

Media Roundup Issue 8 (18/02/17 – 24/02/17)

1. Chinese investment in Australian real estate crucial to economy: Experts

20/02/17
China Daily

SYDNEY - Foreign investment in real estate has long been a politically and financially contentious issue in Australia, with bipartisan support for foreign investment from both sides of the political aisle to allow overseas investment in real estate.

However, erroneous misconceptions remain as to the actual impact that foreign, and in particular Chinese investment has in Australia.

Despite substantive evidence to the contrary, such as the findings of an Australian Treasury report late last year, a definitive intercultural relations breakdown persists among the populace, with many keen to point the finger at Chinese and other foreign nationals for the price growth in the major Sydney and Melbourne housing markets.

Read More: http://www.chinadaily.com.cn/bizchina/2017-02/20/content_28268130.htm

2. Sydney summit to explore new business opportunities in China

20/02/17
Glenda Korporaal
The Australian

The changing Chinese economy provided new opportunities for Australian companies to do business in China, former Future Fund chairman David Murray said.

“The economic mix in the Chinese economy is moving away from investment to consumption,” Mr Murray told *The Australian*.

“We need to service that consumption demand in China, in the same way that we serviced China’s demand for commodities as it built up its investment.”

Mr Murray, a former Commonwealth Bank CEO, will be a co-chair, along with former prime minister John Howard, of the first Sino-Australian Entrepreneurs Summit (SAES) to be held in Sydney on March 27 and 28.

Read More (Paywall): <http://www.theaustralian.com.au/business/sydney-summit-to-explore-new-business-opportunities-in-china/news-story/9675250f09a74b94decc8a58d0e83818>

3. Red tape, costs give hotel developers the holiday blues

20/02/17

Michael Smith

Australian Financial Review

A delegation of Australian airport and tourism bosses are in China this week to encourage three of the country's biggest airlines to open up more routes to Australian capital cities and regional areas.

One of the biggest hurdles though will be convincing China Southern, Air China and China Eastern there is the appropriate infrastructure in Australia to handle an influx of discerning Chinese tourists.

Australia has food, wine and natural scenery working in its favour but our big weakness is the lack of high-end resorts on one end of the spectrum as well as affordable accommodation in the big cities.

This makes it hard for Australia to compete with Asia which is teeming with luxury beach-front resorts. Australia has the sandy-white beaches to plonk them on but they are too expensive to build, planning approvals take too long and developers say bureaucratic councils are killing off major projects.

Read More (Paywall): <http://www.afr.com/brand/chanticleer/red-tape-costs-give-hotel-developers-the-holiday-blues-20170219-guglo0>

4. Australian Trade Minister Steve Ciobo concedes China unlikely to join TPP

20/02/17
Lisa Murray
Australian Financial Review

Australian Trade Minister Steve Ciobo has cooled on the prospects for the Trans-Pacific Partnership trade pact, conceding China is unlikely to sign up to the deal after meeting with senior officials in Beijing.

Mr Ciobo is a vocal supporter of the TPP continuing in some form despite US President Donald Trump's decision to abandon it shortly after he took office in January. The Australian government has been pushing for the remaining 11 members to try and salvage an agreement that took five years to negotiate, locking in robust standards on labour, intellectual property, food safety and the environment as well as tariff cuts. Mr Ciobo had previously suggested opening the TPP to countries like Indonesia and China, which had been left out of the initial agreement.

Read more: <http://www.afr.com/news/policy/foreign-affairs/australian-trade-minister-steve-ciobo-concedes-china-unlikely-to-join-tpp-20170220-guh6ts>

5. Steven Ciobo's investor certainty to China

21/02/17
Rowan Callick
The Australian

Trade, Tourism and Investment Minister Steven Ciobo yesterday told China's top economic planner that Australia's new Critical Infrastructure Centre would provide new certainty for Chinese investors.

He also urged Xu Shaoshi, the chairman of the National Development and Reform Commission, to help extend the opportunities for Australian companies to invest in China, and with Chinese firms into third countries under China's Belt and Road Initiative.

Mr Ciobo, visiting China, said: "I sought further detail about this following President Xi Jinping's speech commending economic globalisation at last month's Davos forum. There was recognition on both sides that trade and

investment flows are crucial for both countries' long-term economic prospects, especially at a time when there is a higher level of global uncertainty, and various populist positions are being ventilated."

Read More (Paywall): <http://www.theaustralian.com.au/national-affairs/foreign-affairs/steven-ciobos-investor-certainty-to-china/news-story/c40a3fcd0907d77ef49729d47a49cb44>

6. Trump's senior people see war with China as inevitable

21/02/17

Mark Beeson

The West Australian

Even those of us who didn't have high hopes about what a Trump presidency might look like have been astounded by his incompetence, ignorance and refusal or inability to confront reality.

As the old saw has it, you can have your own opinions but not your own facts. Donald Trump clearly feels this is another idea that doesn't apply to him or his administration.

Any doubts that the 45th president of the US really is a thin-skinned blustering bonehead with appalling judgment and little understanding of the complexity of the job he is supposed to be doing were put to rest by his latest press conference. It's not hard to see why he doesn't like giving them.

It's not just that his behaviour was "unpresidential" that was so striking — surely no one expects a man with his personal track record and life experience to be a role model for his country or anyone else's — but that he refused to acknowledge even the most basic, well-documented claims about his administration and its operations.

