



TASMANIA'S TRADE WITH CHINA

TWO-WAY TRADE:

- China is Tasmania's 4th largest trading partner after Japan, the Republic of Korea and Hong Kong and total two-way merchandise trade was worth \$388 million in 2007-08.

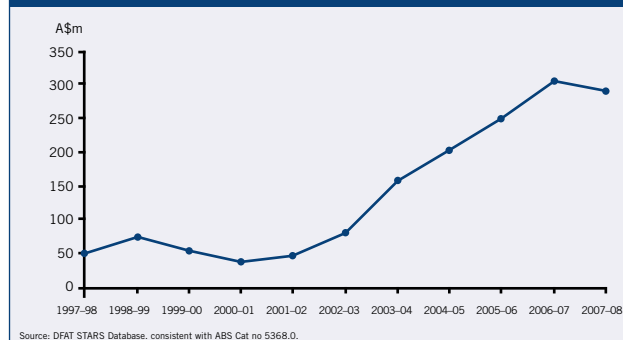
GOODS EXPORTS:

- China is Tasmania's 5th largest goods export destination after Japan, the Republic of Korea, Hong Kong and Taiwan.
- Tasmania's goods exports to China were worth \$292 million in 2007-08, and have grown by an average 24% a year over the past decade.
- Tasmania's top 10 goods exports to China in 2007-08 were:
 - Iron ore \$72m
 - Zinc ores and concentrates \$62m
 - Wood chips \$49m
 - Zinc \$26m
 - Wool & other animal hair \$15m
 - Wood, rough \$11m
 - Wood, simply worked \$7m
 - Raw hides and skins \$6m
 - Lead ores & concentrates \$6m
 - Crustaceans \$5m
- **Total merchandise exports (a) \$292m**
(a) Includes \$8m of confidential items.
- Other fast-growing Tasmanian goods exports included ferrous waste & scrap worth \$2m (20% average annual growth since 2002-03).

SERVICES EXPORTS:

- Tasmania's top services exports to China were education and tourism.
 - Tasmania hosted around 1300 Chinese student enrolments in 2007.
 - Tasmania received 13,000 Chinese visitors in 2007. The number of Chinese visitors has increased tenfold since 2003, making them Tasmania's 4th largest source of inbound arrivals.

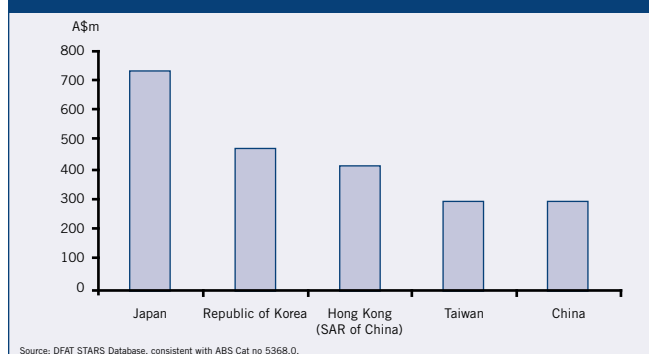
Tasmania's Merchandise Exports to China



- Tasmania's merchandise exports to China:

Financial Year	A\$m
1997-98	52
1998-99	73
1999-00	56
2000-01	38
2001-02	46
2002-03	81
2003-04	160
2004-05	202
2005-06	250
2006-07	306
2007-08	292

Tasmania's Top 5 Merchandise Destinations



AREAS WITH RISING EXPORT POTENTIAL FOR TASMANIA INCLUDE:

- Renewable energy consulting
- Antarctic supply and logistics
- Minerals and mining equipment
- Forestry services
- Maritime education in engineering, logistics, international seafarer training, marine conservation and sustainability
- Gourmet food products including seafood

GOODS IMPORTS:

- China is Tasmania's largest goods import source with total imports valued at \$96 million in 2007–08.
- Tasmania's top five imports from China in 2007–08 were:

• Residual petroleum products	\$33m
• Furniture	\$8m
• Inorganic chemical elements	\$6m
• Vegetables	\$4m
• Rubber tyres	\$3m

OFFICIAL LINKS:

- Tasmania and China's Fujian Province this year celebrate the 29th anniversary of the 1981 establishment of their sister state relationship.
- Launceston and Taiyuan established a sister city relationship in 1995. Taiyuan, the capital of Shanxi Province, is an important industrial centre with coal, metallurgical, chemical, textile, electronics and building material industries and machine and precision tool manufacturing.

TASMANIAN CASE STUDIES:

- Renewable energy project developer **Roaring 40s**, a joint venture between Hydro Tasmania and the China Light & Power Group, has a joint venture agreement with China Datang Corporation to build a 50 megawatt wind farm at Xiangyang in Jilin province, as the first stage in a development with a potential of up to 1000 megawatts of wind energy. This will be one of the largest on-shore wind-farm projects in the world and is Roaring 40s' seventh and biggest undertaking in China.
- Hobart-based **Under Down Under Tours** is targeting young Chinese backpackers by providing innovative eco-itineraries, accommodation and air-conditioned transport. More than 96% of the tour company's customers are from overseas.
- **Health Pro's** market development in China has evolved from the design of health care and emergency vehicles to the design and manufacture of health care services. The Hobart company's new services include specialist equipment for Operating Theatres, Medical Gas Pendants and Pass Through Units.
- **Strait Drinks** has a contract with Chinese distributor Yalla Solution for a minimum 500,000 bottles of its premium quality Strait Vodka, Dry Gin and flavoured spirits. Sales so far have concentrated in Beijing where several top hotels, bars and restaurants carry the lines and there are plans to appoint up to a dozen distributors in other major Chinese cities, including Shanghai and Guangzhou in the next few months.

- **Autech Software & Design** identified a need for colour scheming software for paint retailers, building manufacturers, home owners and architects. The company, based in Launceston, has sold over 400,000 copies of its innovative software globally including recent success in the Chinese market. Autech earns 85 per cent of its revenue abroad.
- **The University of Tasmania** has 1500 students enrolled in University of Tasmania degrees in China through partnerships with Shanghai Ocean University and Jhejiang University of Technology.

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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.