

## Media Roundup Issue 40 (30/09/17 – 06/10/17)

### 1. China now owns 10 times the amount of Australian land it did last year

**30/09/2017**

**Eryk Bagshaw**

**Sydney Morning Herald**

The amount of Australian farm land owned by Chinese interests has surged tenfold in the past year, climbing above 14 million hectares or 2.5 per cent of all agricultural land.

The findings from the Australian Tax Office's Agricultural Land Register, released this week, show the UK and China are the largest owners of foreign-held land in Australia, owning 27 per cent and 25 per cent respectively.

Foreigners now own up to a quarter of all agricultural land in the Northern Territory and Tasmania, and 14 per cent of all farms across the country.

In NSW and Victoria, foreign interests own more than 3 million hectares. In Queensland it is six times that, with more than 17 million hectares in the state now owned by other countries through cattle stations, crops and abattoirs.

*Read more:*

<http://www.smh.com.au/federal-politics/political-news/china-now-owns-10-times-the-amount-of-australian-land-it-did-last-year-20170930-gyrxia.html>

### 2. Australian shadow treasurer expresses interest in China's Belt and Road Initiative

**30/09/2017**

**Xinhua News**

Australia's shadow treasurer has told a forum in Sydney on Friday afternoon that he is open to signing up to China's Belt and Road initiative (BRI).

During his speech at the Asia Society event, Chris Bowen said the ambitious global infrastructure scheme "will have profound ramifications for years to come."

"We will come to office if we win the next election with an open mind as to how Australia and China can best collaborate on the Belt and Road Initiative, with a clear-eyed approach to our respective national interests," he said.

Of key interest to the Labour Party minister is potential for infrastructure development in the North of Australia to improve shipping and transit routes.

"We will examine proposals on a case by case basis including considering how the Northern Australia Infrastructure Facility and the Belt and Road Initiative can best complement each other," Bowen said.

*Read more:* [http://news.xinhuanet.com/english/2017-09/30/c\\_136650310.htm](http://news.xinhuanet.com/english/2017-09/30/c_136650310.htm)

### 3. Labor's plan to work with China in north Australia 'bizarre'

**01/10/2017**

**Brad Norington**

**The Australian**

A push by Labor to engage directly with Beijing's "One Belt, One Road" strategy by signing up to joint infrastructure projects in Australia's north has been branded as a "bizarre" move that ignores national security issues and would deepen Australia's dependence on China.

Opposition Treasury spokesman Chris Bowen has committed Labor to deepening Australia's engagement with Asia, and China in particular, by adopting a "whole of government, whole of nation effort".

In a policy speech to the Asia Society in Sydney on Friday, Mr Bowen said Australia should stop paying lip service to China regarding raw materials exports, and instead consider collaborating with Chinese President Xi Jinping's funding of a global network of infrastructure projects in the region. He said Labor's new "FutureAsia" policy would also focus on promoting Asian languages, and criticised a fall-off in Mandarin studies.

*Read more (Paywall):*

<http://www.theaustralian.com.au/national-affairs/foreign-affairs/labors-plan-to-work-with-china-in-north-australia-bizarre/news-story/59b978ceecac4f6107f5bcb659b9da02>

#### 4. Courting Chinese, Australian real estate agents hope new rules don't spoil Golden Week

**01/10/2017**

**Alison Bevege**

**Sydney Morning Herald**

Australia's real estate industry is hoping recent rule changes for foreign buyers haven't dimmed Chinese appetites too much, as they eagerly awaited an influx of big-spending tourists during China's Golden Week holiday beginning on Sunday.

As Golden Week began, real estate agents prepared to roll out the red carpet for cashed-up Chinese visitors, offering them helicopter rides and limousine tours to show off prestige properties in the \$10 million to \$25 million range.

Chinese vacationers, six million of whom travelled overseas during last year's Golden Week, have become increasingly important to Australia.

In the year through June they accounted for almost a quarter of the \$31.8 billion spent by foreign holiday makers in the country, while only accounting for less than one-sixth of the total number of visitors.

*Read more:*

<http://www.smh.com.au/business/property/courting-chinese-australian-realtors-hope-new-rules-dont-spoil-golden-week-20171001-gysa4d.html>

#### 5. Australia can't ignore China's move to a national ETS

**02/10/2017**

**Ben Potter**

**Australian Financial Review**

Deputy Prime Minister Barnaby Joyce, Energy Minister Josh Frydenberg and Treasurer Scott Morrison brandished a lump of coal in Parliament in February as if Australia's Paris climate commitments didn't really exist.

