

# CHINA IN TOUCH



An ACBC Northern Territory Newsletter

September 26 2018, Issue 237

NT secretariat (08) 89270061, GPO BOX 2769, Darwin NT 0801

## NT President's observations

The most frightening observation in Woodward's new book FEAR about the Trump administration is the handwritten marginal note on a draft speech made as Trump was returning from the G20 summit. Trump writes TRADE IS BAD. It is perhaps the most accurate summary of the way President Trump views the world, capturing his protectionism, isolationism and fervent American nationalism.

This is not the simple American isolationism or protectionism practiced up until the attack on Pearl Harbor. In this period US international trade continued with multi-nationals like IBM supplying the technology that enabled Hitler to track down and control the Jewish population and Boeing and others selling military equipment to the British Army.

This challenges our assumption that he means SOME types of trade are bad, for example trade with China, and that this needs to be fixed. President Trump's world is a world largely without international trade and that's a very different proposition to simple protectionism. It's a view reflected in his response to Apple's Tim Cook to bring the manufacture of Apple products back to the US, even if it means higher prices for the American consumer. It's the same response given the Harley Davidson.

TRADE IS BAD means the rhetoric about balanced trade with China is a smokescreen that conceals a belief that America would thrive as an isolated economy driven by domestic demand alone. In his world vision all Chinese products imported into the US would be substituted with products made in the US. This conclusion is supported by his current threats to impose tariffs on ALL Chinese products entering the US.

If this conclusion is valid then it has significant implications for investment, business and economic activity in China. It also has a significant impact on investment exposure to US multi-national companies and to US companies active in the American domestic market.

The value of products that US companies made and sold in China was about \$250 billion last year. It is an essential part of their profitability. Block, or reduce this capacity and the value of these companies is smashed, along with the value of your investment.

This made and sold in China value is almost double the \$130 billion in products imported by America from China. This \$130 billion import bill includes the iPhone, computers and electronics sitting in offices, tools and equipment – an endless stream of goods that underpin economic activity.

If the US folds in on itself then how does this impact on China? What does the loss of the American market mean for China? The first observation is that this is not catastrophic, although it will be challenging. China is building an alternative international trade environment through its Belt and Road Initiatives (BRI). Investors need to be part of this. Some Governments are trying to bring the BRI into a broader engagement with international rules.

The Chinese domestic economy continues to expand, with domestic demand now accounting for more than 70% of GDP. Substitution of US products with Chinese products becomes attractive when counter-veiling tariffs increase the price. Growing domestic demand is satisfied with Chinese products and services. There are multiple investment opportunities.

The loss of an American market is catastrophic for some Chinese companies and basic research will reveal those companies which are best avoided from an investment perspective. However, many will quickly reorient their production to an expanding BRI market-place so there are investment opportunities in these beaten-down stocks.

Woodward's book suggests it is unsafe to assume that Trump's trade and tariff wars are part of a sophisticated plan. They are more firmly based on the simplistic assumption that TRADE IS BAD so market and currency rallies based on new US-China trade talks are unreliable.

Daryl Guppy,  
President, NT Branch,  
Newsletter editor

## MEDIA BIAS NEEDS SOLUTIONS

**This is what happened when a Chinese warship encountered the Royal Australian Navy off Darwin.**

What's your reaction to this headline from ABC news? If you are in Darwin you know the tone and tenor of the story is wrong. If you are not in Darwin, then reading the headline gives a misleading impression.

The headline suggests the Chinese warship has been intercepted by the Australian navy following an unwelcome incursion into Australian waters.

Wrong. The ship is here by invitation as part of Exercise Kakadu.

The headline describes this as a Chinese **warship** – an aggressive vessel – being met by the **Navy** – a benign force designed to protect. It may be an unconscious bias, but it's a bias nevertheless.

The media shapes our thinking about subjects where we have no direct contact. Most of us have never met the Prime Minister, but we inevitably have opinions about him. These opinions are formed by the news we read in the media.

For those of us doing business with China the media coverage is often unhelpful. Sometimes it is a bias as illustrated above. Sometimes it is news reports that have not been properly researched.

The Australian media ran a number of stories about the ABC.com.au news website being blocked in China starting August 22. This was presented as widespread censorship of Australian journalism. This certainly does happen, but did it happen during the period trumpeted by Australian media?

