

Report on the Development
of Chinese Enterprises in Australia
(2023-2024)

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Joint Conference of Chinese Overseas Chambers of Commerce (JCCOCC)
China Chamber of Commerce in Australia

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Foreword



Mr. YE Wei

Consul (Counselor-rank) for Economic and Commercial Affairs

Located between the South Pacific Ocean and the Indian Ocean, Australia is one of the most economically developed countries in the southern hemisphere, as well as an important producer and exporter of agricultural products and mineral products in the world, with traditional industries including agriculture, animal husbandry, and mining, rapidly developing manufacturing and high-tech industries, and a service industry which has become the leading industry in the national economy.

Both China and Australia are important countries in the Asia-Pacific region with highly complementary economic structures and huge potential for economic and trade cooperation. Since the establishment of diplomatic relations in 1972, and in particular the signing of the free trade agreement in 2015, owing to the joint efforts from both sides, China-Australia economic and trade cooperation has continued to grow and achieved remarkable results.

In terms of goods trade, the trade volume between the two countries grew from less than A\$6 billion in 1993 to A\$327 billion in 2023. China has been Australia's top trading partner for 15 consecutive years, and is both the top export destination and top source of imports for Australia. Meanwhile, Australia has also become the seventh largest trading partner for China. In terms of service trade, the total service export volume from Australia to China in the fiscal year 2022/23 exceeded A\$10.91 billion, accounting for 11.4% of the total service trade export of Australia.

In terms of two-way investment, Australia is a major destination for China's outbound investment. As the end of 2022, China's investment stock in Australia stood at US\$35.79 billion, with a total of nearly 900 enterprises established in Australia, employing over 25,000 foreign employees. Australia's investment in China is an important part of China's absorption of foreign investment. As the end of 2022, the cumulative actual investment in China stood at US\$10.36 billion.

The pragmatic economic and trade cooperation between China and Australia not only empowers China's reform and opening up, as well as the economic and social development, but also contributes greatly to the prosperity of Australia in the field of energy, mining, agriculture, tourism, education, creating a large number of job opportunities and considerable tax revenue for Australia. These achievements cannot be separated from the outstanding contributions of Chinese enterprises in Australia. The Chinese government has always pursued a win-win opening-up strategy, encouraging enterprises to "go global" and explore international markets. Under the guidance of national policies, batches of Chinese enterprises have come to Australia to invest and develop business together with partners in Australia for common growth, playing an important role in promoting economic and trade cooperation between China and Australia.

In order to help more Chinese enterprises to understand and access

Australia, and cooperate with Australian enterprises, the China Chamber of Commerce in Australia has compiled the *Report on the Development of Chinese Enterprises in Australia (2023-2024)*. Hopefully, more Chinese and Australian enterprises can seize the opportunities and engage in more mutually beneficial cooperation in various fields. We look forward to the China Chamber of Commerce in Australia playing a better role as a bridge, uniting and leading its member enterprises, complying with laws and regulations in business, taking risk prevention measures, and making greater contributions to the promotion of China-Australia economic and trade cooperation.

We will continue to support the China Chamber of Commerce in Australia and enterprises from both countries, in order to contribute to the high-quality development of China-Australia economic and trade cooperation.

Ye Wei

Consul (Counselor-rank) for Economic and Commercial Affairs
Consulate General of The People's Republic of China in Sydney

July 25, 2024

Preface

Located in the South Pacific, Australia is a land of abundance, with rich resources in mining, agriculture, husbandry and fishery; it is a land of diversified culture, hosting immigrants from 200 countries and over 200 languages and dialects; it is also a hot destination for investment, with booming industries in new energy, services and high-tech, and the total economic output has maintained positive growth for the past 30 years. The unique geographical location, economic structure, and cultural characteristics have brought Australia passion and dynamics in various fields.

2023 is a landmark year for China-Australia relations. The year marks three important 50th anniversaries in China-Australia relations: the successful visit of the former Australian Prime Minister Whitlam to China, the establishment of the Australian Embassy in China, and the signing of the first China-Australia trade agreement. It was also the year when President Xi Jinping and Prime Minister Albanese met successfully in Beijing, promoting the China-Australia relations into a new phase. In 2024, Premier Li Qiang visited Australia and both sides signed a series of cooperation agreements, and China announced the inclusion of Australia into the list of unilaterally visa-free countries, which further strengthened the economic and trade cooperation between the two sides.

China and Australia are highly complementary in economy, with China being Australia's largest trading partner for 15 consecutive years and Australia becoming China's seventh largest trading partner. The trade volume between the two countries has risen from less than US\$100 million in 1972 upon the establishment of diplomatic relations to over US\$200 billion a year

at present. As an important force driving China-Australia economic and trade relations, Chinese enterprises in Australia actively integrate into the overall bilateral economic and trade development, root themselves in Australia, strive to explore, and have contributed greatly to the economic and social development by promoting economic development, creating job opportunities, promoting trade cooperation, and assuming social responsibilities. According to the survey questionnaire, over 90% of the surveyed enterprises have been operating in Australia for more than five years, 90.2% regarded Australia as a major market for the future development of their companies, and 62.6% explicitly expressed that they would make additional investments in Australia in the next two years.

The China Chamber of Commerce in Australia (CCCA) was established in 2006, and has 5 local branches and 6 specialized committees in Sydney, Melbourne, Perth, Brisbane and Adelaide, with more than 400 members in Australia in the fields of energy, minerals, trade, finance, communications, transport, real estate, manufacturing, tourism and agriculture. CCCA adheres to the motto of “building communication platform, promoting common development”, and has continued to play a bridging and connecting role in bilateral economic and trade development.

The compilation of the *Report on the Development of Chinese Enterprises in Australia (2023-2024)* lasted several months. After elaborately discussing the compilation requirements and learning rich experience from sister chambers of commerce, the CCCA sets up a working group to engage in research and compilation. The Report provides an in-depth introduction of Australia and reflects the current situation and difficulties and claims of Chinese enterprises in Australia through surveys and visits. We expect this report to help readers better understand Australia.

2024 marks the 10th anniversary of the establishment of the China-Australia Comprehensive Strategic Partnership, and the China-Australia

relations are facing important opportunities. As China-Australia relations continue to grow for the better, both countries are bound to further promote exchange and cooperation in trade, culture, tourism, education and other areas. In the new period of history, the CCCA will grasp the overall situation of China-Australia relations, continue to build bridges of communication, facilitate investment as well as economic and trade exchanges, and make new contributions to the healthy development of China-Australia trade and economic cooperation in the spirit of “improving services, optimizing management and innovating development”.

Li Mang, Acting Chairman of the China Chamber of Commerce in
Australia

August, 2024

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Chapter 1 Overview of Chinese Enterprises in Australia

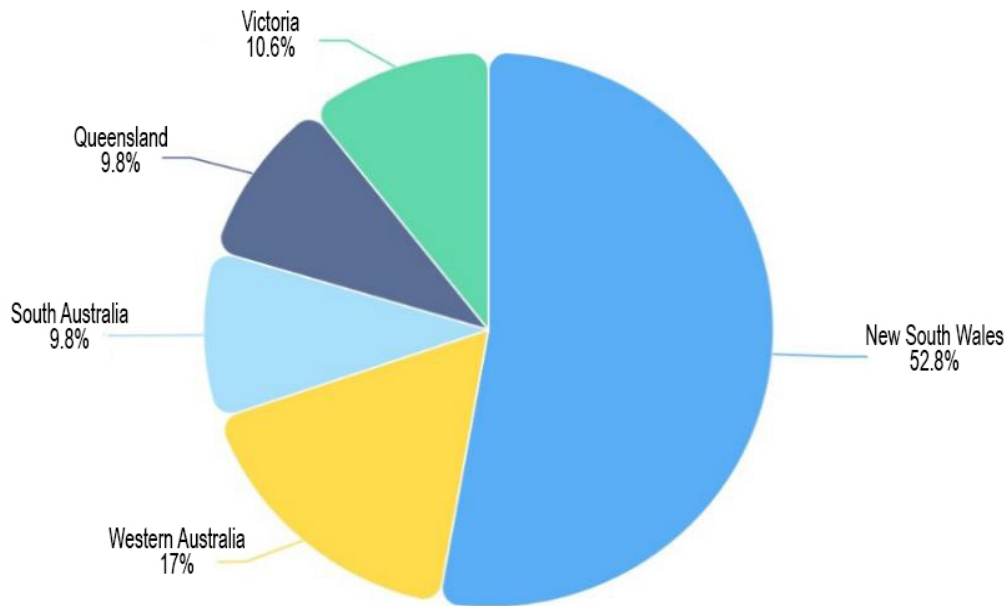
Over time, China and Australia have maintained a healthy and close business cooperation relationship. Since the introduction of the China-Australia Free Trade Agreement (CAFTA) in 2015, Australia has become the second largest destination for China's outbound investment. A growing number of Chinese enterprises are settling in Australia through various means. In 2024, the CCCA conducted a sampled survey on its member enterprises, questions including: development of enterprises in Australia, evaluation of the business environment, contribution to the local, problems and challenges, etc. The 123 valid survey sheets covered represent enterprises of different industries and nature, reflecting the actual situation of Chinese enterprises' development in Australia in a rather objective manner.