But this stance is going to get harder to maintain as the nation's exporters digest the implications of China's launch of a national greenhouse gas emissions trading scheme and look to Canberra for some leadership.

China's not our first regional trading partner to adopt an ETS; South Korea launched one in 2015 with the goal of cutting coal's share of its electricity mix from 40 per cent to 25 per cent. Neither is it the first measure Beijing has taken to rein in coal use and curb pollution.

*Read more (Paywall):*

<http://www.afr.com/news/australia-cant-ignore-chinas-move-to-a-national-ets-20171002-gysp38>

## 6. Chinese influence and how to use it to Australia's advantage

**03/10/2017**

**Peter Drysdale & John Denton**  
**Australian Financial Review**

Searching for evidence of Chinese influence in Australia? Look no further than the census. Around 1.2 million people declared themselves of Chinese heritage. About 600,000 were born in mainland China. And, while recent coverage of alleged Chinese "influence" in Australian politics might have you think otherwise, the Australian-Chinese community isn't a dagger pointed at the heart of Australian democracy – it's a diverse community with every right to participate in the political process.

There are also more than 150,000 Chinese nationals at our universities. The overwhelming majority come at their families' expense to buy an Australian educational experience.

There's a narrative that would have you think that a shadowy cabal of Chinese-born businesspeople is trying to control national policy with cash and that Chinese students are bent on overthrowing our precious institutions, freedoms and rights. It's an insinuation without foundation. The evidence for it is scant. When offences occur, they should be addressed through Australian legal and political institutions and by our universities – not the slander of whole classes in our community.

*Read more (Paywall):*

<http://www.afr.com/opinion/columnists/chinese-influence-and-how-to-use-it-to-australias-advantage-20171002-gysjtk>

## 7. Australia's universities are failing to protect free speech

**03/10/2017**

**Matthew Lesh  
ABC News Online**

Academic freedom is increasingly under threat on Australian campuses, and widespread speech codes leave universities unprepared to combat the danger.

The latest threat comes from a new source: Chinese students, on four known occasions this year, have pressured academics to modify material to align with Chinese government foreign policy.

At the University of Newcastle, a lecturer who listed Hong Kong and Taiwan as separate territories faced social media condemnation and even Chinese consulate pressure.

This came after an offended student covertly recorded, and uploaded, their censorious demands. "You have to consider all the students' feelings," the student says in the widely shared video. "You have to show your respect".

*Read more:*

<http://www.abc.net.au/news/2017-10-03/australias-universities-are-failing-to-protect-free-speech/9007346>

## 8. Kimberley Agricultural Investment's vision for Ord River plains is hitting roadblocks

**03/10/2017**

**The Australian**

Five years ago, when little-known Chinese property developer Shanghai Zhongfu won the sought-after right to lease and double the area of farmland in the remote Ord irrigation area, it was seen as a bold move by the West Australian government.

The Chinese company's \$700 million winning bid, beating others with cattle, cotton and sandalwood tree aspirations, was to clear 14,000ha of dry scrub country on the broad Ord River plains to turn into rippling fields of irrigated sugar cane, much of it funded by the Australian taxpayer.

Next would follow a futuristic \$400m sugar-based ethanol processing plant at Kununurra, hundreds of jobs and an upgraded and rejuvenated port at nearby Wyndham from where the biofuel would be shipped back to a renewable - energy-hungry China.

It's a dream that has not exactly come to pass.

*Read more (Paywall):*

<http://www.theaustralian.com.au/news/inquirer/kimberley-agricultural-investments-vision-for-ord-river-plains-is-hitting-roadblocks/news-story/aa61a338e22b83a05ea726f7a65c0fb0>

## 9. Chinese investment in farmland soars as politicians urge closer eye on foreign ownership

**03/10/2017**

**Lucy Barbour**

**ABC News Online**

There are renewed calls from some in the National Party for the Federal Government to introduce tougher foreign ownership rules, as new figures show China's stake in Australian farmland has increased significantly.

The Australian Tax Office's second annual update to the Federal Government's register of foreign-owned farmland shows Chinese investment has risen from about 1.5 million hectares to almost 14.5 million hectares.

Nationals senator for New South Wales, John Williams, said the Government should "keep a very close eye" on the levels of foreign ownership for the benefit of "food security in the decades ahead".

Despite the concerns, foreign investment in agricultural land dropped last financial year, from 14.1 per cent to 13.6 per cent.

