

Media Roundup Issue 120 (04/05/19 – 10/05/19)

1. Bill Shorten disagrees with Paul Keating's comments on China at Labor's election campaign launch

06/05/19

Andrew Green and Lucy Sweeney

ABC News

Bill Shorten says he does not share former Labor prime minister Paul Keating's views that Australia's spy chiefs are "nutters" who should be sacked to help improve relations with China.

The extraordinary rebuke of senior intelligence figures was made on the sidelines of Labor's federal election campaign launch, but immediately drew comparisons with US President Donald Trump, who has regularly clashed with America's spy chiefs.

Mr Keating accused security agencies including ASIO and ASIS of running Australia's foreign policy and called for Bill Shorten to "clean them out" if he wins the election.

"The nutters are in charge," Mr Keating told the ABC after Labor's launch on Sunday. "They've lost their strategic bearings, these organisations."

Read more: <https://www.abc.net.au/news/2019-05-06/federal-election-bill-shorten-disagrees-with-paul-keating-china/11082144>

2. China trade talks threatened by Donald Trump's new tariff threat; shares and dollar drop

06/05/19

Nassim Khadem

ABC News

US President Donald Trump has threatened to reignite the trade war with China, by announcing he will impose tariffs on \$US525 billion (\$753 billion) of Chinese goods because Beijing is moving too slowly on a deal.

[...]

Just the threat of tariffs alone has weighed down investor sentiment, which has been largely positive amid previous signs of gradual progress towards a deal.

The Australian share market has fallen 1 per cent with the ASX 200 at 6,272 around 1:00pm (AEST).

The decline is largely attributable to Mr Trump's tweets, as both the major US share market indices and Australian share market futures ended last week substantially higher ahead of the US President's social media intervention on Sunday.

Read more: <https://www.abc.net.au/news/2019-05-06/china-could-delay-us-visit-as-trump-threatens-24750-billion-on/11082758>

3. China-Australia trade: knitted together

06/05/19

Mark Bennett

ANZ Bluenotes

It's tempting to generalise and judge a nation from afar but when spending time in China to examine its history, industries and consumer trends, there actually are many shared ambitions across the region, from Inner Mongolia to Shanghai. Peace, shelter, safety and health, alongside traditional values, are growing in importance in China - and influencing the demand for Australian produce.

"Australian agriculture's ability to reach \$A100 billion in output largely depends on China."

China has only been open to the global market since 1949 and today it's the fastest growing and second largest economy in the world. It's also heavily reliant on millions of tonnes of fresh produce imported from across the world to safely feed a population of 1.4 billion which is expected to grow to 1.9 billion by 2050.

This is a serious and complicated exercise and Australia can play an important role.

Read more: <https://bluenotes.anz.com/posts/2019/05/china-australia--trade--knitted-together>

4. China stepped up imports of Australian steelmaking coal in March - Australian data

07/05/19

Melanie Burton

Reuters

China stepped up purchases of Australian steelmaking coal in March after customs delays earlier this year, Australian government data showed on Tuesday, but exports of thermal coal to the world's biggest consumer continued to fall.

Chinese traders had cut back on purchases of both thermal and metallurgical coal from Australia in February due to lengthy quality checks on supplies from there that lasted as long as two months at some ports.

That came months after Australia banned China's telecoms giant Huawei Technologies from competing in a telecoms tender, raising questions about whether the developments were linked. China's foreign ministry denied any correlation.

Australia's hard coking coal exports to China rose by 42 percent in March from February, making it the second biggest customer for the commodity after India, data from Australia's statistics bureau showed. The bureau did not give actual volumes.

Read more: <https://uk.reuters.com/article/uk-australia-coal-exports/china-stepped-up-imports-of-australian-steelmaking-coal-in-march-australian-data-idUKKCN1SD0PX>

5. After the Australian election: the China test

07/05/19

Natasha Kassam

The Interpreter

Governments in Australia are judged, in part, by their handling of the relationship with China. And while foreign policy has barely featured in Australia's election campaign, the Chinese government is watching our election with interest and intent.

An early release of this year's Lowy Institute poll results shows that Labor is now marginally preferred to manage relations with China, with 47% of Australians choosing Labor compared to 44% for the Coalition. This may suggest tensions in

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the bilateral relationship over the past few years have been noticed by voters. Prior to the 2016 election, 47% of Australians thought the Coalition would do a better job, compared with 35% for Labor.

