

## Media Roundup Issue 111 (02/03/19 – 08/03/19)

### 1. 'A knowledge race': Australian universities set to suffer drop in students from China

**01/03/19**

**Jordan Baker**

**Sydney Morning Herald**

The number of Chinese students studying in Australia will decline over the next decade as a key competitor in the lucrative international education market - China - invests in itself, the vice-chancellor of a leading university has warned.

The University of NSW's Professor Ian Jacobs, said the number of Chinese undergraduates travelling to Australia is dropping as China invests heavily in building universities and attracting research talent.

Read more: <https://www.smh.com.au/education/a-knowledge-race-australian-universities-set-to-suffer-drop-in-students-from-china-20190301-p5113e.html>

### 2. Blow to farmers as China delays trade 'upgrade'

**02/03/19**

**Primrose Riordan**

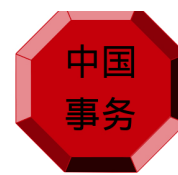
**The Australian**

Beijing has put a critical upgrade of its bilateral free-trade agreement with Australia on ice, crushing farmers' hopes of a major expansion in market access after Chinese officials said they were "too busy" with other matters.

Despite the go-slow with Australia, China has granted upgrades to free-trade deals with Chile and Singapore, and is moving forward with upgrade negotiations with New Zealand.

China's Ministry of Commerce cancelled a key meeting with Australian officials last year to finalise a review of the 2015 free-trade agreement, which would pave the way for an upgrade to the deal.

The move is the latest blow to the trade relationship amid delays facing Australian coal exports, the possible imposition of new duties on Australian



barley and the stalling of a deal expanding access for Australian chilled beef exporters.

Read more (Paywall): <https://www.theaustralian.com.au/national-affairs/blow-to-farmers-as-china-delays-trade-upgrade/news-story/d40f3fd70b30fc646d7fbf62578b81a4>

### 3. China fast-tracks foreign investment reforms as GDP growth rate slips

**04/03/19**

**Michael Smith**

**Australian Financial Review**

Beijing is expected to pass new investment rules this week designed to head off US complaints that foreign companies are at a disadvantage in China.

The move is expected as President Xi Jinping prepares to lower the country's official economic growth forecasts.

More than 3000 delegates of the National People's Congress, China's rubber stamp parliament, have arrived in Beijing ahead of the country's most important public political event of the year. While legislators will approve policies already determined by the ruling Communist Party, the annual gathering will lay out the government's economic blueprint for the year ahead.

Australian investors will be watching closely for updates on the health of the world's second-largest economy and China's demand for coal and iron ore. But Australian companies will also be watching new foreign investment rules which are being fast-tracked through the legislature as China seeks to clinch a trade deal with Donald Trump by the end of the month.

Read more (Paywall): <https://www.afr.com/news/world/asia/china-fasttracks-foreign-investment-reforms-as-gdp-growth-rate-slips-20190304-h1by2f>

### 4. The China butterfly that ripples through reporting season

**04/03/19**

**Tim Boyd**

**Australian Financial Review**



The recent reporting season has highlighted the effect of local exposure to China with a "mixed bag" of positive and negative results, affirming that any change in China has a butterfly-type effect at home.

"It's been a real mixed bag – you've had strong results out of resources, strong results for a2 Milk and then some weaker ones," said Totus Capital portfolio manager Ben McGarry.

Despite this, the chief executive of cross-border investment company Aionious, Barry Palte, said China remained Australia's biggest business opportunity.

"China is still the biggest opportunity in town for sure but the type of opportunity is shifting – it's increasingly about technology and [intellectual property] driven opportunities," he said.

Read more (Paywall): <https://www.afr.com/business/the-china-butterfly-that-ripples-through-reporting-season-20190222-h1blcm>

## 5. Trump's 'historic' China deal could be a bit of a horror for us

**05/03/19**

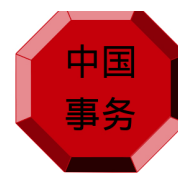
**Stephen Bartholomeusz**

**The Sydney Morning Herald**

The United States and China appear to be inching towards a deal on trade. If it is as outlined, that might be a relatively good outcome for the US and China but it could be quite damaging for China's other trading partners.

White House economic advisers are talking about an "historic" deal that would see China agreeing to increase its purchases of US products by \$US1.2 trillion (\$1.7 trillion) over six years, dropping the tariffs on US imports it imposed in response to Donald Trump's own tariffs on \$US250 billion of China's exports to the US, removing restrictions on foreign ownership of auto joint ventures and ending forced technology transfers.

One sticking point might be the enforcement mechanisms. The US wants to retain the right to reimpose tariffs for breaches of the agreement but wants China to agree that it won't respond with its own tariffs on US goods if the US exercises that right. Would China agree to something that one-sided?



Another problematic issue might be a US demand that China reduce subsidies to state-owned enterprises.

Read more: <https://www.smh.com.au/business/the-economy/trump-s-historic-china-deal-could-be-a-bit-of-a-horror-for-us-20190304-p5111ld.html>

## 6. Australian government to spend millions attracting Chinese tourists

**06/03/19**

**Kirsty Needham**

**Sydney Morning Herald**

Beijing: Australia will spend \$5 million advertising to young Chinese urbanites to persuade them regional Australia isn't dangerous and they should come despite the lack of free WiFi.

China is Australia's biggest source of tourists and international students but there were fears last year these two important export industries could be damaged amid tension in diplomatic relations.

Chinese tourists are worth \$11.5 billion a year to the economy.

