

Media Roundup Issue 35 (26/08/17 – 1/09/17)

1. Developer Hua Cheng defaults on \$35m loan leaving 14 apartment buyers in limbo

27/08/2017

Su-Lin Tan

Australian Financial Review

At least 14 buyers who bought apartments off the plan in a tower in Sydney's south-west are facing the loss of their investment after the developer defaulted on a loan from a British Virgin Island lender, backed by a Chinese bank.

The default raises questions about the protection for foreign and migrant buyers rushing to buy in Australia and the role of "shadow" lenders who are increasingly stepping in to lend in sectors vacated by mainstream Australian banks.

The home buyers, mostly Mandarin speakers, all with Chinese names, are considering legal action after Hua Cheng International Holdings Group, the developer of the 100-unit Royal Plaza property in Woodville Street, Hurstville, defaulted on a loan to Chinese-backed Super Vision Resources.

Read more (Paywall):

<http://www.afr.com/real-estate/developer-hua-cheng-defaults-on-35m-loan-leaving-14-apartment-buyers-in-limbo-20170824-gy2xbp>

2. Australian companies still need Chinese 'daigou' buying agents

27/08/2017

Rashida Yosufzai

SBS News Online

Thousands of people in the Chinese community are buying up Australian products and selling them to friends and family back home. Dubbed 'daigou', they are the Australian exporters you've never heard of.

Sherry Jia is an 18-year-old business student whose part-time pursuit is shopping. Not for herself - but a growing list of customers in China.

The Sydney resident is a daigou – which translates to “buying on behalf of”, advertising on Chinese social media app WeChat Australian products like vitamins, baby milk powder, and over the counter tablets.

She started off buying things for her family back in China and from there, the venture grew from word-of-mouth recommendations.

Read more:

<http://www.sbs.com.au/news/article/2017/08/23/australian-companies-still-need-chinese-daigou-buying-agents>

3. China consulate involved in Newcastle Uni Taiwan row

28/08/2017

Primrose Riordan & Rowan Callick

The Australian

The Chinese consulate-general has entered a dispute over Taiwanese independence at the University of Newcastle, exposing the increasing influence exerted by Beijing on Australian university campuses.

The dispute, one of several involving Chinese international students at Australian universities, has seen the students receive strong support from Chinese commentators.

The university was asked whether the Chinese consulate-general, the Chinese Students and Scholars Association and Chinese-Australian news outlet Sydney Today were in contact with the university over the matter. “The University of Newcastle has engaged with a range of interested stakeholders, including students, staff and the consulate-general of the People’s Republic of China,” a university spokeswoman responded.

Read more (Paywall):

<http://www.theaustralian.com.au/national-affairs/china-consulate-involved-in-newcastle-uni-taiwan-row/news-story/14dceb31c1e72807c9f006936784c601>

4. 'Amazon of China' Alibaba already has supermarkets. Now it wants our food

28/08/2017

Patrick Hatch

Sydney Morning Herald

The business world may be enthralled with Amazon's moves to become a major supermarket player, but Chinese e-commerce giant Alibaba says it is already strides ahead and is opening up new ways for Australian food producers to access its more than half-a-billion customers.

Alibaba has been an important avenue for Australia baby formula and vitamin producers to access the Chinese market, through its Alibaba.com wholesale website and its direct-to-consumer site Tmall, but Maggie Zhou, Alibaba's Australia and New Zealand managing director, said fresh produce now presented the greatest opportunity for growth.

Alibaba already sells some fresh products online and is pushing further into the category with its own supermarkets in China, opening 13 since 2015.

Read more:

<http://www.smh.com.au/business/retail/alibaba-already-has-supermarkets-now-it-wants-our-food-20170825-gy4aqf.html>

5. Education boom changing the face of cities' centres

28/08/2017

John Ferguson

The Australian

The \$20 billion international education industry has transformed the face of the southern state capitals and created an unofficial race to attract Asian students.