Whoever forms government after 18 May will be tested by China. If the three-year trend of national opinion polls is right and Bill Shorten becomes Prime Minister, the Chinese government will see an opportunity to reopen done deals and press for new concessions.

A new government could face challenges in dealings with critical partners and allies such as Indonesia, Japan, India and the United States. But these countries are far less likely to unleash state media every time their government is criticised in Australia. The idea of Indian officials instructing its diaspora how to vote in an Australian election sounds implausible, for example. And yet when Labor blocked the ratification of a bilateral extradition treaty with China, it was reported that senior Communist Party officials threatened to tell the Chinese community in Australia that Labor did not support the bilateral relationship.

Read more: <https://www.lowyinstitute.org/the-interpretor/after-australian-election-china-test>

6. Attributing the hack on Australia's parliament will give clarity to the China relationship

07/05/19

Michael Shoebridge
The Strategist

Whoever becomes prime minister after the election will face a sobering moment in Australia's China policy.

It will show starkly why the policy that has had bipartisan support since Australia's diplomatic opening to China in the 1970s is now not fit for purpose. What Scott Morrison or Bill Shorten does in that moment will shape his time in leadership on one of the most significant issues for any Australian government—its policy towards the Chinese state.

Put at its simplest, the policy of the previous 50 years has focused on the mutual benefits to Australia and China of our economic engagement, while keeping the large differences in our strategic interests and political systems in the background.

So, what's this moment of truth? Well, it's that little matter of who exactly the 'sophisticated state actor' was that hacked into parliament's information system, and into the networks of the Liberal Party, the Labor Party and the National Party.

Read more: <https://www.aspistrategist.org.au/attributing-the-hack-on-australias-parliament-will-give-clarity-to-the-china-relationship/>

7. End of China Boom roils universities

08/05/19
Tim Dodd
The Australian

The highly lucrative six-year boom in Chinese students is over.

Australian universities now are focusing on the less-developed Indian market to meet budget expectations, exposing them to the risk of enrolling low-quality students with poor English.

Ahead of the release of official figures, a senior Department of Home Affairs official briefed universities last week telling them that visa applications from Chinese students were flat, even as numbers of applications from Indian students were growing fast.

The flattening out in numbers of Chinese students starting courses is not yet visible in the monthly data issued by the federal Department of Education and Training.

Read more (Paywall): <https://www.theaustralian.com.au/higher-education/end-of-china-boom-roils-universities/news-story/938e53cf1ba3c511a82963102036fedb>

8. Fears of Arctic Cold War as Pompeo warns China, Russia

08/05/19
The Australian

The US plans to beef up its Arctic presence to keep Russia's and China's "aggressive behaviour" in check in the resource-rich region.

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"The region has become an arena of global power and competition" owing to vast reserves of oil, gas, minerals and fish stocks, US Secretary of State Mike Pompeo warned in a speech in Rovaniemi, northern Finland.

"Just because the Arctic is a place of wilderness does not mean it should become a place of lawlessness."

Speaking on the eve of a meeting of the eight members of the Arctic Council, Mr Pompeo took on Beijing and Moscow.

"China's pattern of aggressive behaviour elsewhere will inform how it treats the Arctic," he said.

Read more (Paywall): <https://www.theaustralian.com.au/world/fears-of-arctic-cold-war-as-pompeo-warns-china-russia/news-story/d93b4389c219d918744cc0c50c44dd61>

9. Chinese media mocks Australia and Prime Minister in WeChat posts

09/05/19

**Steve Cannane and Echo Hui
ABC News**

Prime Minister Scott Morrison and the Coalition Government have been targeted by online propaganda coming from social media accounts affiliated with the Chinese Communist Party (CCP).

The findings come from a paper, prepared by cyber propaganda researchers Dr Michael Jensen, Dr Titus Chen and Tom Sear, which will be delivered to the Safeguarding Australia Summit in Canberra today.

"Our evidence suggests that accounts aligned more closely with the Government in Beijing have a clear anti-Liberal (Government) story coming out of them," said Dr Jensen, a senior research fellow at the University of Canberra's Institute for Governance and Policy Analysis.

Across a period of five months from November 2018 to March 2019, the researchers analysed the Australian content on 47 of the most visited WeChat Official accounts in mainland China, 29 of which were aligned with the CCP.

Read more: <https://www.abc.net.au/news/2019-05-09/pm-targeted-by-chinese-communist-party-related-wechat-accounts/11092238>

10. Chinese miner wants access to Australian Defence Department site

09/05/19

Richard Baker

The Sydney Morning Herald

Former Labor immigration minister Nick Bolkus is involved in a lobbying effort by Chinese mining interests to access a secretive Defence Department site where Australia and its allies conduct highly-sensitive military research.