I arrived in Beijing August 22 and departed China on September 2. I had no problems accessing ABC.com.au on my mobile phone using my Chinese internet carrier, China Unicom. I had no problem accessing ABC.com.au using hotel internet connections in Beijing, Rizhao, and Shenzhen. Access was available without using a VPN. Just prior to publication I checked with a colleague in Shanghai and she had no trouble accessing ABC.com.au.

Unless you happened to be in China at the time of this alleged censorship then you do not know the truth. Readers accept the veracity of what is a poorly researched story.

It's not an isolated incident. In 2017 respected journalist Rowan Callick ran a story that claimed Chinese authorities in Xinjiang forced Muslim restaurants to remain open all day during Ramadan. He cited the Xinjiang capital Urumqi as the example. I happened to be in Urumqi during Ramadan and my host wanted to introduce me to Muslim cuisine. We trudged around the Muslim quarter of Urumqi for nearly an hour before we found a restaurant that was open. All the others were closed.

I did advise Rowan of this, but no correction was issued so the false impression remains.

Then there are the stories which are 'beat ups' which cast a unjustified aspersion on China. Here the story is generated by a minor incident and 'beaten' or 'frothed up' into something much larger. The most recent example is the apparent outrage expressed by an ABC journalist who boarded a China Eastern flight in Sydney and found he was subject to Chinese law. His WhatsApp stopped working because this is blocked in China.

Anyone who uses Chinese airlines and bothers to listen to the flight announcements will know that once aboard a Chinese plane they are subject to Chinese law. Passengers are advised they have entered common space, that they can be recorded, that disruptive activity will be punished with fines or imprisonment. The Chinese are a bit more forthcoming about these conditions than Qantas, but, they are conditions that apply on all flights by all airlines. It is international law.

When you join a Qantas flight you are subject to Australian law whilst on board. You are subject to US law on a United Airlines flight, New Zealand law on Air New Zealand etc etc. No big deal.

However the ABC journalist turned his ignorance into outrage, loudly protesting that because he had booked the flight as a Qantas code-share on a China Eastern aircraft that Australian law should apply. As an experienced foreign correspondent the journalist should know better however his ill-informed outburst feeds into a perception about China.

Finally there is the sloppy journalism which perpetuates the false myths that are often held about China. A recent headline asks "**If China's on the rise, why do many want out?**" The theme of the article is that (apparently) millions of Chinese want to leave China. It feeds into two myths. First that Chinese are desperate to escape China,. Second that this migration of Chinese refugees will overwhelm the West.

A moment's thought dispels these myths. Australia has around 542,000 Chinese students. Less than 1% apply for resident visas.

Some 136 million Chinese tourists leave China every year and return each year to China. Foreign embassies are not flooded with Chinese seeking asylum.

The facts don't support the story, but the myth keeps rolling on, perpetuated by poorly researched and biased reporting.

Australia is not alone in acts of hypocrisy, but our media is inclined to turn a blind eye. Australian media and others justified the exclusion of Huawei from the 5G rollout because Chinese carriers could be compelled by China to reveal information. No such problem appears to attach itself to the current so-called Assistance and Access Bill due to go before parliament. The Bill would compel technology companies like Huawei to assist security agencies investigating terrorism, child sex abuse and organised crime by helping them decrypt suspect communications. It will be interesting should China, on the same grounds, block Telstra's work in China.

Some of these appear to be stories planted by people trying to influence public policy and public perceptions and although sounding impressive, the stories fail the basic journalists test of verification. These news stories are more akin to propaganda. The story **Banned cameras are being used by the Australian Government** suggests that CCTV cameras made in China are all beaming information back to the Chinese security services. Chinese manufactured drones are also alleged to be doing the same, streaming photos back to Beijing. No evidence is offered to prove this and the cameras are not banned in Australia. Its all based on suspicion and hearsay from specialist interest groups who have a vested interest in increasing defence budgets.

There are genuine issues of concern with China and these should be highlighted where necessary. However our understanding of China is not advanced by ill-informed and biased reporting in our mainstream media.

These brief examples illustrate the type of bias and misreporting that appears in our media. Its not clear what we can do about this. It is clear that as people involved in doing business with China that we ought to do something about this. This mis-reporting feeds misconceptions about China and this in turn feeds into an anti-Chinese attitude that helps to shape national policy.

Part of the solution may lie with ACBC members generating more positive, and corrective, stories about their engagement with China.

