in Services) and Chapter 10 (Movement of Natural Persons), I have the honour to confirm the following understanding shared by the Governments of Australia and China:

The Parties undertake to cooperate to streamline relevant skills assessment processes for temporary skilled labour visas, including through reducing the number of occupations currently subject to mandatory skills assessment for Chinese applicants for an Australian Temporary Work (Skilled) visa (subclass 457). Australia will remove the requirement for mandatory skills assessment for the following ten occupations on the date of entry into force of the Agreement.

Automotive Electrician [321111] Cabinetmaker [394111] Carpenter [331212] Carpenter and Joiner [331211] Diesel Motor Mechanic [321212] Electrician (General) [341111] Electrician (Special Class) [341112] Joiner [331213] Motor Mechanic (General) [321211] Motorcycle Mechanic [321213]

The remaining occupations will be reviewed within two years of the date of entry into force, with the aim of further reducing the number of occupations, or eliminating the requirement within five years.

The Parties undertake to cooperate to encourage the streamlining of relevant licensing procedures and to improve access to relevant skills assessments. As part of this work, Trades Recognition

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Australia (TRA), the China International Contractors Association (CHINCA) and other institutions¹ designated by the Chinese Government will cooperate with a view to expanding access to testing in China for an Australian Offshore Technical Skills Record (OTSR).

The Parties undertake to review progress in the above areas, as well as discuss avenues for further cooperation in the areas of skills recognition and licensing, within two years of the date of entry into force of the Agreement.

I have the honour to propose that this letter and your letter in reply confirming that your Government shares this understanding shall constitute an integral part of the Agreement.

Yours sincerely

Andrew Robb

¹ Other institutions include relevant institutions designated by the Ministry of Human Resources and Social Security of the People's Republic of China.

The Hon Andrew Robb AO, MP Minister for Trade and Investment Parliament House CANBERRA ACT 2600

Dear Minister Robb,

I have the honour to acknowledge receipt of your letter of this date, which reads as follows:

In connection with the signing of the China-Australia Free Trade Agreement (the "Agreement") and discussions in relation to Chapter 8 (Trade in Services) and Chapter 10 (Movement of Natural Persons), I have the honour to confirm the following understanding shared by the Governments of Australia and China:

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The remaining occupations will be reviewed within two years of the date of entry into force, with the aim of further reducing the number of occupations, or eliminating the requirement within five years.

The Parties undertake to cooperate to encourage the streamlining of relevant licensing procedures and to improve access to relevant skills assessments. As part of this work, Trades Recognition Australia (TRA), the China International Contractors Association (CHINCA) and other institutions¹ designated by the Chinese Government will cooperate with a view to expanding access to testing in China for an Australian Offshore Technical Skills Record (OTSR).

The Parties undertake to review progress in the above areas, as well as discuss avenues for further cooperation in the areas of skills recognition and licensing, within two years of the date of entry into force of the Agreement.

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I have the honour to propose that this letter and your letter in reply confirming that your Government shares this understanding shall constitute an integral part of the Agreement.

I have the further honour to confirm that my Government shares this understanding and that your letter and this letter in reply shall constitute an integral part of the Agreement.

Yours sincerely

Mr Gao Hucheng Minister of Commerce The People's Republic of China