1.1 Basics of Chinese Enterprises in Australia

1.1.1 Operating Regions of Chinese Enterprises in Australia

Among the Chinese enterprises surveyed, over half of enterprises operate in New South Wales of Australia, accounting for 52.8% of the total. Western Australia ranks the second, accounting for 17%. And the rest of the enterprises are located in Victoria, Queensland and South Australia, each accounting for around 10%.

Main Operating Regions of Chinese Enterprises in Australia



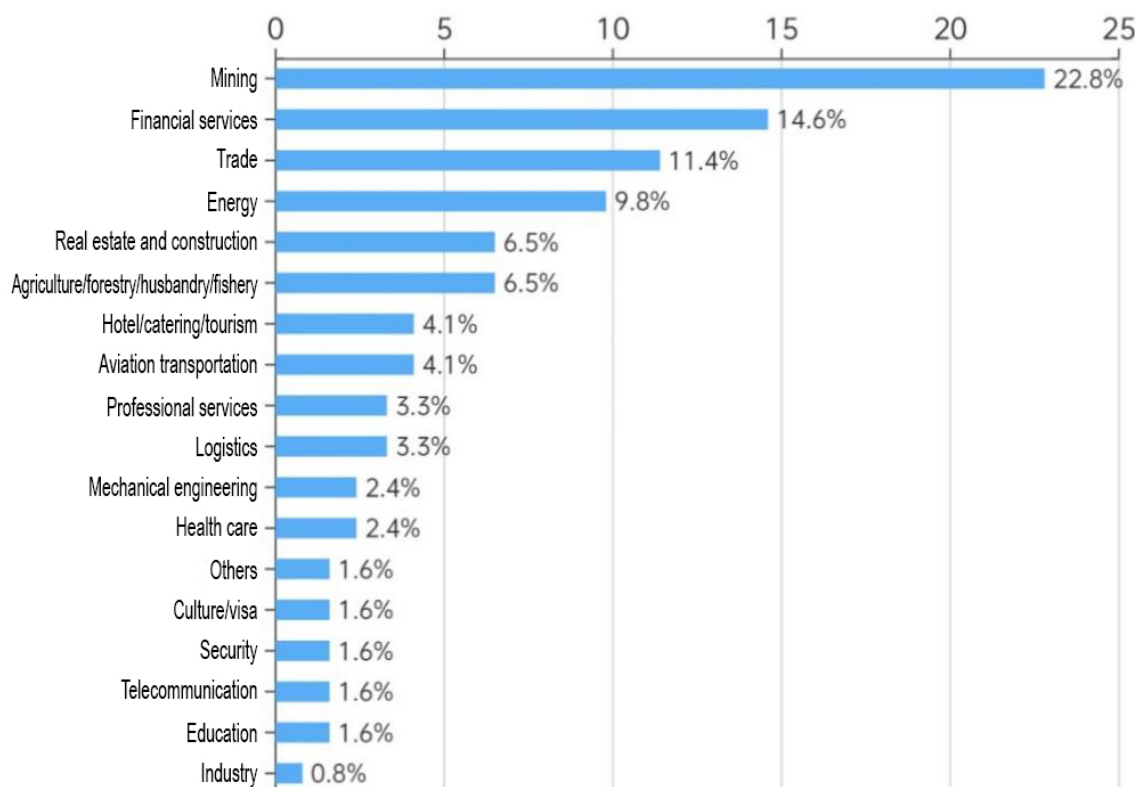
Data source: survey 2023

Figure 1-1: Distribution of operating regions of Chinese enterprises in Australia

1.1.2 Main Businesses

In general, the main businesses of Chinese enterprises in Australia are widely distributed, with focuses on mining (22.8%), financial services (14.6%), trading (11.4%), energy (9.8%), etc.

Main Business of Chinese Enterprises in Australia



Data source: survey 2023

Figure 1-2: Distribution of main businesses of Chinese Enterprises in Australia

1.1.3 Ways of Investment and Cooperation of Chinese Enterprises in Australia

Among the enterprises surveyed, branches set up by Chinese parent companies account for 56.9%, and those independently founded Australian companies account for 22.8%. The remaining 20.3% are set up through direct investment in existing Australian companies, with joint ventures accounting for only 6.5%.

Table 1-1: Nature of Chinese enterprises in Australia

Chinese enterprises in Australia by nature	Percentage
branches set up by Chinese parent companies	56.9%

independently founded Australian companies	22.8%
direct investment in existing Australian companies— 100% holding	13.8%
direct investment in existing Australian companies— 51%— 99% holding	4.1%
direct investment in existing Australian companies— 1%— 50% holding	2.4%

The investment and cooperation of Chinese enterprises in Australia mostly takes the form of “setting up joint investment projects with local enterprises” (25.2%) and “cooperation with local distributors” (23.6%).

Table 1-2: The investment and cooperation form of Chinese enterprises in Australia

Forms of Chinese enterprises' investment and cooperation in Australia	Percentage
Setting up joint investment projects with local enterprises	25.2%
Cooperating with local distributors	23.6%
Setting up branches	22.0%
Mergers and acquisitions	16.3%
Greenland investment	4.1%
Banking business cooperation	4.1%
Not applicable	4.9%

1.1.4 Years of Operation of Chinese Enterprises in Australia

Among the surveyed enterprises, 58.5% have been operating in Australia for over 10 years and only 9% have been established for less than five years.

Years of Operation of Chinese Enterprises in Australia

Unit: per cent

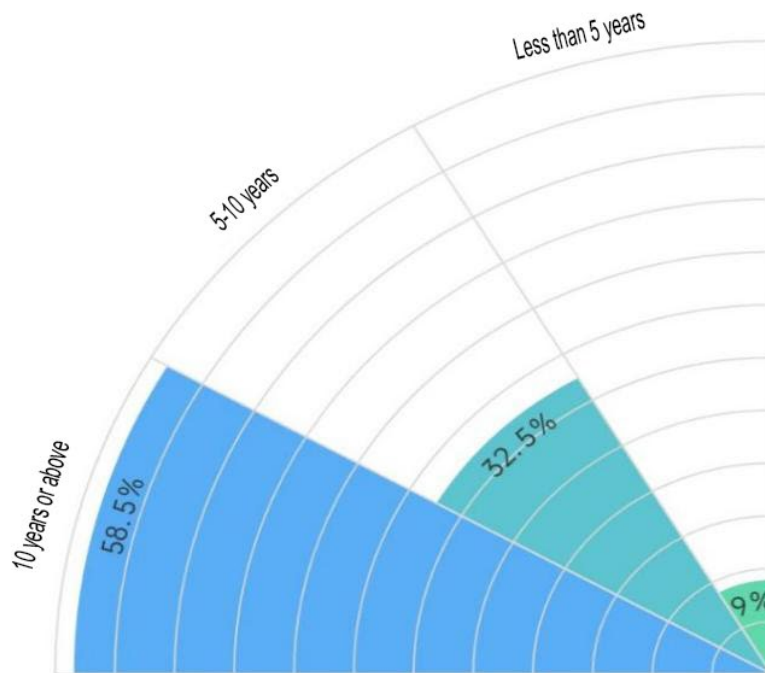


Figure 1-3 Distribution of years of operation of Chinese Enterprises in Australia

1.1.5 Distribution of Parent Companies in China

In terms of parent company location, among the surveyed enterprises, Beijing has the highest proportion of 38.2%. Other regions with higher proportions are: Shanghai (8.1 %), Shandong (8.1 %), Guangdong (8.1 %), Jiangsu (6.5 %), etc.

1.2 Main Purposes of Investing in Australia

Regarding the reasons for investing in Australia, 74.8 % of the Chinese enterprises surveyed state that it is to expand their market. Other motivations include utilizing natural resources (37.4 %), technology and management orientation (13 %), and diversifying investment risks (6.5 %), etc.