From Daryl Guppy

---

## A GOLDEN OPPORTUNITY FOR A RESET ON CHINA AMIDST ESCALATING GLOBAL TRADE TENSIONS

By The Hon. John Brumby AO

National President, Australia China Business Council

There's no doubt we've endured an ugly period in Australian politics. Turmoil of the kind we've seen in Canberra is not only bad for business, it's bad for Australia's reputation in the region and the world. But it's also important to look for opportunities as they arise—and the recent change of leadership in Canberra offers one golden opportunity that Prime Minister Scott Morrison should seize without delay.

For some time now, the Australia China Business Council (ACBC) has been calling for 'reset and repair' when it comes to Australia's relationship with China. Over-blown rhetoric, political point scoring and an unhelpful conflating of issues has led to an atmosphere of mistrust and misunderstanding between the two countries. ACBC members—who are closely engaged on the ground in China and therefore more attuned than most to the nuances of the relationship—report that the breakdown of relations has a real effect in terms of processing delays, breaks in communication and a lessening of enthusiasm for Australian products and services. Former Prime Minister Malcolm Turnbull recently made some welcome moves towards restoring the relationship; it's time for the new leadership to move further in that direction.

It's important to get some facts on the table. In 2017, China was Australia's largest trading partner, with \$183.4 billion of two way trade. The next largest was Japan, at \$71.9 billion. The US came in third at \$68.5 billion. That means Australia does \$40 billion more trade with China than with our next two largest partners combined. To put it another way, while the US accounts for less than 10 per cent of Australia's total trade, China accounts for almost a quarter.

The point of the story is that purely on an economic level, the relationship matters. It generates jobs, creates cross border friendships and drives business opportunities. Australia is now entering its 28th year of unbroken economic growth. Anyone born after I went into public life 35 years ago does not know what a recession is like—and this economic good fortune owes much to our relationship with China.

But the Australia-China relationship is more than simply economic. This year we celebrate 200 years of Chinese settlement in Australia. 1.2 million Australians today are of Chinese descent. Australia was one of the first countries to open diplomatic relations with China in 1972. And every year we see an increasing awareness of the contribution of the Chinese community to Australia. To take just one example, it's now commonplace to see the Lunar New Year celebrated right across the nation, from local councils, to schools, to businesses large and small.

Another reason the Australia-China relationship is important is because of China's emerging role as a world leader in technological innovation and R&D. The OECD predicts that 2018 will be the last year in which China is outspent by the US on R&D. President Xi Jinping has signalled that he wants China to be 'a nation of innovators', which means Australia must prepare for a time when the

most technologically advanced nation in the world is in our region, and not on the other side of the world. As an Independent Director of the Australia board of the Chinese telecommunications company Huawei, I was deeply disappointed that the Government chose to exclude Chinese companies from participating in the rollout of 5G in Australia. But there will come a time when the best technology is routinely Chinese, and I believe that a more positive and constructive Australia-China relationship will help us avoid a future in which Australians have to settle for second best technology.

For all of these reasons, Prime Minister Morrison should immediately move to initiate a fresh start between Australia and China. One way to do this is to engage more closely with China's two current signature platforms: the China International Import and Export Expo (CIIE) and the Belt and Road Initiative (BRI).

The CIIE will be held in Shanghai in November, and President Xi Jinping will attend. More than 150 Australian exporters have already registered. Not only should the incoming Trade Minister, Simon Birmingham, make CIIE a priority, but Prime Minister Scott Morrison should too. And I think it would send a powerful message if Opposition Leader Bill Shorten was also able to attend....to re-affirm bipartisan support for the Australia China relationship.

BRI is China's massive effort to improve and increase trade and economic activity along six land corridors and a maritime route through Asia and Europe. It's an infrastructure-building initiative of unprecedented size and scale, crossing three continents, and directly involving 68 countries containing more than 60 per cent of the world's population. There are four reasons why the Australian Government should consider a formal relationship with BRI. First, it would demonstrate that we welcome China's efforts to connect economies at a time when some developed nations, like the US, are heading in a protectionist direction. Second, better infrastructure connecting Asia and Europe will benefit Australia. As China and other Asian countries continue to grow, new untapped markets will open up for Australian products and services—if we can get them there. Third, Australia needs foreign investment. As the world's largest economy and a nation of savers with \$US3 trillion in foreign reserves, China is an important source of FDI, and the BRI label on a project is a powerful way to attract it. And fourth, and perhaps most importantly, BRI projects through their direct and indirect economic impact will help lift literally hundreds of millions of desperately poor people in our region out of poverty.