Read More: <https://thewest.com.au/opinion/trumps-senior-people-see-war-with-china-as-inevitable-ng-b88392301z>

7. New Alibaba office opens China export potential for Aussie food companies

21/02/17

Belinda Willis

The Advertiser

SOUTH Australia's links with Chinese students and tourists are envied by traders in Europe and North America with potential to unleash enormous business opportunities, according to the Australian manager of the largest online commerce company in China.

Business development general manager of Alibaba Tmall John O'Loghlen told a National Dairy Conference in Adelaide last week that a newly launched Australian office would build on the Chinese relationship that was putting Australian brands on the map.

"Australia and New Zealand are gifted with an incredible phenomenon right now which is the Chinese resident and student visitor to Australia," he said.

"When I speak to colleagues in Europe and North America, they would love to have the penetration of Chinese in their communities that we do here, because it doesn't exist anywhere else."

Read More (Paywall): <http://www.adelaidenow.com.au/business/new-alibaba-office-opens-china-export-potential-for-aussie-food-companies/news-story/444337478aa266d8cdc66120dd3a78e3>

8. Australia should not join US in South China Sea operations, says retired defence chief

21/02/17

Gareth Hutchens

The Guardian

Angus Houston warns blockade of China's artificial islands would invite a 'sharp response' from Beijing

The retired defence chief Angus Houston has warned Australia should not participate in freedom of navigation operations within 12 nautical miles of China's artificial islands in the South China Sea.

He has also criticised the push to blockade China's artificial islands, saying that would invite a "sharp response" from Beijing.

But he has reminded China that all countries must abide by the protocols of international law, saying a global, rules-based order should apply in the South China Sea "as it applies everywhere else".

Read More: https://www.theguardian.com/world/2017/feb/21/australia-should-not-join-us-in-south-china-sea-operations-says-retired-defence-chief?CMP=share_btn_tw

9. Joe Hockey and the limits of mateship

22/02/17

James Curran

Lowy Institute the Interpreter

More details are emerging of the Australian government's thinking on how to handle a volatile and erratic Trump White House, and how it might repair some of the damage following the now infamous telephone exchange between the US President and the Australian Prime Minister in early February.

During a speech in Chicago last week, Australia's Ambassador to the US, Joe Hockey, said it was the 'history that's been forged in shared pain that in many ways defines how loyal you are to each other'. Australia and America, he said, have a 'partnership forged in blood'.

Then, reports in the weekend press suggested that Hockey is looking to take this sentiment further by developing a TV 'docudrama' celebrating the 'mateship' between Australia and the US. This ethic, the series will show, arose primarily from the wars that the two countries have fought together over the last century, from John Monash's command of US troops at Le Hamel in 1918 to joint operations in the Middle East in the wake of 9/11. In addition, the embassy in Washington is planning a series of associated commemorative events, including a 'mateship' gala ball.

Read more: <https://www.lowyinstitute.org/the-interpreter/joe-hockey-and-limits-mateship>

10. Stay away from China, former defence chief warns

22/02/17

Primrose Riordan

The Australian

Former chief of the Defence Force, Sir Angus Houston, has surprised hawks in the military establishment by warning against freedom-of-navigation exercises near Chinese-constructed islands in the South China Sea.

Defence Minister Marise Payne responded by labelling Sir Angus's comments — which back the government's position — as a "constructive contribution", while Labor said it would stick to its harder line and advocate for the exercises.

The comments come amid signals from the Trump administration it will adopt a tough stance on China.

Read more: <http://www.theaustralian.com.au/national-affairs/defence/stay-away-from-china-former-defence-chief-warns/news-story/9d9c584259e9c082d104b7e377b2b773>

11. Blackmores feels sting of slowing China frenzy

22/02/17

Simon Evans

Australian Financial Review

Vitamins group Blackmores says the influence of Chinese entrepreneurs clearing out the shelves of Australian retailers and big pharmacy chains of stock has shrunk to much more modest levels after some were "burnt" when super profits disappeared.

Chief executive Christine Holgate says some of those entrepreneurs, who were on-selling vitamins for more than double or triple the price on e-commerce sites in China in 2015, have disappeared after being hurt financially when regulatory uncertainty hit in China and they were caught with too much stock.

Read more: <http://www.afr.com/business/retail/fmcg/blackmores-feels-sting-of-slowing-china-frenzy-20170221-guhyqr>

12. Relationship with China vital to our prosperity

23/02/17

John Brumby
The Australian

Ten years ago it would have been hard to imagine the number of Chinese New Year celebrations, corporate and civic, that took place last week. Dragons moved through streets all around Australia, and drums welcomed in the Year of the Rooster. In this time of great global uncertainty, many people are talking about Australia's need to pivot towards Asia, particularly China. In fact, as the growing popularity of Chinese New Year demonstrates, the pivot is well underway.

Forty-five years ago, then-prime minister Gough Whitlam established diplomatic relations with China. Six years later, Deng Xiaoping began opening up China to the global economy. In the 1980s China and Australia established what they called a "model relationship". The Gillard government achieved a strategic partnership with China, and in 2015 the Abbott government signed the China Australia Free Trade Agreement.

These efforts have paid off.

Read more: <http://www.theaustralian.com.au/business/opinion/relationship-with-china-vital-to-our-prosperity/news-story/2dcc161f915aff9868d7134753d22f96>