



Australia–China Free Trade Agreement



NEW SOUTH WALES' TRADE WITH CHINA

TWO-WAY TRADE:

- China is NSW's largest trading partner with \$16.4 billion two-way merchandise trade in 2007–08.

GOODS EXPORTS:

- China is NSW's 5th largest goods export destination, after Japan, New Zealand, Korea and the United States.
- NSW's goods exports to China were worth \$2.2 billion in 2007–08 (14% a year average annual growth since 1997–98).
- NSW's top 10 goods exports to China in 2007–08 were:

• Copper ores	\$599m
• Wool	\$156m
• Non-ferrous metal waste	\$114m
• Aluminium	\$102m
• Coal	\$100m
• Cotton	\$63m
• Electronic integrated circuits	\$54m
• Medicaments (including veterinary)	\$52m
• Zinc ores	\$52m
• Pulp & waste paper	\$49m

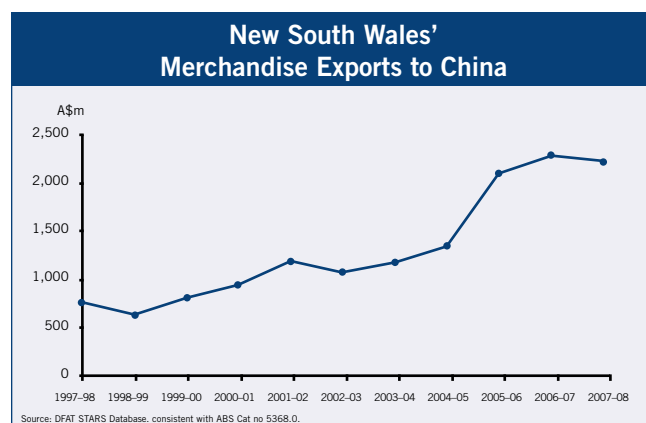
Total merchandise exports (a) \$2.2b

(a) Includes \$313m of confidential items, mainly confidential component of wool

- Other fast-growing NSW goods exports included sheet glass valued at \$11 million (67% average annual growth since 2002–03) and polymers of propylene valued at \$5 million (58% average annual growth since 2002–03).

SERVICES EXPORTS:

- NSW's top services exports to China were education and tourism.
 - NSW hosted 46% of the 107,000-plus Chinese student enrolments in Australian educational institutions in 2007.
 - NSW received 269,000 or three-quarters of all Chinese visitors to Australia in 2007 (150% increase since 2003).
- NSW has direct air services from Sydney to Beijing, Shanghai and Guangzhou.



- NSW's merchandise exports to China:

Financial Year	A\$m
1997–98	749
1998–99	625
1999–00	798
2000–01	948
2001–02	1,178
2002–03	1,079
2003–04	1,167
2004–05	1,348
2005–06	2,099
2006–07	2,284
2007–08	2,220



Merchandise export destination	Financial Year 2007–08 A\$m
Japan	7,941
New Zealand	2,403
Republic of Korea	2,341
United States	2,243
China	2,220

AREAS WITH RISING EXPORT POTENTIAL FOR NSW INCLUDE:

- Financial, legal and insurance services
- Computer and Information services
- Architectural design and building products
- Biotechnology services

GOODS IMPORTS:

- China is NSW's largest goods import source. (2007–08 imports valued at \$15.1 billion*).
- NSW's top five imports from China in 2007–08 were:
 - Computers \$2264m
 - Telecommunications equipment \$2125m
 - Clothing \$1429m
 - Monitors & projectors \$790m
 - Toys, games & sporting goods \$726m

**65% of imported goods enter Australia through NSW and Victoria which act as distribution centres for other states. A proportion of these imports are sent on to neighbouring states and territories.*

OFFICIAL LINKS:

- New South Wales and Guangdong Province established provincial links in 1979 and joint economic meetings are held alternately in Guangzhou and Sydney every two years. In 2009 the New South Wales and Guangdong Province relationship will celebrate its 30th anniversary.
- Sydney and Guangzhou have been sister cities since 1987.
- Several other Sydney councils also have links with China including: Bankstown and Shijiazhuang (Hebei Province); Hurstville and Changzhou (Jiangsu); Mosman and Mudanjiang (Heilongjiang); Rockdale and Tanggu (Tianjin); Ashfield and Wujin (Jiangsu); and Macarthur and Tai'an (Shandong).
- Charles Stuart University has a link with Qingzhou (Shandong).
- NSW regional links include:

New South Wales	China
Armidale	Yanji (Jilin Province)
Bathurst	Zhangjiakou (Hebei Province)
Broken Hill	Taixing (Jiangsu Province)
Dubbo	Wujiang (Jiangsu Province)
Gosford	Jinhuai (Jiangsu Province)
Goulburn	Jiangdu (Jiangsu Province)
Griffith	Harbin (Heilongjiang Province)
Lithgow	Pingdingshan (Henan Province)
Narrandera	Urumqi (Xinjiang Province)
Shoalhaven	Jiamusi (Heilongjiang Province)
Wagga Wagga	Kunming (Yunnan Province)
Wollongong	Longyan (Fujian Province)
Young	Lanzhou (Gansu Province)
New England	Zaozhuang (Shandong Province)

NSW CASE STUDIES:

- **TAFE NSW**, through **DET International**, has won a bid to provide a workforce training master plan for the Shanghai World Expo 2010. (DET International manages and promotes the international business activities of the NSW Department of Education and Training and TAFE NSW institutes). DET International provided event training and planning for the Beijing 2008 Olympic and Paralympic Games.

- The **NSW Food Authority** advised the Beijing 2008 Olympic and Paralympic Games Expert Board and the City of Beijing on food safety to prevent food borne illness.
- **BVN Architects** in Sydney designed five Olympic venues comprising tennis, hockey, archery, rowing, and canoeing for the Beijing 2008 Olympic Games. BVN also developed the operational plan for the 2008 Olympics.
- Sydney-based **Turningpoint Solutions** has created and managed special events for international organisations in Shanghai. These include the World Federation of Exchanges 47th General Assembly and Annual Meeting (hosted by the Shanghai Stock Exchange) and the ALCOA Global Leadership Summit.
- **PTW Architects** undertook all architectural and engineering work for the Beijing 2008 Olympic Games Athletes Village. With offices in Shanghai, Beijing and Hangzhou, the Sydney firm also won the design competition for the Beijing National Swimming Centre (The Water Cube) in association with CCDI Beijing and NSW engineering company **Arup**. PTW Architects has also provided architectural services for commercial, mixed use, residential and master-planning projects throughout China.
- **Leighton Group**, Australia's largest project developer and contractor, has undertaken major construction projects in Hong Kong, Macau and mainland China. Leighton Asia, a Leighton Group subsidiary, is currently developing the HK\$2 billion Kowloon Southern Rail Link; the HK\$3.8 billion Central Reclamation project in Hong Kong; and the HK\$2.7 billion Wynn Diamond Suites and HK\$11 billion City of Dreams in Macau.
- **Sports Technology International** recently installed synthetic turf at the official hockey site for the Beijing 2008 Olympic Games.
- Sydney-based **IBA Health Limited** has established a joint venture that will enable the delivery of healthcare information and services throughout China using the internet and internet protocol television (IPTV). The joint venture will be known as Shanghai People's Health Information Technology Co Ltd.
- **Sigma Coachair Group** (SCG), designs and manufactures air conditioning systems for China's rail, bus and industrial industry. SCG is a global company and has a factory in mainland China which services systems built for Hong Kong.

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For information on the Australia-China FTA negotiations contact:

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For information on the practical aspects of exporting to China, contact Austrade on **13 28 78** or visit www.austrade.gov.au.