*Read more:*

<http://www.abc.net.au/news/rural/2017-10-03/china-raises-interest-in-australian-farmland-to-record-level/9012262>

## 10. China's Golden Week has started and that means half the nation's 1.38 billion citizens are going on vacation

**03/10/2017**

**Tara Francis Chan**

**Business Insider Australia**

China's "Super Golden Week" holiday is in full swing, with more than 710 million locals expected to travel in the first week of October.

For many workers, Golden Week and Chinese New Year are the only two times that it's possible to take extended holidays. As a result, domestic travel skyrockets with locals heading home to see family or go travelling. There are frequent reports of crowded trains and congestion with 350 million travelling on the roads — on the weekend a two-hour trip from Guangzhou to Shenzhen, the closest mainland city to Hong Kong, was taking up to 10 hours.

Australia is also set to receive a number of tourists as well as potential investors that real estate agents hope will bring tens, if not hundreds, of millions into the economy. The week is so crucial that many pull out all the stops — including helicopter rides — to lure buyers.

*Read more:*

<https://www.businessinsider.com.au/chinas-golden-week-has-started-and-that-means-half-the-nations-1-38-billion-citizens-are-going-on-vacation-2017-10>

## 11. Australia must get over 'excessive nervousness' about China: Gareth Evans

**04/10/2017**

**Laura Tingle**

**Australian Financial Review**

There is a tendency to be excessively nervous about China in Australia, says former foreign minister Gareth Evans, who has endorsed Labor's proposal to jointly fund infrastructure ventures in Australia's north under Beijing's Belt and Road initiative.

Speaking in Canberra at the launch of his political memoir, *Incorrigible Optimist*, on Wednesday, Mr Evans repeated his criticisms of US President Donald Trump and said Australia now had to approach questions under the US alliance

cautiously, though he did not embrace the idea that Australia should walk away from the alliance altogether.

He also remained of the view that the key factor that would ultimately drive actions by North Korea were regime survival and thus it would ultimately not do anything that would threaten that.

Mr Evans was asked about proposals outlined by shadow treasurer Chris Bowen last week for Australia to coordinate the \$5 billion Northern Australia Infrastructure Fund with the Belt and Road initiative – the push by Chinese President Xi Jinping to fund a global network of major infrastructure projects throughout the region and beyond such as ports, rail networks, bridges and roads.

*Read more (Paywall):*

<http://www.afr.com/news/australia-must-get-over-excessive-nervousness-about-china-gareth-evans-20171004-gyub25>

## 12. China's new Silk Road policy impacts NT

**04/10/2017**

**Daryl Guppy**

**NT News**

China's New Silk Road policy has six major aspects and each has consequences for the NT.

I have been exploring these opportunities in presentations at ASEAN, Xi'an and Beijing conferences in recent weeks.

Originally it was set up as an alternative way to use China foreign reserves.

This element of New Silk Road offers opportunities for Chinese investment into Northern Australia. Investment proposals that are structured under New Silk Road gain faster and easier approvals. The challenge for the NT is to frame investment proposals in ways that are compatible with New Silk Road objectives and then pitch these proposals to Chinese investors.

*Read more (Paywall):*

<http://www.ntnews.com.au/business/chinas-new-silk-road-policy-impacts-nt/news-story/489e8580d89f39bd75e0973ad07f8b24>



### 13. The China–Australia free trade agreement meets the all-controlling state

**04/10/2017**

**Greg Wood**

**The Strategist**

While Australian commentators often point to a tension between our US strategic alliance and our heavy reliance on China as a trading and investment partner, they tend to overlook that, for China, trade, and particularly investment, is driven as much by strategic as commercial considerations. Before the conclusion of the China–Australia free trade agreement (ChAFTA), China’s access for its goods and services in the Australian market was well-nigh unfettered: what mattered to it was having parity with the US when investing in Australia.

Philosophically, Australia and China occupy different solitudes regarding trade and investment. These days, not always, the underpinning attitude for Australia is free enterprise capitalism: commercially motivated, profit-driven, private sector enterprise, pursued within a clear legal framework. Beijing’s version is state capitalism, plus an underpinning of autarky: investment at home and abroad directed to national priorities, improving China’s competitive advantage (often using subsidies). The aim is to enhance China’s economic power and sovereignty. There’s nothing new in this, but Australians (Andrew Robb, for example) clearly delude themselves by assuming that the logical course for China is to become more like us. In fact, China is moving in an opposite direction.

*Read more:*

<https://www.aspistrategist.org.au/the-china-australia-free-trade-agreement-meets-the-all-controlling-state/>

## 14. No to property but yes to One Belt One Road investments: China

**04/10/2017**

**Su-Lin Tan**

**Australian Financial Review**

Chinese investors have paused all investments overseas until this year's Chinese National Party Congress in November is over, a roadshow by Colliers International, the Commonwealth Bank of Australia and PwC has revealed.