Motivations for Chinese Enterprises to Invest in Australia

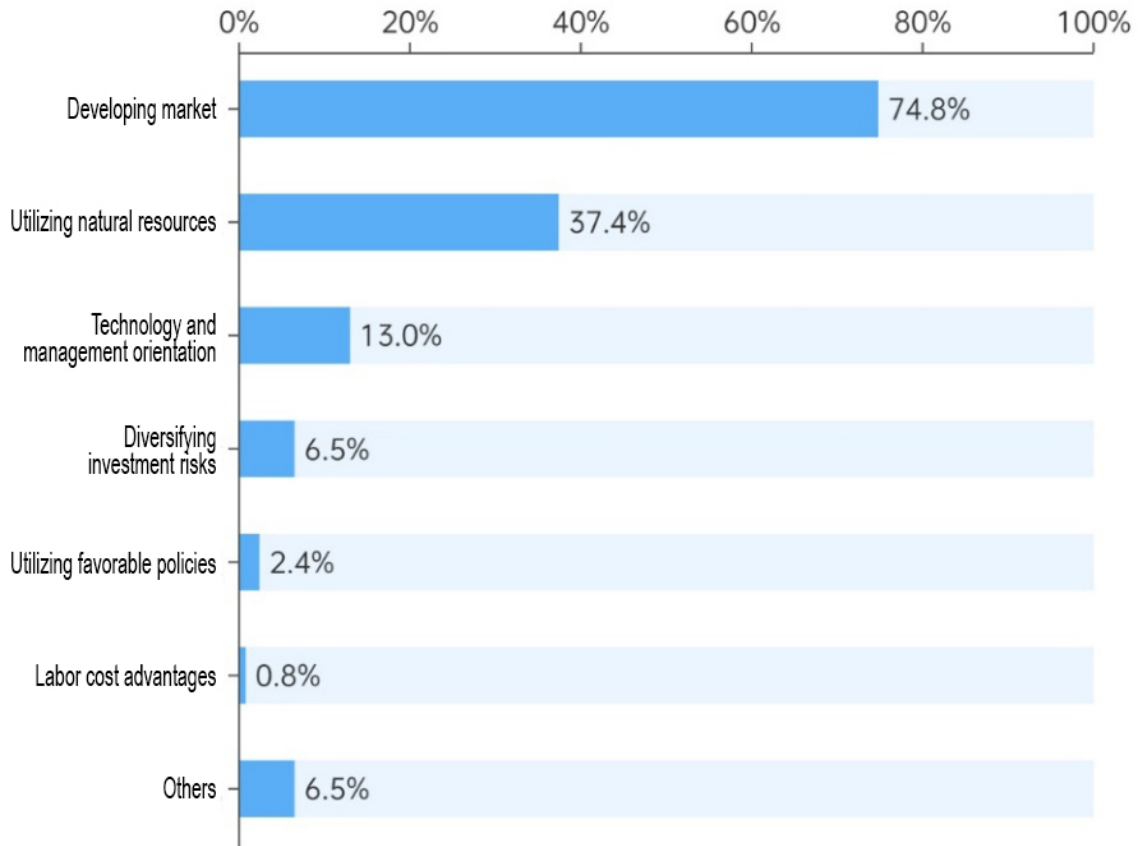


Figure 1-4: Motivations for Chinese enterprises to invest in Australia

The main reasons for choosing to invest in Australia include: social stability, transparency of political regulation, local market, the China-Australia economic relationship. Overall, Chinese enterprises believe the Australian economy complements that of China, and both sides may benefit from each other's strengths and find respective business opportunities; the capital and technologies from Chinese enterprises are what Australia needs for its current development.

Reasons for Chinese Enterprises to Invest in Australia

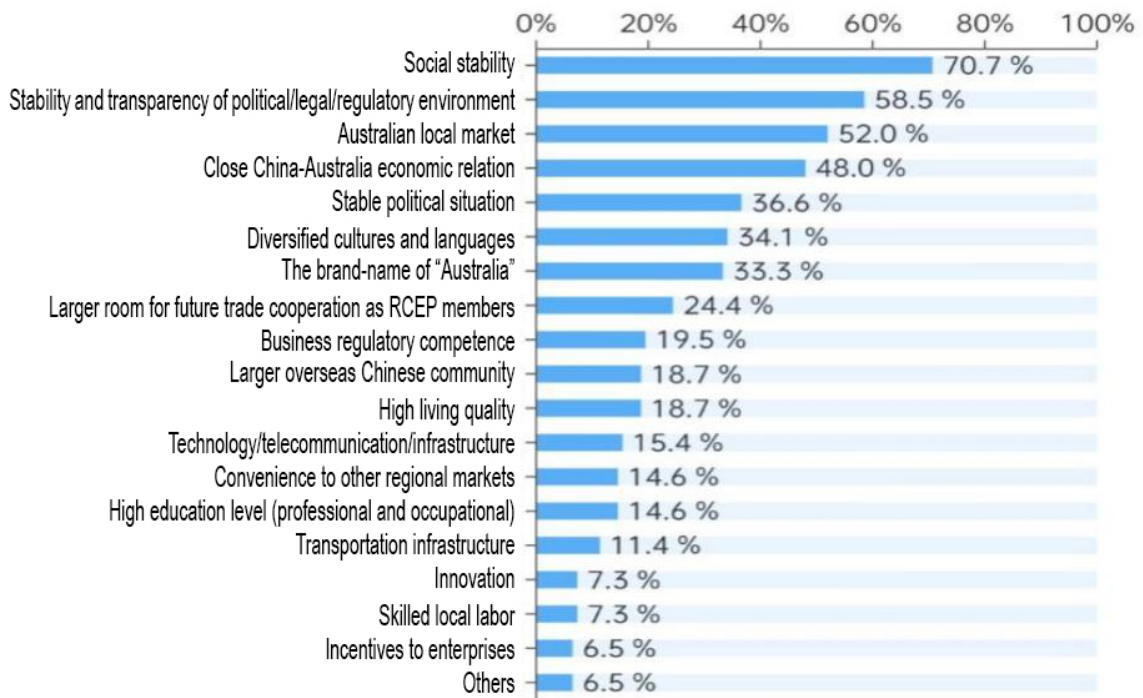


Figure 1-5: Distribution of Main Reasons for Chinese Enterprises to Invest in Australia

1.3 Operation of Chinese Enterprises

1.3.1 Profitability

Among the surveyed enterprises, 29.3% had annual revenue below A\$ 5 million in 2022, 45.5% between A\$ 5 million and A\$ 100 million, and 25.2% above A\$ 100 million. Among them, 60.2% of the enterprises anticipated profitability in 2023 when filling out the survey, while 19.6% stated losses in 2023. According to statistics, the proportion of large enterprises gaining profit exceeded that of small enterprises. 90.5% of the enterprises with revenue above A\$100 million were profitable, while the proportion was only 22.2% for enterprises with revenue below A\$5 million. The profitability of Chinese enterprises investing in Australia reflects the favorable business

environment in Australia, and that the two countries complement each other in resources.

Profitability Forecast 2023 by Enterprises of Different Sizes



Figure 1-6: Distribution of Profitability Forecast 2023 by Enterprises of Different Sizes

1.3.2 Year-On-Year Comparison of Operation Situation

Close to half of the enterprises surveyed indicated that in 2023 their operating revenue and profit margin increased as compared to the previous year. 33.3% of the enterprises declared a year-on-year increase in market share. About 20% of enterprises declared a year-on-year decrease in operating revenue, profit margin, and market share. Overall, the vast majority of enterprises surveyed are steadily improving.

Comparison of operations of Chinese Enterprises, 2022-2023

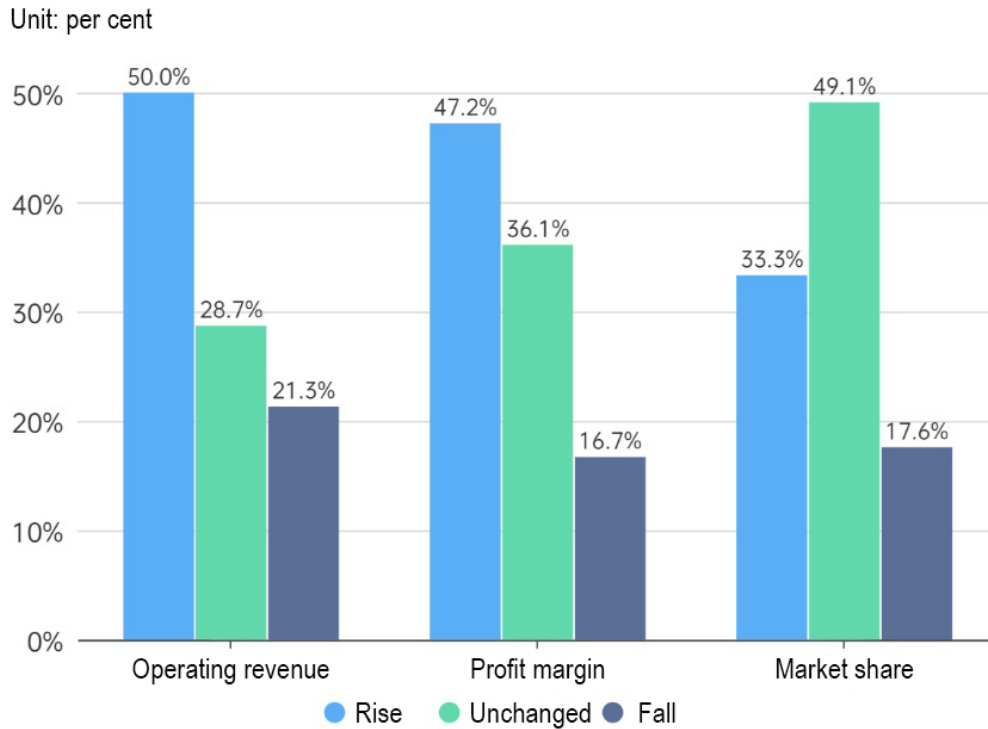


Figure 1-7: Comparison of operations of Chinese Enterprises in Australia, 2022-2023

1.3.3 Ratings on Self-satisfaction with Operation Situations

The surveyed enterprises gave ratings on self-satisfaction with operation situation in seven dimensions: company reputation, customer service, product or service quality, marketing, business revenue, profit margin, and market share, with product or service quality, customer service, and company reputation ranking the top three of satisfaction. Market share and profit margin were at the bottom of satisfaction, which is consistent with the statistical results of the year-on-year changes in business operations in the previous part.