Aside from these initiatives, the Australian Parliament should declare a halt to MPs using the China relationship for domestic political purposes. It's too important for that. This does not mean that China must never be criticised. Nor does it mean Australia must compromise our values. Rather, Australia must recognise that our national interest includes a positive and mature relationship with China. After the turmoil of recent weeks, it's time for Canberra to turn its gaze outward and towards the future of the nation—and that means a strong, confident and positive engagement with China.

---

## WHY BELT AND ROAD?

China signature policy is the Belt and Road initiative, but why is it called this? The "Belt" refers to the crisscrossing overland trade routes that converged on the ancient terminus of the silk road at Chang'an, now modern day Xi'an.

The "Road" refers to the maritime trade routes. The idea of a maritime "Road" seems strange to modern ears because it draws on an old English naval use of "Road."



When you fly into Singapore you look down and see all the ships at anchor in the sea just off Singapore. This is still referred to as waiting in the Singapore Roads. The same term is applied to ships waiting in the roads to load coal at Newcastle or iron ore at Port Dampier.

In this sense a Road is a sheltered stretch of water where ships can safely anchor and by implication, trade. Hence the use of 'road' in Belt and Road Initiative.  
From Daryl Guppy

# REGISTER NOW FOR THURSDAY !

## China Networking Afternoon

## 中国网络 > 午后 > 迎会

Presented by Treeti Business Consulting, Provider of the Australian Small Business Advisory Services - Digital Solutions Program and ACBC - NT Branch

Australia China Business Council NT Branch and Treeti Business Consulting invite local operators across all industries to a meet, greet and networking afternoon at the Darwin Trailer Boat Club. Find out what is happening in this space including an update on the success of the recent delegation visit to Shenzhen and how you can access WeChat support through the new ASBAS Digital Solutions Program.

**DATE** Thursday 27th September 2018

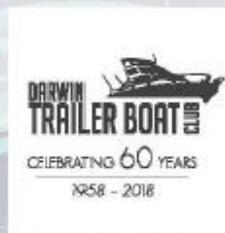
**TIME** 3pm-5pm

**LOCATION** Darwin Trailer Boat Club

**COST** Members \$16.50, Non Members \$20.00

**COST** Members \$16.50, Non Members \$20.00

Darwin Trailer Boat Club is a China Ready and Accredited venue. The Club's westerly aspect is ideal for witnessing Darwin's famed tropical sunsets, and we offer waterfront dining at its best.



[REGISTER NOW CLICK HERE](#)

## ACBC CHINA PODCASTS



Australia China Business Council  
澳大利亚中国工商业委员会



### Interpreting Policy for Business - Philippa Jones (China Policy)

On this episode we speak with China Policy's Managing Director Philippa Jones on China's policy environment. We look at how policy is formulated in China and how interpreting policy can feed into the strategy of Australian business. Philippa outlines the importance of 5 year plans, China's public policy debates and the country's evolution towards rules based governance. We also take a look at major policy initiatives, such as the Belt and Road Initiative, ChAFTA, China 2025 and China's climate policy.



The podcast is on a few platforms now but you should guide all links to the podcast page on the website that is [www.acbc.com.au/podcasts](http://www.acbc.com.au/podcasts)

---

## CHINESE CONSUMERS

Chinese consumers have long been known as the world's most promiscuous consumers. For years foreign brands have hoped to win their loyalty employing initiatives that worked in western markets, but had little effect halting Chinese shoppers' infidelity. One of the best known case studies is Tesco, which announced its successful Clubcard from the UK would be its "secret weapon" in conquering the China market. Instead, it turned out to be another valuable lesson about the need for foreign brands to understand and localise for Chinese consumers.

China's retail sphere has vastly evolved since Tesco retreated from China in 2013, but some characteristics remain. Until recently, China had very few brands or marketing. As a result, consumers haven't grown up with the inherent brand loyalty that we often see in the West, such as having our parents or grandparents faithful to the same washing powder or cars when plenty of competition persists.

The limited historic attachment to brands is amplified by the hundreds of new products launching in China every day, all trying to yell the loudest and offer the most to lure consumers. In many ways, the overwhelming number of launches and resulting competition fuels Chinese consumer's lack of trust in products. This can provide a platform for brands to build loyalty based on trust and other factors.