Analysis of Australian Bureau of Statistics figures confirms that Melbourne's CBD is facing the biggest cultural transformation in decades as higher education and cheap student accommodation attract mainly Chinese students in record numbers.

The soaring demand is also flowing into Adelaide's CBD, where almost 30 per cent — or 4249 people — claim Chinese ancestry, only slightly behind central Sydney in total numbers.

The ABS breakdown supplied to *The Australian* also shows that central Brisbane and central Perth are lagging behind the other capitals in attracting the Chinese education dollar.

Read more (Paywall):

<http://www.theaustralian.com.au/higher-education/international-students/education-boom-changing-the-face-of-cities-centres/news-story/4f1554c1687aacc99382a085895980bf>

6. Steve Ciobo hails China as 'the most valuable tourism market'

29/08/2017

**Rowan Callick
The Australian**

Australia's federal and state tourism ministers yesterday held their first meeting outside Australia and New Zealand — in Beijing.

Federal Trade, Tourism and Investment Minister Steve Ciobo said this reflected China's emergence as Australia's most valuable tourism market — with China set to overtake New Zealand as the No 1 source of tourists this year.

Mr Ciobo said that by meeting in Beijing, "we are sending a message that Australia is welcoming to Chinese tourists", in the China-Australia Year of Tourism.

"And off the back of tourism, we are continuing to see very strong trade and investment ties as well."

Read more (Paywall):

<http://www.theaustralian.com.au/business/economics/steve-ciobo-hails-china-as-the-most-valuable-tourism-market/news-story/1033cafeffc5bd4d4325a337a2ff411a?login=1>

7. Beijing is stirring up 'red hot patriotism' among Chinese students on Australian campuses

29/08/2017

Joanna Mather

Australian Financial Review

Universities should be aware of “red hot patriotism” Beijing is stirring up on Australian campuses and the national security risks posed by such fervour, a former adviser to Prime Minister Malcolm Turnbull says.

John Garnaut, now an independent consultant, told *The Australian Financial Review's* Higher Education Summit that the Communist Party wanted Chinese nationals to remain highly loyal even while studying overseas.

That meant following them wherever they go in the world, including to Australia, where 30 per cent of foreign students are Chinese.

Mr Garnaut said there had been several instances in recent months when Chinese students had mobilised against teachers who displayed what they perceived to be anti-China sentiment.

Read more:

<https://amp.afr.com/news/policy/education/china-follows-students-to-campus-20170828-gy650k>

8. Australian professors and universities are being shamed into apologizing for offending Chinese students

29/08/2017

Josh Horwitz

Quartz

Chinese students at universities in Australia have their professors walking on eggshells.

Since May, there have been at least four incidents where international students from China studying in Australia have pressured staff into apologising for what they deemed as offensive comments. The most recent such incident occurred last week, when students at the University of Newcastle posted a video of a professor and student arguing. The professor had referred to Taiwan as an

independent country, and the student took issue with his remarks. "Chinese students is [sic] one-third of this classroom. You make us feel uncomfortable," he said.

The incident shows how overseas universities are facing increasing pressure from Chinese students to not say anything that violates Communist Party orthodoxy, as Chinese students studying abroad become increasingly bold in exerting their nationalism.

Read more:

<https://qz.com/1064435/australian-professors-and-universities-are-being-shamed-int-o-apologizing-for-offending-chinese-students/>

9. Blackmores plunges on Chinese buyer exodus

29/08/2017

Simon Evans

Australian Financial Review

The new chief executive of Blackmores says there's little prospect of a quick return of the flood of Chinese tourists and entrepreneurs buying up vast amounts of vitamins in Australia, which 18 months ago sent the share price soaring beyond \$220.

Richard Henfrey said the disappearance of a substantial chunk of those entrepreneurs known as daigou traders from the Australian scene after regulatory uncertainty in China had meant the short golden era of very little discounting and rebate deals with big retailers had finished for now.