Table 1-3: Evaluation on self-satisfaction with operation situations of Chinese enterprises in Australia

Level of satisfaction for operation situations	Average (full score 10)
company reputation	8.69

customer service	8.71
product or service quality	8.81
marketing	8.22
revenue	7.62
profit margin	7.43
market share	7.41

1.3.4 Ways of Financing

Self-financing (58.5%) is mostly used by Chinese enterprises in Australia, 16.9 % obtain financing from foreign financial institutions, and 11.9 % obtain financing from domestic financial institutions.

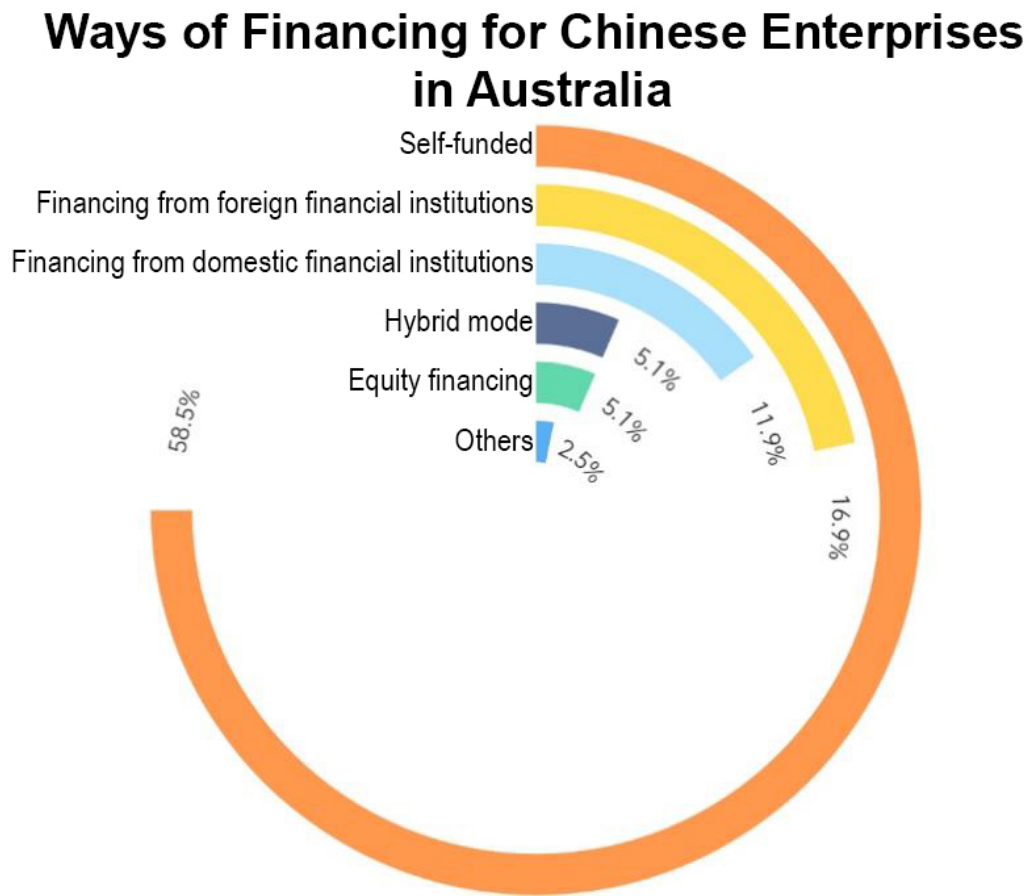


Figure 1-8: Major ways of Financing for Chinese Enterprises in Australia

1.4 Future Development of Chinese Enterprises

The future development prospect of Chinese enterprises in Australia is subject to multiple factors. As a stable economy, Australia is open to foreign capital and foreign investment. This provides opportunities for Chinese enterprises in their development in Australia. The following are some of the factors that may affect the future development of Chinese enterprises:

Trade relationship: The trade relationship between China and Australia is crucial to the development of Chinese enterprises in Australia. Trade policies between the two countries will have direct impacts on the development prospects of Chinese enterprises in Australia.

Investment environment: Factors such as investment environment, taxation policies, regulatory system will affect the investment and development of Chinese enterprises in Australia.

Industry policies: Policies and regulations in different industries also have a significant impact on the development of Chinese enterprises in Australia, especially in key sectors such as energy, mining, and infrastructure construction.

Regional cooperation: Cooperative relationship between Australia and neighbouring regions will also have an impact on the development of Chinese enterprises in Australia, particularly in cross-border investment and trade cooperation.

The survey shows that most Chinese enterprises recognize the importance of the Australian market and are optimistic about the prospects of development in Australia over the next two years.

Importance of the Australian Market to Chinese Enterprises

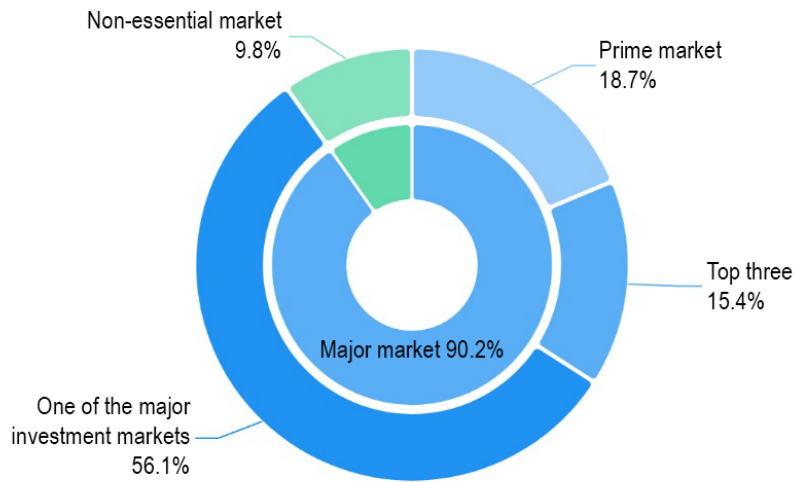


Figure 1-9: Importance of the Australian Market to Chinese Enterprises

Among the enterprises surveyed, 90.2 % consider Australia to be a major market that affects the future growth of the company, with a further 18.7 % viewing Australia as a prime market. Only 9.8 % of enterprises believe that the Australian market has little impact on their business.

Whether to make further investment in the Australian business in the next two years

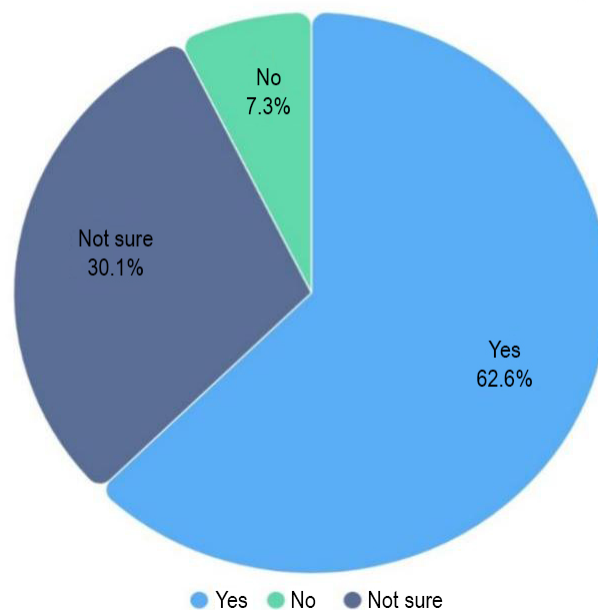


Figure 1-10: Investment Plans of Chinese Enterprises in Australia for the Next Two Years

Over 60 % of the enterprises explicitly stated that they would make further investment in Australia over the next two years. Only 7.3 % were not prepared to make further investment.

Percentage of expectation for steady growth of business indicators in the next two years

Unit: %



Figure 1-11: Business Expectation of Chinese Enterprises in Australia in the Next Two Years

Regarding business operation in the next two years, 80.5 % of the enterprises were optimistic about the steady growth of revenue, while 78.9 % and 79.7 % were respectively optimistic about profit growth and market share growth.