Corporate documents show Mr Bolkus, who served as immigration minister in Paul Keating's government between 1993 and 1996, became a director of the Australian arm of Chinese steelmaker Jiujiang in March last year.

Mr Bolkus' role as a director of Jiujiang Mining Australia reflects a now-common approach by Chinese companies of bringing well-connected former politicians on board to help build relationships with federal and state governments in Australia.

An example of this includes former Liberal trade minister Andrew Robb almost immediately joining the Chinese-owned leaseholder for the Darwin Port, Landbridge, on a \$880,000-a-year consultancy upon leaving parliament in 2016.

Read more: <https://www.smh.com.au/national/chinese-miner-wants-access-to-australian-defence-department-site-20190507-p5110f.html>

11. Federal election 2019: What it's like to be a Chinese-Australian voter

09/05/19

Jason Om

ABC News

"There are so many different ones now," Caroline Xu says, pointing to the five types of Chinese dumplings on the table at lunch.

"Those ones are from northern China. Those are from southern China. There was only one kind when I came to Australia 30 years ago.

[...]

Chinese-Australians are quick to point out they are not a homogenous group or the stereotype of being "all the same".

Some are recently arrived migrants from the Chinese mainland who've only just become citizens. Others are descendants of the Gold Rush in the 1800s.

Read more: <https://www.abc.net.au/news/2019-05-09/federal-election-sees-chinese-australian-votes-speak-on-issues/11019230>

12. Australia, China partner to develop point of care testing device

10/05/19

Nathan Eddy

Healthcare IT News

The Australian and Chinese governments are partnering to fund a Joint Research Centre (JRC) tasked with developing a next-gen point-of-care testing device to help identify markers of genetic disorders, infections and cancers.

The development of the device, which would be able to detect minute quantities of disease biomarkers in a patient's bloodstream, will capitalise on research strengths of both countries in nanobiotechnology, diagnostics and rare earth elements.

[...]

Federal government funding of A\$936,000, from the Australia-China Science and Research Fund, will be matched by the Chinese government to establish the Centre.

The Centre will be led by University of Technology Sydney (UTS) and Changchun Institute of Applied Chemistry Science (CIAC).

Read more: <https://www.healthcareit.com.au/article/australia-china-partner-develop-point-care-testing-device>

13. Chinese ecommerce giant JD.com exits Australia

09/05/19

Michael Smith

Australian Financial Review

Shanghai | Chinese e-commerce giant JD.com has closed its office in Australia less than 15 months after opening with ambitious expansion plans, part of a company-wide response to widening losses.

The Beijing-based company sells Australian food, dairy products, vitamins and cosmetics to millions of Chinese consumers. It confirmed on Wednesday it had quietly closed its Melbourne office, which had opened with great fanfare and the backing of the Victorian government in February last year.

A spokesperson for JD.com, which reports quarterly financial results on Friday, said: "We are integrating the Australia office into the business in China. Australia's importance doesn't change, and the business is going well."

JD.com said there would be no change to its service and partnerships with Australian and New Zealand exporters, which would now be managed by JD.com staff in China. The head of its Australian operations, Patrick Nestrel, has departed. "We continue to build strong partnerships with brands in a range of categories – including wine, health supplements, baby and maternal, food and beverage, cosmetics and others," the spokesperson said.

Read more: <https://www.afr.com/business/retail/chinese-ecommerce-giant-jd-com-exits-australia-20190507-p51kv8>

14. Penfolds 'copycat' ordered to pay more than \$800k for trademark infringement in China

06/05/19

Gabriella Marchant

ABC News

The owner of esteemed wine brand Penfolds has won nearly \$400,000 in compensation from a "copycat" company that infringed its trademark in China.

A Melbourne federal court has ordered Australian company Rush Rich Winery to immediately cease production of wine with any mark "substantially identical with or deceptively similar to" Penfold's Chinese branding, according to documents provided to the ABC.

In China, Penfolds operates as "Ben Fu", meaning "chasing prosperity" which has a similar meaning to "Rush Rich".

Rush Rich owns Adelaide's R&R Winery which bulk-bought wine to export under the copycat labels.

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Read more: <https://www.abc.net.au/news/2019-05-06/penfolds-copycat-ordered-to-pay-more-than-800k-in-compensation/11084774>