There are brands who have successfully cultivated loyalty among Chinese consumers. The largest scale example is Alibaba who has enticed hundreds of millions of shoppers to religiously log into their shopping and payment apps daily. The company has a natural advantage as Chinese are more loyal to shopping platforms than individual brands themselves - the result of most online shopping happening on platforms that allow consumers to easily compare brands and prices, and the experience is consistent and relatively transparent.

Alibaba employs numerous tactics to increase loyalty, from events such as beach parties, to better customer service, to their just-launched paid-loyalty program. Yes paid, when other brands can't even get consumers to use their free loyalty programs. Alibaba's program is centred around discounts valued at nearly ¥2,000 (\$291) a year across Tmall Supermarket, Tmall Global, Youku, Ele.me, Xiami Music, and film ticket service Taopiaopiao for members in a strategic move that will likely see them shopping around a little less.

Deals and discounts still resonate with Chinese consumers at all levels, yet all is not lost for brands who want to focus on other ways to win and keep the hearts of their target markets. Chinese consumers are exhibiting increasingly mature traits, particularly younger ones, and are much more likely to be loyal to brands that connect with them and push their buttons. It's just a case of understanding what those buttons are.

Reprinted from China Skinny. Please contact Shanghai -based [China Skinny](http://ChinaSkinny.com) for more information.

# 80TH PHARMCHINA AND NATURAL HEALTH & NUTRITION EXPO

We are the organizer for the 80th Pharmchina and Natural Health & Nutrition Expo(NHNE). We are writing to inquire whether it is possible for your company to participate in our expo in Guangzhou, South China during December 4th-6th,2018.

As the largest and longest pharmaceuticals and natural health products trade fair, the 80th Pharmchina and Natural Health & Nutrition Expo(NHNE) gets strongly support by the governments of China,Thailand, Malaysia, Singapore, Germany and Canada.

Pharmchina was successfully held 79 editions and has two sessions each year, one is in Guangzhou, another is in Shanghai. Working along with natural health and nutrition sector, Pharmchina & NHNE are highly recognized and enjoys good reputation in pharm and natural health industry.

Products displays on Pharmchina & NHNE:

- Pharmaceuticals and Medicals
- Dietary Supplement
- Natural Food
- Food for special Medical purpose
- Maternal & Child Nutrition
- Beauty Food & Personal Care Products
- Functional Food & Beverage
- Traditional Health Preservation

For more information, please kindly feel free to contact us through email or mobile. Rita Leung <[info@aceintl.cn](mailto:info@aceintl.cn)>

---

## NT ACBC Branch Meeting Dates

Meeting venue is kindly provided by Deloitte NT.

Meetings are open to all members of the ACBC, not just the committee members. Most matters discussed at the meeting are passed by general agreement. All members are encouraged to contribute ideas to the discussions.

Current proposed meeting dates are:

Dates	Time
10-Oct AGM	8-9 AM
28-Nov	8-9 AM

The ACBC NT will hold the AGM on October 10 Wednesday.

- Open nominations – September 17
- Close of nominations – COB October 8, 2018
- Nominations are for executive committee. Once elected at the AGM , the committee elects office bearers.
- Office bearers are:
  1. President (National ACBC board member)
  2. 2x vice presidents ( one of whom may be a second ACBC board member and the other a standby member)
  3. Treasurer.
  4. 5 plus committee members

If you are interested in a committee position then please email [acbcnt@acbc.com.au](mailto:acbcnt@acbc.com.au)  
We will arrange for a nomination form.

---

## 2017-2018 NT ACBC Executive

Daryl Guppy - Guppytraders.com (**President / National Board Member**) [China@guppytraders.com](mailto:China@guppytraders.com)  
Kelvin Keung – Homebuild NT (**Vice President**) [kelvin@homebuildnt.com.au](mailto:kelvin@homebuildnt.com.au)  
Willem Westra Van Holthe – Primary Consulting International (**Vice President**)  
[willem.westra@bigpond.com](mailto:willem.westra@bigpond.com)  
Fiona Liu – Synergy [admin@synergy-migration.com.au](mailto:admin@synergy-migration.com.au)  
Wei Dong - AUSTRALIA ASIA INTERNATIONAL CONSULTANTS  
[will@aainternationalconsultants.com.au](mailto:will@aainternationalconsultants.com.au)  
Joseph Aladin - Deloitte Touche Tohmatsu [jaladin@deloitte.com.au](mailto:jaladin@deloitte.com.au)  
Lisa Goodhand –Wildman Wilderness Resort [lisa@chinablueprint.Com.au](mailto:lisa@chinablueprint.Com.au)  
Annie Zhu – SmartMate [annient@qq.com](mailto:annient@qq.com)  
Xian Li – Dept of Resources [Xian.Li@nt.gov.au](mailto:Xian.Li@nt.gov.au)  
Martin Kelly – Finlaysons [Martin.Kelly@finlaysons.com.au](mailto:Martin.Kelly@finlaysons.com.au)