"We don't anticipate another gift year like we had in 2016," Mr Henfrey told *The Australian Financial Review*. "It's really a return to business as usual."

Read more (Paywall):

<http://www.afr.com/business/health/blackmores-plunges-on-chinese-buyer-exodus-20170828-gy5rmt>

10. \$80m China cash boosts start-ups

30/08/2017

David Swan

The Australian

Melbourne start-ups will have access to \$80 million in support from China through a new incubation space opening in the city's CBD today.

A landmark deal struck between the City of Melbourne, the Australia China Association of Scientists and Entrepreneurs (ACASE), RMIT University and the University of Melbourne will see the Jiangsu-Victoria Innovation Centre open up at 51 Queen Street, offering start-ups a chance to hone their innovations.

Chinese venture capital outfit Suzhou High-Tech Venture Capital Group will provide up to \$80m to manage the centre, provide access to investment and help fund project development over the next three years.

"This Jiangsu-Victoria Innovation Centre will nurture the next generation of innovators and entrepreneurs to go on to great things," acting lord mayor Arron Wood said.

Read more (Paywall):

<http://www.theaustralian.com.au/business/80m-china-cash-boosts-startups/news-story/9ced0aff038617b96ed91da0e83092ec>

11. Our universities are a frontline in China's ideological wars

30/08/2017

John Garnaut

Australian Financial Review

President Xi Jinping is returning politics to the commanding heights of Chinese education.

He's told teachers to "educate and guide their students to love the motherland, love the people, and love the Communist Party of China".

He's rallied lecturers to "guard the party's ideology" and "dare to unsheathe the sword".

And most challenging for us, Xi has made clear that his primary enemies are the liberal values that undermine his political system but underpin our own.

"There is no way that universities can allow teaching materials preaching Western values into our classrooms," Xi's Education Minister explained.

The liberal values of freedom, equality and individual dignity are under greater strain in China than they have been for decades.

Read more (Paywall):

<http://www.afr.com/opinion/columnists/our-universities-are-a-frontline-in-chinas-ideological-wars-20170830-gy74br>

12. 'Definitely damage our relations': Chinese government warns PM never to meet Dalai Lama

30/08/2017

Myles Morgan

SBS News Online

The China-Tibetan Cultural Exchange Delegation visited Canberra on Wednesday to promote the Tibet Autonomous Region and a dialogue with Australia.

The delegation included Tibetan people employed by the Chinese administration.

When asked whether any potential meeting between the Dalai Lama and Prime Minister Malcolm Turnbull would harm relations with China, one Chinese official said it would.

"He [the Dalai Lama] has been leading separatist activities against China since his exile so this is not acceptable to us," Wang Yanwen of the State Council Information Office said.

"It would definitely damage our relations."

Read more:

<http://www.sbs.com.au/news/article/2017/08/30/definitely-damage-our-relations-chinese-government-warns-pm-never-meet-dalai-lama>

13. China should cut off North Korea oil supply, Turnbull says

31/08/2017

**Katharine Murphy
The Guardian**

Malcolm Turnbull says China must step up and contain North Korea economically, including by cutting off the regime's oil supply.

Ratcheting up the diplomatic jawboning of Beijing, the Australian prime minister told the John Laws radio program in Sydney the best chance of resolving the crisis on the Korean peninsula without conflict was to make sure the regime in Pyongyang was completely economically isolated.

Turnbull said China needed to be resolute in turning the economic screws against its neighbour, and if it took tough action, the regime "would struggle to survive".

"China has by far the greatest leverage," Turnbull said on Thursday. "China really has to step up now and bring this regime to its senses"

Read more:

<https://www.theguardian.com/australia-news/2017/aug/31/china-should-cut-off-north-korea-oil-supply-says-turnbull>

14. 'Most prejudiced': Chinese react to US pick of Harry Harris for Australia

31/08/2017

**Kirsty Needham
Sydney Morning Herald**

Admiral Harry Harris has been described in China as the "most prejudiced" US military chief since World War II, following reports he could be appointed ambassador to Australia.