Development Priorities of Chinese Enterprises in Australia for the Next Two Years

Unit: %

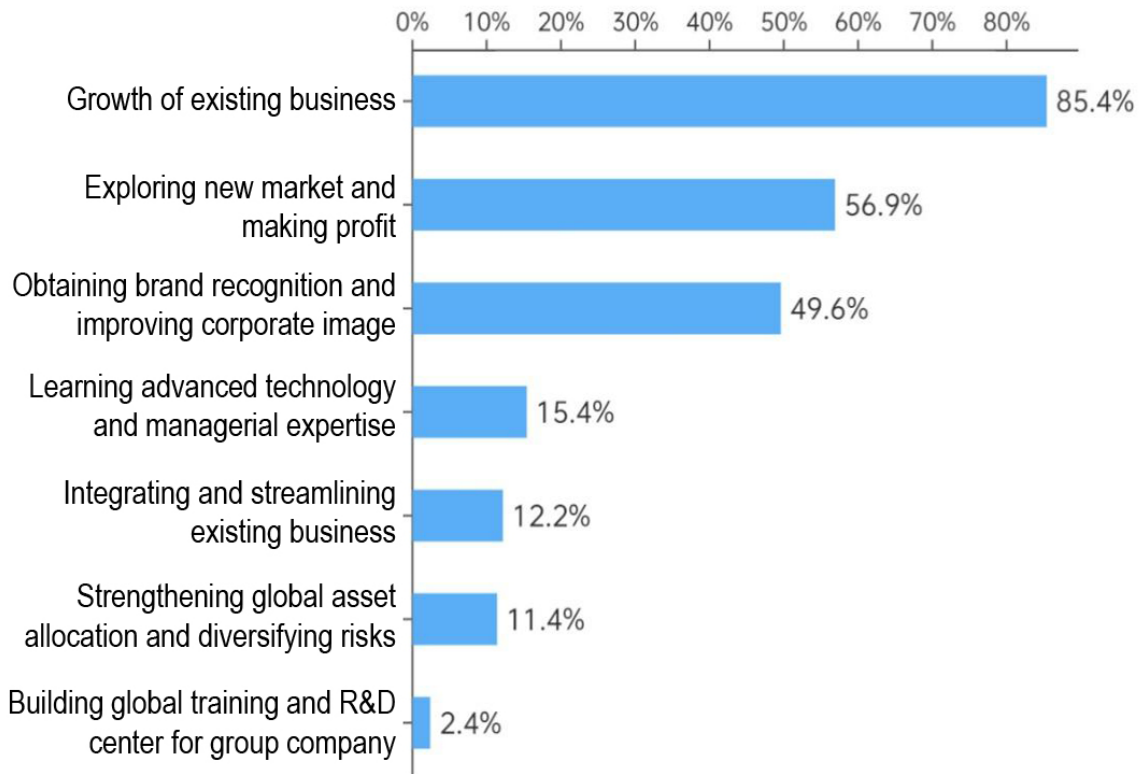


Figure 1-12: Development Priorities of Chinese Enterprises in Australia for the Next Two Years

Achieving growth in existing businesses, exploring new markets, and enhancing corporate image are the focuses of most Chinese enterprises in the next two years. In addition, learning advanced technology and management, and optimizing existing businesses and asset allocation are secondary focuses for Chinese enterprises.

In general, Chinese enterprises show growing passion for further investment in Australia. Chinese enterprises believe that the Australian market is a place where they can continue to make profits and raise corporate value, and that there is sufficient space for economic, trade, and technical cooperation between the two sides in the future.

1.5 Contributions of Chinese Enterprises in Australia

Chinese enterprises have made important contributions in Australia, including but not limited to the following:

Providing job opportunities: the investment and business operations of Chinese enterprises in Australia have created a large number of job opportunities for the local market, promoting the growth and development of local economy.

Driving economic growth: the investment and business activities of Chinese enterprises have contributed to the economic growth in Australia, promoting the development of related industries and creating economic benefits for the country.

Introducing advanced technology: a number of Chinese enterprises have brought advanced technology and managerial experience to Australia, contributing to the improvement of technology and competitiveness of related industries in Australia.

Enhancing trade cooperation: the investment and business activities of Chinese enterprises have promoted trade cooperation between China and Australia, strengthened the economic ties between the two sides, and brought positive impact on bilateral trade.

Undertaking social responsibility: a number of Chinese enterprises have actively fulfilled their social responsibilities, and engaged in local community building, promoting environmental protection and public welfare, and making positive contributions to the local society.

Chinese enterprises in Australia fulfil their social responsibilities in Australia mostly through direct investment, tax payment and job creation, together through other means such as promoting cultural exchanges, protecting the environment and social welfare.

How Chinese Enterprises Fulfil Their Social Responsibilities in Australia

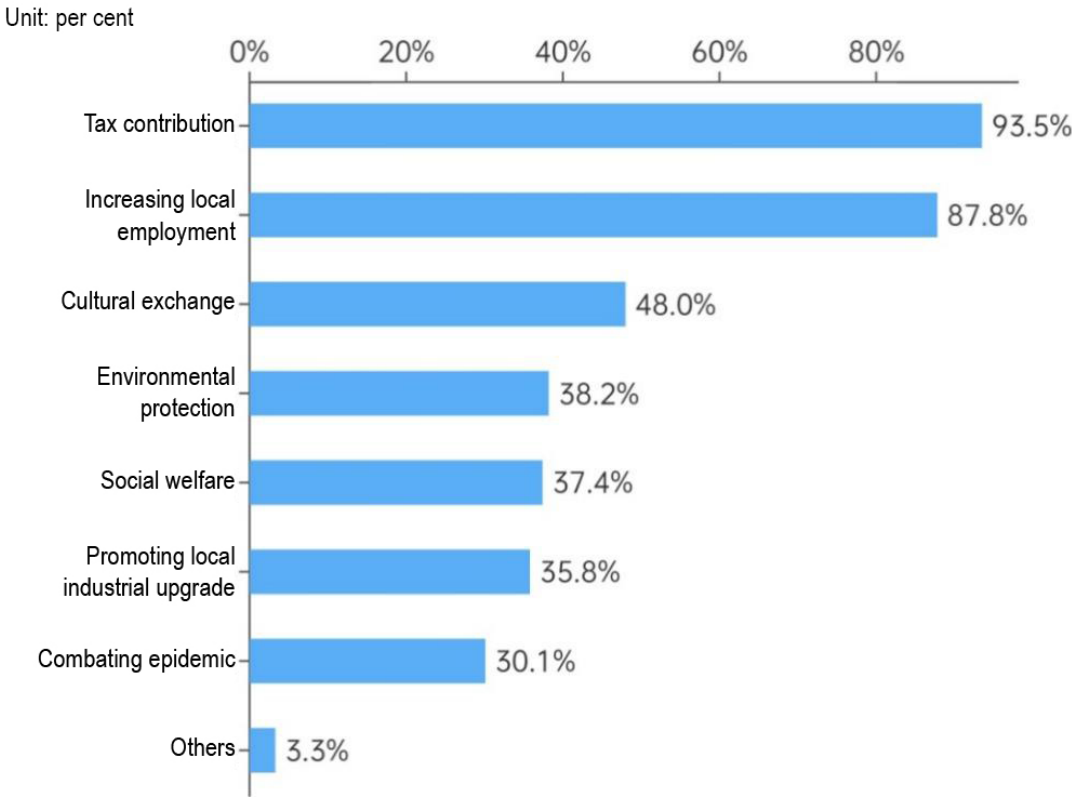


Figure 1-13: How Chinese enterprises fulfil their social responsibilities in Australia

In terms of investment in Australia, 60% of companies have made accumulative investment of over A\$10 million, 34% have made accumulative investment of over A\$100 million, and the remaining 16% have made accumulative investment of over A\$1 billion throughout the years in Australia.

Cumulative Investment in A\$ of Chinese Enterprises in Australia

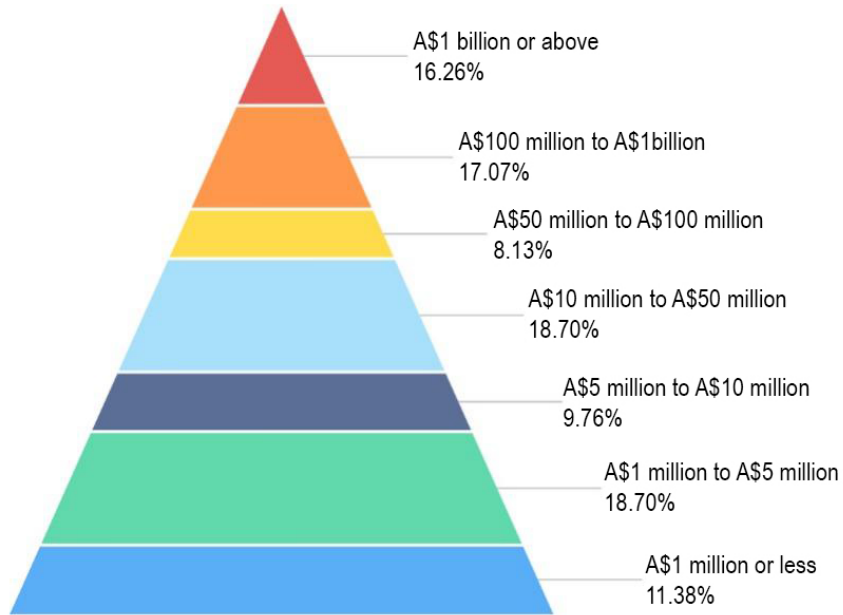


Figure 1-14: Cumulative Investment of Chinese Enterprises in Australia

In terms of tax payment, nearly 40 % of Chinese enterprises paid over A\$1 million in taxes in 2023 and 14.6 % paid over A\$10 million.