Read more: <https://www.smh.com.au/world/asia/australian-government-to-spend-millions-attracting-chinese-tourists-20190306-p5120g.html>

## 7. Australia's former PM gives strongly-worded warning about Huawei's 5G technology

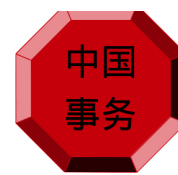
**06/03/19**

**Sam Shead**

**Business Insider**

Malcolm Turnbull, the former Prime Minister of Australia, has urged Britain not to use Huawei's telecommunications equipment when building out its 5G network.

Huawei is a Chinese tech giant and [some western nations have said they're concerned](#) that the company's hardware could be used by the Chinese government for spying purposes.



Speaking to an audience at the Henry Jackson Society in London, [Turbull](#) [said](#) that Australia chose to ban the Chinese firm's technology on the back of its own security advice, not pressure from the US.

Read more: <https://www.businessinsider.com.au/john-howard-britain-warning-huaweis-5g-technology-2019-3>

## 8. China blocks canola shipments from Canada

**06/03/19**

**Dominique Patton and Rod Nickel  
News.com (Reuters)**

China has cancelled canola shipments from Canada's Richardson, echoing its recent move to block coal shipments from Australia.

China has cancelled Canadian agribusiness Richardson International's registration to ship canola to China in the latest sign of tensions between Ottawa and Beijing.

It was not immediately clear why exports to China by Richardson, the world's top importer of canola, had been halted.

The restriction on imports of canola from a country with which links have worsened echoes recent moves by Chinese customs to slow clearing of Australian coal imports.

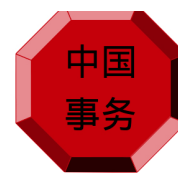
Read more: <https://www.news.com.au/world/breaking-news/china-blocks-canola-shipments-from-canada/news-story/46e06ac916f04e152fc568d8805840a7>

## 9. Chinese President Xi Jinping's astonishing rise to become one of the world's most powerful people

**06/03/19**

**Christina Zhou and Sean Mantesso  
ABC News**

For a man named by Forbes as the world's most powerful person, there's been little transparency as to how Xi Jinping accrued so much power in such a relatively short amount of time.



China's President was almost unknown to the world just over a decade ago — even his folk singer wife, Peng Liyuan, was far more renowned than the trailblazing political statesman.

But over the last 50 years Mr Xi — the son of a powerful communist revolutionary — strategically used his personal life narrative as a cave-dwelling farmer during the Cultural Revolution in the 1960s and '70s to grant himself political validation as he rose steadily but patiently through ranks of the Chinese Communist Party (CCP) right to the top

Read more: <https://www.abc.net.au/news/2019-03-06/the-astonishing-rise-of-chinese-president-xi-jinping/10794486>

## 10. Huawei opens another front in the US-China tech war

**07/03/19**

**Jennifer Hewett**

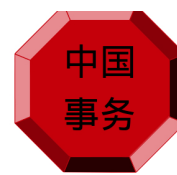
**Australian Financial Review**

[Huawei's decision to sue](#) the US government for banning its equipment opens another front in a [technology war between China and the US](#) which can only intensify.

But it's most unlikely any Australian government would face any similar legal suit from Huawei despite blocking the telco giant equipment supplier from any role in the 5G mobile network rollout.

It's not just that official Australian guidelines don't specify the company by name, instead referring to "vendors likely to be subject to extrajudicial directions from a foreign government that conflict with Australian law".

Read more (Paywall): <https://www.afr.com/news/huawei-opens-another-front-in-the-uschina-tech-war-20190307-h1c4jg>



## 11. Why Australia is prepared to ban Huawei from its 5G network while the UK and Germany aren't

**07/03/19**

**Christina Zhou and Jason Fang**

**ABC News**

While Australia was quick to exclude Huawei equipment from its 5G network, several major allies including the UK are not convinced that a ban is warranted.

Germany and the UK have their eyes wide open to [the alleged risks Huawei poses to their national security](#), but they also believe those risks can be managed.

Even Chuck Robbins, the chief executive of Cisco — one of Huawei's main competitors — reportedly suggested on Sunday that fears of Huawei's 5G dominance may be overblown.

Read more: <https://www.abc.net.au/news/2019-03-07/why-is-the-uk-seemingly-not-as-worried-about-huawei-as-australia/10866848>

## 12. Government urged to reject Chinese-backed Hunter Valley coal-fired power stations

**07/03/19**

**Rosemary Bolger**

**SBS News**

A Chinese energy company has partnered with a little-known Australian company on a proposal for two coal-fired power plants in the Hunter Valley.

The Greens have warned a proposal to build two new coal-fired power plants in New South Wales will face a "mountain of opposition".

A Chinese state-owned company China Energy Engineering Corporation has signed a deal with a little-known Australian company Cavcorp to develop two 1000 megawatt power plants in the disused Hunter Economic Zone.

Read more: <https://www.sbs.com.au/news/government-urged-to-reject-chinese-backed-hunter-valley-coal-fired-power-stations>



## 13. Chinese Buyers Helped Boost Australian Home Prices. Now They're Leaving

**08/03/19**

**Michael Heath  
Bloomberg**

As real-estate agent Adam Wong works through Australia's worst property downturn in decades, he's also found himself at the mercy of China's slowing economy.

In Wong's core market of Chatswood, a suburb north of Sydney's harbour bridge where a [third of residents](#) claim Chinese ancestry, his sales have slumped by as much as half from their peak. That's reflected in recent government [data](#) showing China is no longer Australia's biggest foreign investor amid a plunge in property purchases.

"There are two main factors behind the drop," said Wong, who estimates 90 percent of his sales in Chatswood are to Chinese buyers. "The first is people not being able to get the money out of China, and from mid-2017 China's economy started to slow and that also had an effect."

Read more: <https://www.bloomberg.com/news/articles/2019-03-07/how-a-chinese-exodus-is-exacerbating-australia-s-property-slump>