### Ex-Officio members

Wayne Fan/ Chris Mouat – Department of Business  
Cecila Brennan - Dept. of Foreign Affairs and Trade  
Austrade - Martin Ferreyra  
NT Tourism – Daryl Hudson  
Lisa O'Donoghue – South Australia Liaison

---

## PROPOSED NT BRANCH CHINA BUSINESS BRIEFINGS 2018

The Business Briefings will start again in 2018 and be provided free of charge for members only. Visitors are welcome to attend, but a small \$20 fee is payable. (Free if you join ACBC at the briefing) . Briefings run for about 60 minutes. Business Briefing sponsorship options are also available.

For more information, or requests for specific briefing topics, please contact ACBC Secretariat on 89270061 or [acbcnt@acbc.com.au](mailto:acbcnt@acbc.com.au)

---

## GOT A CHINA STORY TO TELL? READ A GOOD CHINA BOOK - SEND US YOUR NEWS OR VIEWS

You are a valued member of the Australia China Business Council and we are keen to receive news on your business activities that we can published on our national website or in our NT newsletters. Do you have an amusing, or interesting or cautionary tale. Drop us a note for the newsletter. Send us a email at [acbcnt@acbc.com.au](mailto:acbcnt@acbc.com.au)

---

## ACBC NT OBJECTIVES

We aim for these services for ACBC NT members:

- To assist members to understand the nature of the business environment in China and where relevant opportunities lie.
- To raise the profile of ACBC NT members within the NT and Chinese business environment
- To share information regarding industry issues in the China market.
- To assist in generating business between member businesses.
- To facilitate co-operation with the China Council for the Promotion of International Trade in relation to business issues.
- To present the views of NT SMEs operating in China to government authorities and other business groups where appropriate.
- To share market and economic intelligence and insights on critical industry issues.
- To create and maintain a collaborative community of business owners that can draw on each other for support in their engagement with China.
- To work in a collaborative community of Chinese business, cultural and friendship organisations to expand the networking capacity of NT members.

These objectives are achieved with networking events, workshops, conferences, briefing, newsletter communication and participation in creation of NT and national Government strategies.

---

## ACBC NT WELCOMES NEW AND CONTINUING MEMBERS

Have your member business profile included in the newsletter. Send details to [acbcnt@acbc.com.au](mailto:acbcnt@acbc.com.au)

---

## **China News reports that did not make it into the local media.**

### **Investors prove hungry for Chinese hotpot startup**

Chinese restaurant chain Haidilao Hotpot raised just short of \$1 billion in its Hong Kong IPO on Tuesday, after pricing shares at the top end of its range.

Stock went on sale at HK\$17.80 a piece, bringing in \$963 million in raised funds and giving the company a valuation in the region of \$12 billion, according to sources speaking to the Financial Times.

The listing offers some positivity for Chinese stocks going public in Hong Kong, which saw a summer of disappointing debuts by hopeful companies such as Xiaomi and China Tower.

According to the company, Haidilao is the fastest-growing major Chinese cuisine brand globally, posting 36% growth in the year 2016-2017. There are 332 restaurants across China, with smaller businesses in Singapore, South Korea, Japan, and the US.

### **Majority of US firms in China “suffering” from trade war tariffs**

Caixin reports that over 60% of US companies operating in China have felt a negative impact from the fallout of the ongoing trade war between the two countries, according to a survey conducted by the American Chamber of Commerce in China.

The businesses expect this only to intensify if the Trump administration was to go ahead with his plans of slapping 10-25% tariffs on a further \$200 billion of Chinese exports.

As it stands, with just \$50 billion of goods from both countries levied, 21.5% of the 430 companies involved in the study said they felt a “strong negative impact” from the tariffs. This figure more than doubles to 47.2% if the new package is signed in.