Tax Payment by Chinese Enterprises in Australia 2023

Unit: A\$

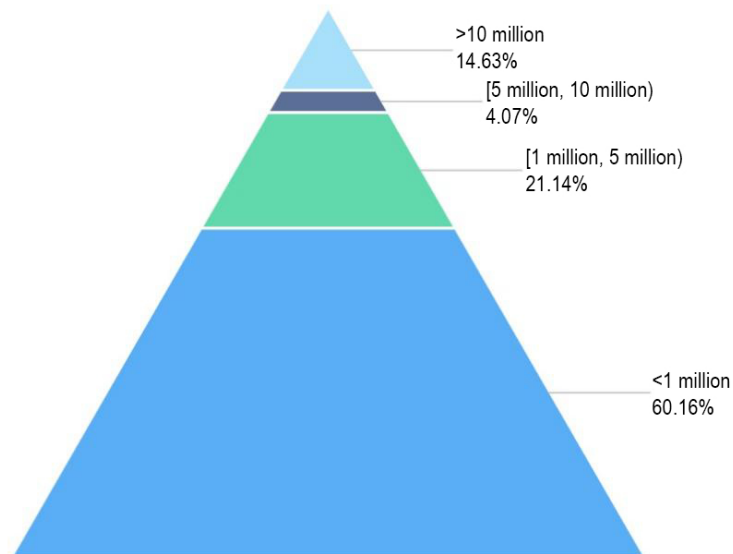


Figure 1-15: Tax Payment by Chinese Enterprises in Australia

In terms of promoting local employment, 55.3% of Chinese enterprises have local employees accounting for 70% or above.

Percentage of Local Employees in Chinese Enterprises

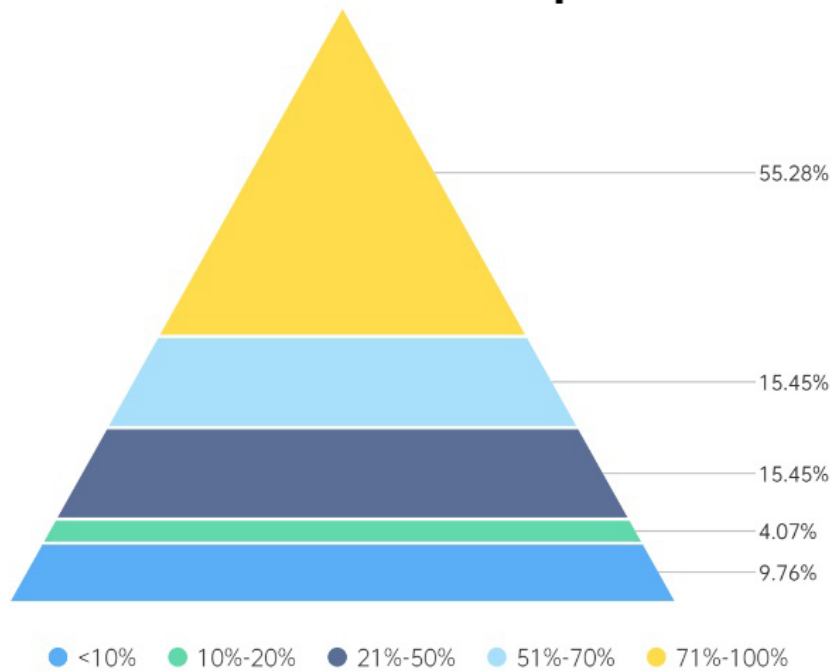


Figure 1-16: Percentage of Local Employees in Chinese Enterprises in Australia

In addition, compared to local employees with Chinese background and employees dispatched from China, most Chinese enterprises prioritize hiring local professionals when recruiting new employees. 78% of the enterprises stated no cutting of the number of employees in the past two years. 40% of the enterprises stated adding job positions in the past two years.

Changes in the Number of Employees of Chinese Enterprises in Australia in the Past Two Years

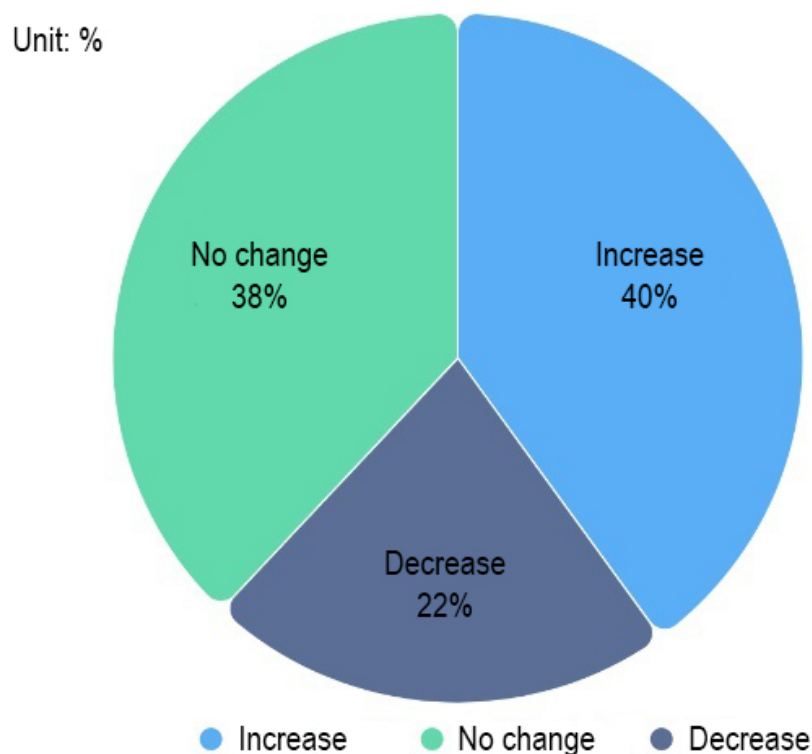


Figure 1-17: Changes in the number of employees of Chinese enterprises in Australia in the past two years

1.6 Policy Impacts on Chinese Enterprises

1.6.1 Impacts of Australian Local Policies

Local policies with positive impact on Chinese enterprises include:

1. Government subsidies. The Australian government provides subsidies for R&D, staff training, green energy, and offered a series of tax reductions for enterprises during the epidemic.

2. Stable policy and stable market. Australia enjoys stable political situation, consistent rules and regulations, and formalized and transparent market administration.

3. The China-Australia relationship continues to improve. Since the signing of the China-Australia Free Trade Agreement (FTA), trade and investment between the two countries has continued to grow. In addition, the fact that both countries are members of the RCEP also helps to boost the confidence of Chinese enterprises in making investment.

Local policies with negative impact on Chinese enterprises include:

1. Quite heavy taxation. Most enterprises indicated that Australia has numerous taxes and the cost of doing business is excessively high. Since 2023 onwards, Australia has ceased income tax incentives for offshore market business, which further added the tax burden on Chinese enterprises.

2. Rigid regulatory environment. Australia's Foreign Investment Review Board (FIRB) conducts rigid scrutiny on Chinese enterprises, and some enterprises even believe that FIRB is biased against Chinese enterprises. In addition, the government continues to issue various new regulations, resulting in the rise of compliance costs.

3. Strong local protection. Australia sets high bar for local labour protection. With the introduction of the National Security Review in 2021, Australia has restricted Chinese enterprises from investing in sensitive areas such as communications network and data storage.

To cope with these challenges, Chinese enterprises have worked out the following countermeasures:

1. Localization transformation. Hire those local staff who are familiar with local rules and government resources. Consult professional local legal and tax teams, and strengthen cooperation with local enterprises.

2. Early preparation and risk prevention. For projects that require regulatory approval, prepare the approval materials in advance, keep active communication and make timely adjustments. If necessary, seek help from local industry associations, chambers of commerce, embassies and consulates.

3. Enhance local policy learning. Strengthen the study on various new regulations by inviting industry experts to give lectures. Make sure that business operations are compliant with laws and regulations.

1.6.2 Impacts of China-Australia Relations

With regard to the impact of China-Australia relations on business development in Australia, 80.49% of the Chinese enterprises consider it to be “very important”, 17.89% “relatively important”, and only 1.63% “not important”. The majority of the Chinese enterprises are optimistic about the future development of China-Australia relations.

Importance of Stable and Healthy China-Australia Relations to Chinese enterprises

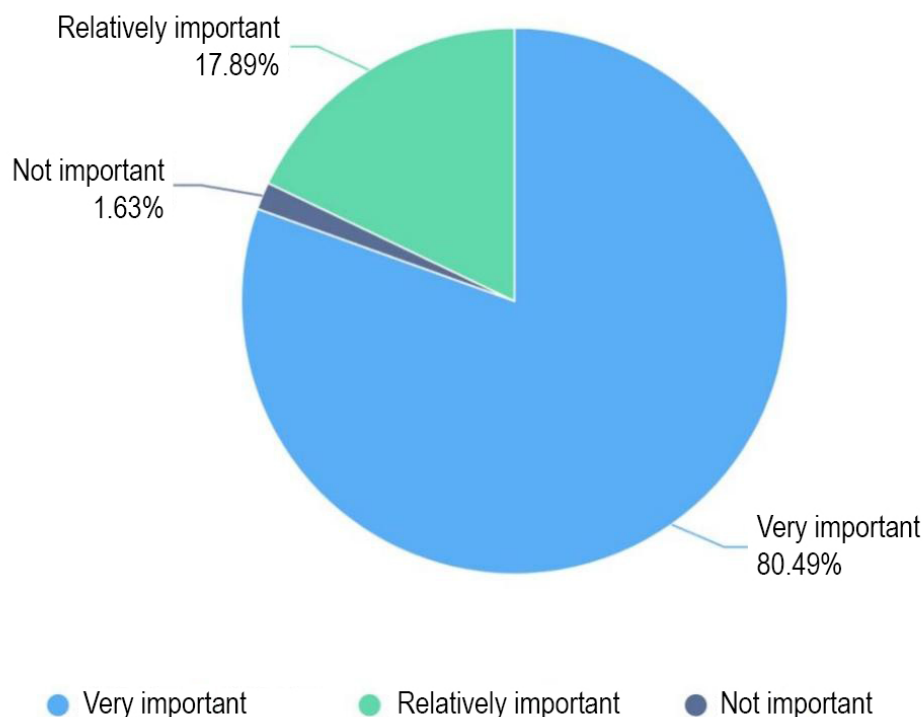


Figure 1-18: Importance of stable and healthy China-Australia relations to Chinese enterprises