Chief military analysts said sending Admiral Harris, commander of the US Pacific Fleet, to Australia was an attempt by the US to pull Australia back into full support of the American Asia Pacific strategy, and get tougher on China.

The Global Times newspaper quoted Zhang Junshe, researcher with China Naval Research Institute, as saying Admiral Harris was “the most prejudiced and Cold War-minded chief of all US pacific commanders since WWII”.

Admiral Harris has publicly opposed China’s “increasing assertiveness” in the South China Sea, where he has been a proponent of freedom of navigation patrols by US vessels to challenge China’s territorial claims. Australia had declined invitations to join the US patrols.

Read more:

<http://www.smh.com.au/world/most-prejudiced-chinese-react-to-us-pick-of-harry-harris-for-australia-20170831-gy80o6.html>

15. Chinese nationalist protesters target more members

31/08/2017

Primrose Riordan

The Australian

The organiser of a Chinese nationalist luxury-car protest, where Bentleys, Lamborghinis and Maseratis were driven through Sydney decked out with provocative slogans, is targeting more Chinese students to join his club.

Former University of Sydney student Tony He, 27, organised the protest, leading a convoy of cars in a drive-by of the Indian embassy, on the South Asian country’s independence day.

On August 15, Mr He led 10 luxury cars past Sydney landmarks to the Consulate General of India in Sydney, with the cars covered in slogans including: “Borderline is our baseline”, “China: Not even a bit can be left behind” and “Anyone who harms China will be killed no matter how far the target is”.

Swinburne University China scholar John Fitzgerald said Chinese nationalism was extending overseas, “fed by an ‘enemy mentality’ education policy endorsed by President Xi Jinping”. University of Melbourne international relations lecturer Pradeep Taneja called the protest “bizarre” and said it could threaten ethnic harmony.

Read more (Paywall):

<http://www.theaustralian.com.au/national-affairs/chinese-nationalist-protesters-target-more-members/news-story/67d7412330fa272f6c9064c42aabe1b5>

16. Chinese students taught to 'snitch' on politically incorrect lecturers

01/09/2017

**Rowan Callick
The Australian**

The war being waged by Chinese international students against “politically incorrect” lecturers in Australia hasn’t emerged out of the blue. It has flowed out from China’s increasingly regimented education system.

It has come from a cohesive approach pursued over the past five years by the Chinese Communist Party authorities – which have severely audited universities to ensure their ideological orthodoxy, with a strong stress on Marxism and Xi Jinping thought.

The President has warned academics: “You can’t eat from the rice bowl we provide, then break it.”

This message has got through loud and clear, including to ambitious and “right thinking” students.

Read more (Paywall):

<http://www.theaustralian.com.au/news/world/chinese-students-taught-to-snitch-on-politically-incorrect-lecturers/news-story/5cd4d2bc84ce0d976546706a23aeffe5>

17. Turnbull comments show Australia a ‘second class citizen’ says Chinese newspaper

01/09/2017

**Kirsty Needham
Sydney Morning Herald**

Prime Minister Malcolm Turnbull’s call for China to cut off its oil pipeline to North Korea has prompted a fierce rebuke from a high-circulating Chinese newspaper, which accused him of going beyond even Donald Trump.

The Global Times, which sells more than one million copies, devoted an editorial to Mr Turnbull’s “indiscreet” and “absurd” comments, and saying Australia was a “second class citizen of the West”.



“Although President Trump has complained about China in contradictory statements, he has so far never publicly asked China to cut North Korea’s oil supply,” the *Global Times* wrote.

The editorial said Australia had become America’s loudspeaker in the Asia Pacific.

Read more:

<http://www.smh.com.au/world/turnbull-comments-show-australia-a-second-class-city-zen-says-chinese-newspaper-20170901-gy8tdd.html>