Of the companies surveyed, US machinery, electronics, and automotives were the industries that reported the sharpest effect of the trade war. As a result of the retaliatory Chinese tariffs, US agriculture and healthcare were among those who feel the worst off.

A parallel study released on the same day by the EU Chamber of Commerce in China pointed in a similar direction. Just over half of 193 businesses interviewed hold a negative position on the US-China disputes.

### **China seeks WTO support for \$7 billion sanctions on US**

China has approached the World Trade Organisation requesting permission to apply sanctions worth \$7 billion a year on the United States on grounds of failure to meet the conditions of an anti-dumping ruling, Reuters reports.

The move revives a disagreement started in 2013 when the US placed anti-dumping duties on Chinese exports in sectors such as metals, minerals and electronics, costing China up to \$8 billion a year.

The petition made to the WTO cited China’s own data which put the damage of the duties at \$7.043 billion annually. Beijing, in response, wishes to slap sanctions of the same value on the US, as stipulated under WTO regulations.

The issue was raised during a dispute in 2016, which China won, that accused the US of using an unfair means of calculating the dumping levels by Chinese exporters. The process, known as “zeroing”, was deemed illegal by the WTO.

For more China business news and information, visit [www.chinaeconomicreview.com](http://www.chinaeconomicreview.com)

---

### **AUSTRALIA CHINA FRIENDSHIP SOCIETY**

The Darwin branch of the ACFS is a co-operative partner with ACBC NT. ACBC NT members are encouraged to attend ACFS events.

ACFS has completed their first News Letter, a website and facebook. The web address is: [www.acfsnt.org.au](http://www.acfsnt.org.au) The facebook address is <https://www.facebook.com/acfs.nt>

---

### **UPDATED CHINA RESOURCES FOR NT MEMBERS**

ACBC NT has an updated list of China resources available for NT members. This includes translators, interpreters, graphic artists and design teams. Some are based in Darwin and some in China. Please contact ACBC Secretariat on 89270061 or [acbcnt@acbc.com.au](mailto:acbcnt@acbc.com.au) for details



..... ●●●●●● .....  
**FORWARD THE NEWSLETTER TO A FRIEND**  
**NEWSLETTER CONTRIBUTIONS ARE WELCOME.** Keep other members informed about China experiences. Please email notes or comments to [acbcnt@acbc.com.au](mailto:acbcnt@acbc.com.au). Please use email header ACBC NOTE. Information received up to the day prior to publication will be included.

*NOTE. The views of contributors are their own and do not necessarily reflect the views of the ACBC NT or the ACBC. Content is copyright and cannot be used without permission*



**Australia China Business Council**  
**澳大利亚中国工商业委员会**

Northern Territory

**MEMBERSHIP APPLICATION**

Please complete this Membership Form with your details if you are applying to join the Australia China Business Council for the first time.

**BASIC DETAILS**

Company Name	
Company name in Chinese	
Industry sector	
Branch membership	<b>NT Branch</b>
Member Type - This is based on the annual turnover (See page 2 for details).	
Company email address	
Company web site http://	
Date of application	

**PERSONAL DETAILS**

Title	
First name	
Last name	
Job title	
Personal email address	

**CONTACT DETAILS**

Company phone	
Company fax	
Direct phone	
Direct fax	
Mobile phone	

**LOCATION DETAILS**

Street address	
City	
State	<b>Northern Territory</b>
Post code	
Postal address	

Please cross out if you do not want your contact details to be given to third parties who issue event invitations to ACBC members

I agree to be included in all associated ACBC and appropriate third party event notifications

Country **Australia**

**PAYMENT METHOD**

Cheque	Please post to: GPO Box 2769, Darwin NT 0801
Cash Deposit	ANZ Darwin, BSB: 015901, A/C: 487 379 699
Credit Card	Card type / VISA / Mastercard
Card number	
Name on card	
Expiry date	CCV#
Amount paid (See member type)	\$

**PLEASE RETURN COMPLETED FORM TO ACBC NT GPO BOX 2769, Darwin NT 0801**

Or Email: [acbcnt@acbc.com.au](mailto:acbcnt@acbc.com.au)

<b>Membership</b>	<b>TOTAL</b>
<b>NT Government Departments</b>	1024.87
<b>Companies</b>	
Annual turnover:	
More than \$ 50 million *	3492.50
\$ 15 million to \$ 50 million	1831.50
\$ 5 million to \$ 15 million	1024.87
Less than \$ 5 million	532.40