The trio, which toured China in September, said investors were reluctant to deploy funds into overseas investments especially after Beijing stamped out outbound investments in trophy property assets, "irrational" acquisitions in entertainment and sport and transactions in sensitive countries which have no diplomatic relations with China.

"Many investors are trying to be good citizens," Colliers International's head of investment services Matthew Meynell said.

"Some market pundits have been publicly claiming the well of capital from China was finally dry."

*Read more (Paywall):*

<http://www.afr.com/real-estate/no-to-property-but-yes-to-one-belt-one-road-investments-china-20171004-gyu028>

## 15. Chinese developers 'walking away' from Australian projects amid lack of finance

**04/10/2017**

**Phillip Lasker**

**ABC News Online**

A landmark Sydney property at Circular Quay, bought by Chinese commercial property giant Dalian Wanda Group, is now flanked by blank hoardings.

At one point they proudly displayed signs of the company's vision for its One Sydney project — a billion-dollar development consisting of two massive towers.

J Capital research managing partner Tim Murray said the party is now over for such China-backed megaprojects.

"Chinese developers that have been overpaying for properties in Australia are now struggling to find the finance to closing those deals and they're actually walking away from large deals and large deposits," he observed.

Chinese authorities, anxious to stem the outflow of money from China and stabilise the yuan, have tightened restrictions on foreign investment by their companies.

*Read more:*

<http://www.abc.net.au/news/2017-10-04/chinese-developers-struggle-to-get-finance-for-australian-jobs/9016150>

## 16. Daigou demand powers China store listing

**05/10/2017**

**Glenda Korporaal**  
**The Australian**

The growing market to supply Chinese tourists and Australia-based personal shoppers, or daigous, sending consumer goods back to China, is behind the first ever listing of a Chinese store chain on the ASX today.

Malaysian-born, Perth-based businessman Keong Chan and Sydney-based Chinese couple Joshua Zhou and Lyn Zheng, who have developed a thriving daigou business with five stores, are the key players in new listed company AuMake International.

"We have very big plans," Mr Chan, who is AuMake's executive chairman, told *The Australian* in an interview yesterday.

He said the plan was to expand the current five stores — which sell Australian-made goods that appeal to Chinese consumers, such as baby formula, vitamins and healthcare products — to nine by the end of the year.

*Read more (Paywall):*

<http://www.theaustralian.com.au/business/companies/daigou-demand-powers-china-store-listing/news-story/d0befbc46f629a584cbcb16fbc721d6d>

## 17. Australia 'dips its toes' in China's Belt Road Initiative

**05/10/2017**

**Primrose Riordan**  
**The Australian**

Australia is “dipping its toes” in Xi Jinping’s signature Belt Road Initiative, with Chinese government documents revealing the two nations plan to set up a working group.

While the New Zealand government has signed an agreement with China over the scheme, so far the Turnbull government has been reticent and declined China’s offer to link the BRI with the Northern Australia Infrastructure Scheme.

“I would characterise Australia’s attitude as being fairly suspicious and pessimistic about the implications with Belt and Road,” Australian National University strategic and defence studies lecturer Amy King said.

“And that goes hand in hand with our concerns in the Australian government about a more Chinese-centred world.”

*Read more (Paywall):*

<http://www.theaustralian.com.au/national-affairs/foreign-affairs/australia-dips-its-toes-in-chinas-belt-road-initiative/news-story/8cac5f7d521c825f4154dfbb8ac5a2c2>

## 18. Trade surplus heads back to \$1b as iron ore shipments to China surge

**05/10/2017**

**Stephen Letts**  
**ABC News Online**

A renewed appetite for iron ore by Chinese steelmakers has driven Australia’s trade surplus back out to \$1 billion.

In seasonally adjusted terms, the surplus in August came in at \$989 million – up 22 per cent from the \$808 million reported in July.

Overall, exports grew by 1 per cent to \$32.2 billion, while imports were flat at \$31.2 billion.



However, it was a surge in shipments and a recovery in price of iron ore, particularly for the top quality fines, that drove the improved performance.

The value of iron ore fines exports grew by 19 per cent on the back of a 7 per cent increase in volume and prices going up by 11 per cent over the month.

Shipments to China alone rose by 25 per cent, or more than \$700 million.

*Read more:* <http://www.abc.net.au/news/2017-10-05/trade-balance-august/9018006>