Prediction on Future China-Australia Relations by Chinese Enterprises

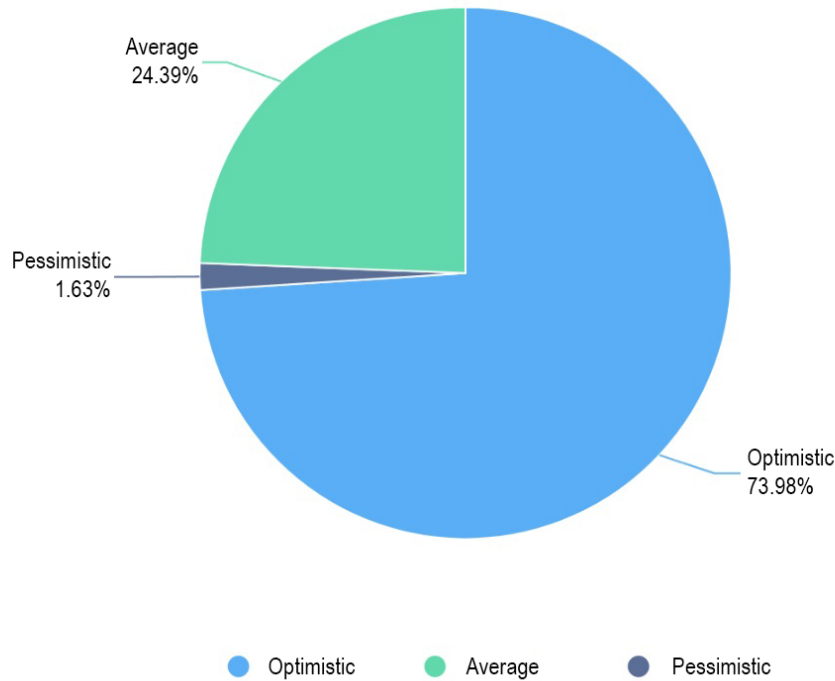


Figure 1-19: Judgement of Australia-based Chinese enterprises on China-Australia relations

1.6.3 Expectations of Chinese Enterprises on Policies of China and Australia

The policy expectations of Chinese enterprises in Australia for the Chinese government include three aspects: firstly, continue to maintain good bilateral relations with the Australian government and create a political environment that is favorable to the operation and expansion of Chinese enterprises; secondly, promote exchanges between the two countries in the areas of culture, science and technology, and economy. Organise industry forums, exhibitions and technology exchanges to promote cooperation and interaction between the two countries; thirdly, continue to support and help Chinese enterprises to "go global" and help build information platform to share information on market, laws and cultural habits in Australia.

The policy expectations of Chinese enterprises for the Australian

government include three aspects: firstly, it is hoped that Australia can better safeguard the China-Australia relationship, reduce political interference in business activities, and maintain policy continuity and stability; secondly, it is hoped that Australia can optimize the environment for foreign investment, including optimizing the review process of the FIRB, simplifying visa approvals, strengthening the construction of infrastructure, and expanding tax incentives; thirdly, it is hoped that Australia can provide regulatory guidance, so as to help Chinese enterprises understand and comply with local regulatory requirements.

1.7 Difficulties and Challenges Faced by Chinese Enterprises

1.7.1 Existing Difficulties

68.3 % of the surveyed enterprises stated the existence of difficulties in working in Australia.

As a foreign investor, is it difficult to work in the Australian system?

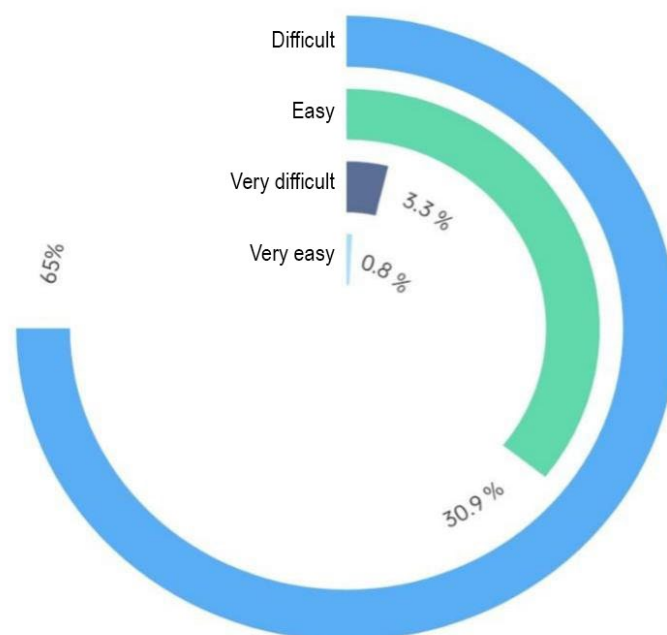


Figure 1-20: Survey on the perception of Chinese Enterprises in Australia

15.4 % of the enterprises surveyed indicated that they had been biased against in business activities.

Have you encountered bias in business activities in Australia?

Note: bias includes boycott, targeted policies, etc.

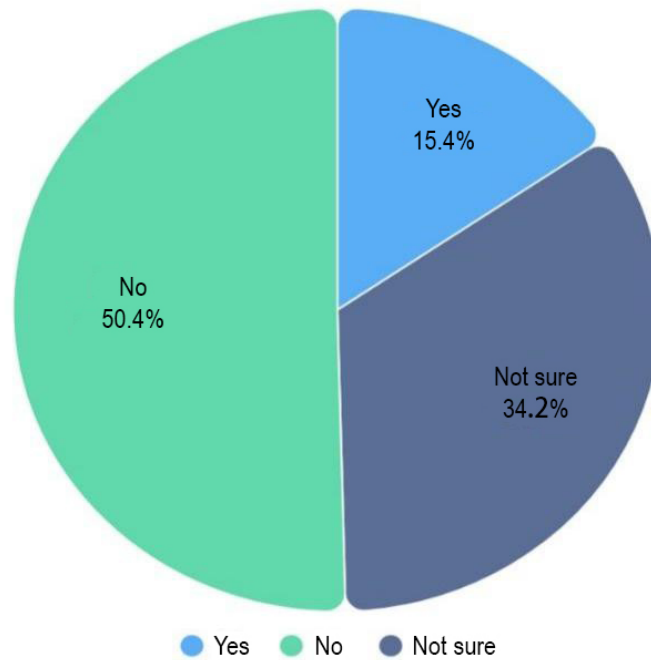
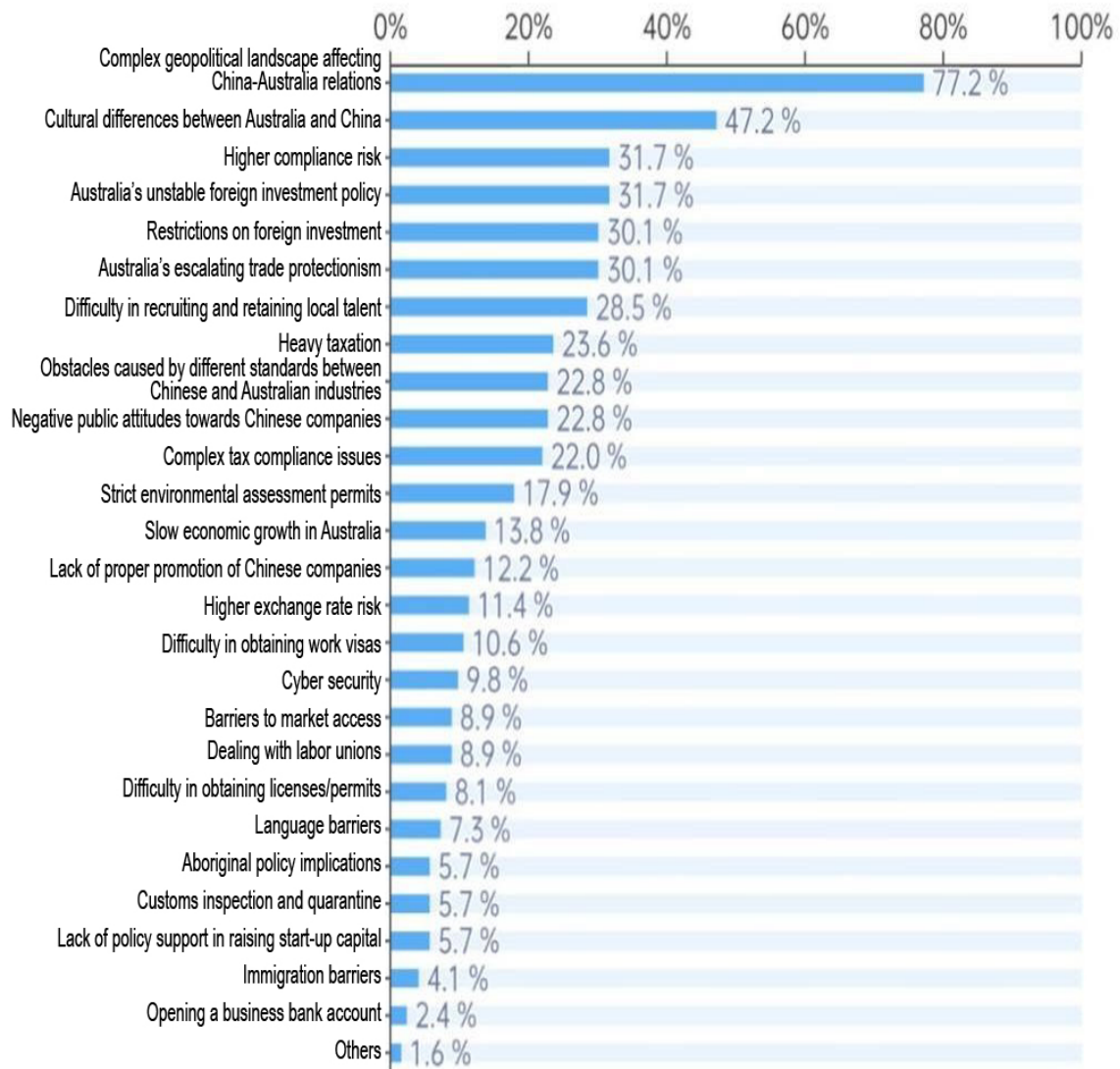


