



## **SOUTH AUSTRALIA'S TRADE WITH CHINA**

### **TWO-WAY TRADE:**

- China is South Australia's 2nd largest trading partner after the United States.
- Total two-way merchandise trade was worth \$1.8 billion in 2007–08.

### **GOODS EXPORTS:**

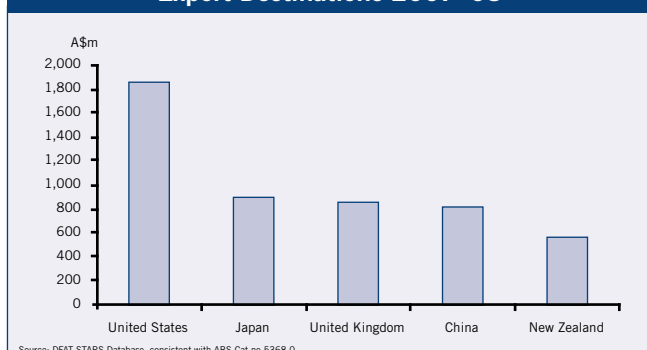
- China is South Australia's 4th largest goods export destination after the United States, Japan and the United Kingdom.
- South Australia's goods exports to China were worth \$816 million in 2007–08 and have grown by an average 9% a year over the past decade.
- South Australia's top 10 exports to China in 2007–08 were:

• Iron ore	\$351m
• Copper	\$97m
• Wool	\$96m
• Alcoholic beverages	\$32m
• Liquefied propane/butane	\$26m
• Non-ferrous base metal waste	\$24m
• Meat excluding beef	\$21m
• Ferrous waste and scrap	\$20m
• Zinc ores	\$18m
• Hides & skins, raw	\$17m

**Total merchandise exports (a) \$816m**  
*(a) Includes \$29m of confidential items, mainly barley and ores.*

- Other fast-growing South Australian goods exports included animal fats worth \$14m (47% average annual growth since 2002–03) and copper waste & scrap worth \$9m (42% average annual growth since 2002–03).

**South Australia's Top Merchandise Export Destinations 2007–08**



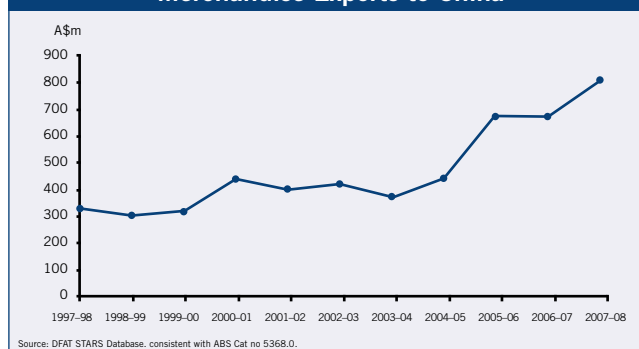
Source: DFAT STARS Database, consistent with ABS Cat no 5368.0.

Merchandise export destination	Financial Year 2007–08 A\$m
United States	1,855
Japan	900
United Kingdom	860
China	816
New Zealand	564

### **SERVICES EXPORTS**

- South Australia's top services exports to China were education and tourism.
  - South Australia hosted over 8000 Chinese students in 2007.
  - South Australia received around 15,000 Chinese visitors in 2007.

**South Australia's Merchandise Exports to China**



Source: DFAT STARS Database, consistent with ABS Cat no 5368.0.

- SA's merchandise exports to China:

Financial Year	A\$m
1997–98	331
1998–99	303
1999–00	315
2000–01	438
2001–02	406
2002–03	422
2003–04	377
2004–05	444
2005–06	674
2006–07	676
2007–08	816

### **AREAS WITH RISING EXPORT POTENTIAL FOR SA INCLUDE:**

- Motorcycles
- Crustaceans
- Nuts and fruit, dried and fresh
- Audio-visual and ICT services
- Education services for learning English as a second language

## GOODS IMPORTS:

- China is South Australia's 2nd largest goods import source after Singapore with imports from China valued at \$997m in 2007–08.
- South Australia's top five imports from China in 2007–08 were:
  - Clothing \$66m
  - Fertilizers \$62m
  - Furniture \$59m
  - Toys, games and sporting goods \$55m
  - Motor vehicle parts \$38m

## OFFICIAL LINKS:

- The South Australian Government has representative offices in Shanghai, Jinan and Hong Kong.
  - South Australia hosts a provincial link with Shandong Province.
  - Port Adelaide has a link with Yantai (Shandong).
  - South Australian regional links include:

South Australia	China
Murray Bridge	Sanmenxia (Henan Province)
Port Pirie	Suizhou (Hubei Province)
Whyalla	Ezhou (Hubei Province)
Charleston	Yichang (Hubei Province)

## SOUTH AUSTRALIAN CASE STUDIES:

- South Australian-based agribusiness company **Elders Ltd** exports Australian wool, cattle and sheep, fresh fruit and barley to China. Elders has offices in Beijing and Shanghai. In early 2008, the company opened a new processing facility in Shanghai. The facility will provide a storage, processing and distribution point for Australian meat, premium wines and beer imported by Elders and distributed to some of China's top hotels, restaurants and supermarket chains.
- Adelaide production company **Reckless Moments** has led a consortium of animation and media companies in a series of co-productions with the Shanghai Animation Film Studio. Sweet & Sour, a \$180,000 co-production between Reckless Moments, the Shanghai Animation Film Studio and Adelaide computer-generated images studio, the People's Republic of Animation, has featured in 19 international film festivals, winning best animation at the 2007 Sydney Film Festival and other awards. The company has several other animation, film and performing arts co-productions under way in China.

- **Jurlique Australia**, with its headquarters in Mount Barker in the Adelaide hills, exports its cosmetics into China and expanded its range of products in 2007. The company has one outlet in Shanghai and has recently opened a concept store in Hong Kong.
- **Michell Pty Ltd** is an Adelaide-based wool exporter and processor. It is the world's largest carboniser of wool, a significant buyer, processor and exporter of Australian wool, a fibre researcher and a commercialiser of new products. Michell's processing plant in Shanghai uses fine South Australian wool tops and cutting-edge technology to produce sporting and clothing apparel and wool-based medical aids.
- South Australia-based **Neuplex Pty Ltd** is providing solar energy solutions to remote communities in China. Following a 2007 agreement with the Yulin Municipal Department of Science and Technology to develop and install solar energy generating systems and associated software, the company is expanding its business ventures in China.

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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](http://www.austrade.gov.au)**.