Figure 1-21: Survey on bias against Chinese Enterprises in Australia

1.7.2 Challenges Faced by Chinese Enterprises in Australia

With regard to the operational challenges encountered by Chinese enterprises in Australia, 77.2 % identified the complicated geopolitical pattern between China and Australia, and 47.2 % identified the cultural differences between China and Australia. Other major challenges include higher compliance risks, unstable foreign investment policies, investment restrictions, and escalating trade protectionism in Australia.

Challenges Faced by Chinese Enterprises in Business Operation in Australia



Source: 2023 survey

Figure 1-22: Challenges faced by Chinese enterprises in business operation in Australia

1.8 ESG Focus

ESG has become a standard of measurement and a tool of management to promote high-quality development of enterprises, and gradually, ESG management has changed from “optional” to “mandatory” for Chinese

enterprises in Australia.

1.8.1 Issues in Corporate ESG Management

The main environmental issues related to business operations that Chinese enterprises have encountered include improving energy and resource efficiency, reducing carbon emissions, waste management and recycling.

Environmental Issues Related to Enterprise Operation

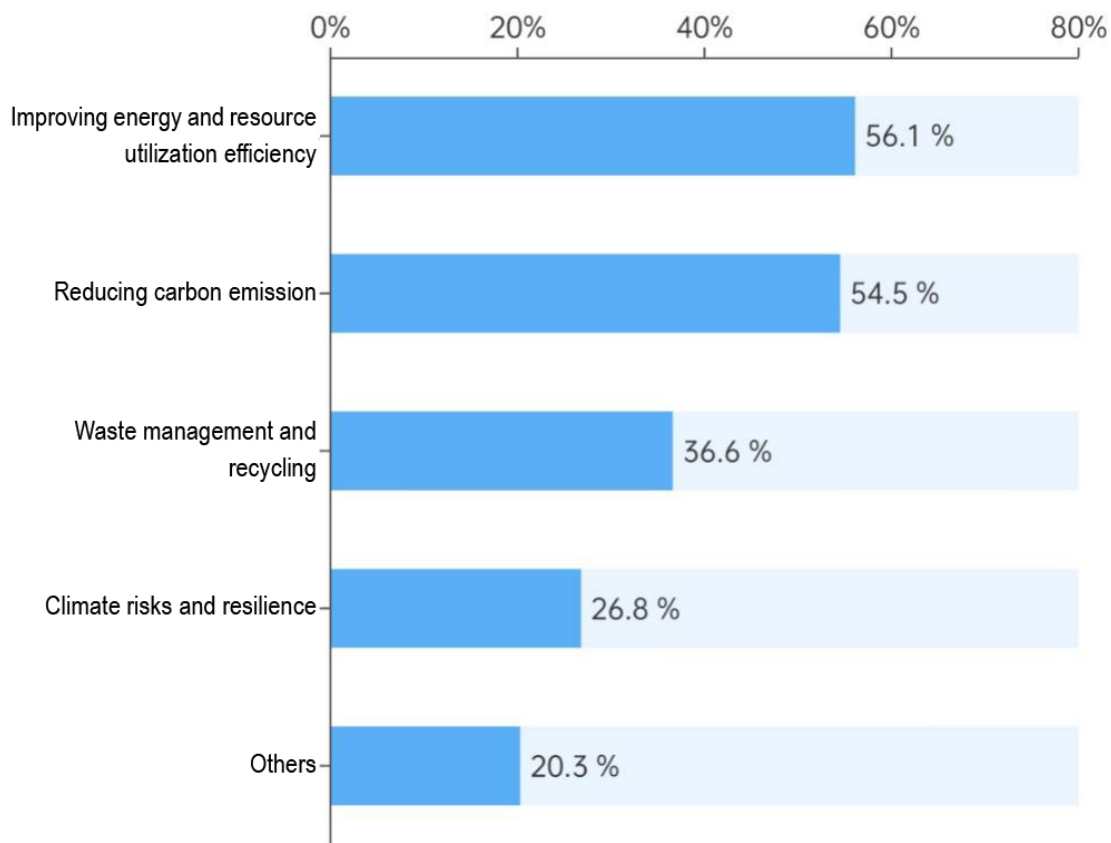


Figure 1-23: Environmental Protection Status of Chinese Enterprises in Australia

The social issues encountered by Chinese enterprises in operations mainly include: employee health and safety, improving customer satisfaction, attracting and retaining talent.

Social Issues Related to Enterprise Operation

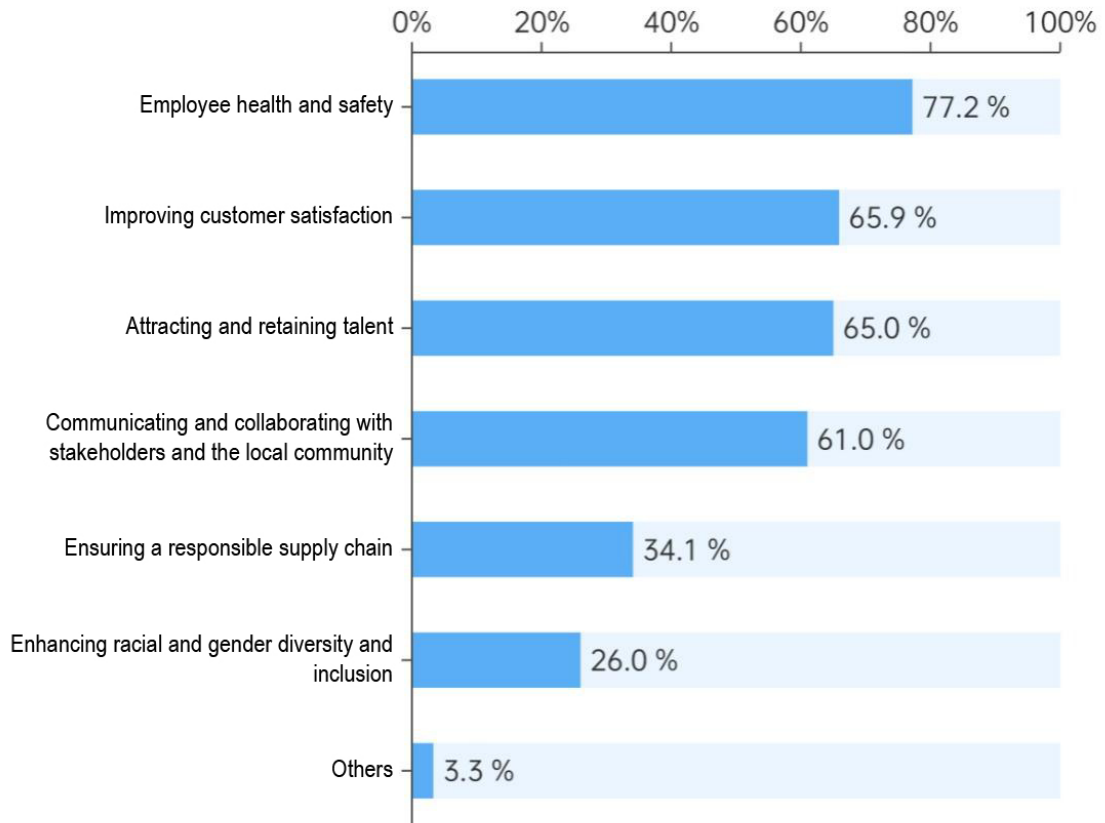


Figure 1-24: Social responsibility status of Chinese enterprises in Australia

The corporate governance issues encountered by Chinese enterprises in operation mainly include: compliance, data security and privacy protection.

Corporate Governance Issues Related to Enterprise Operation

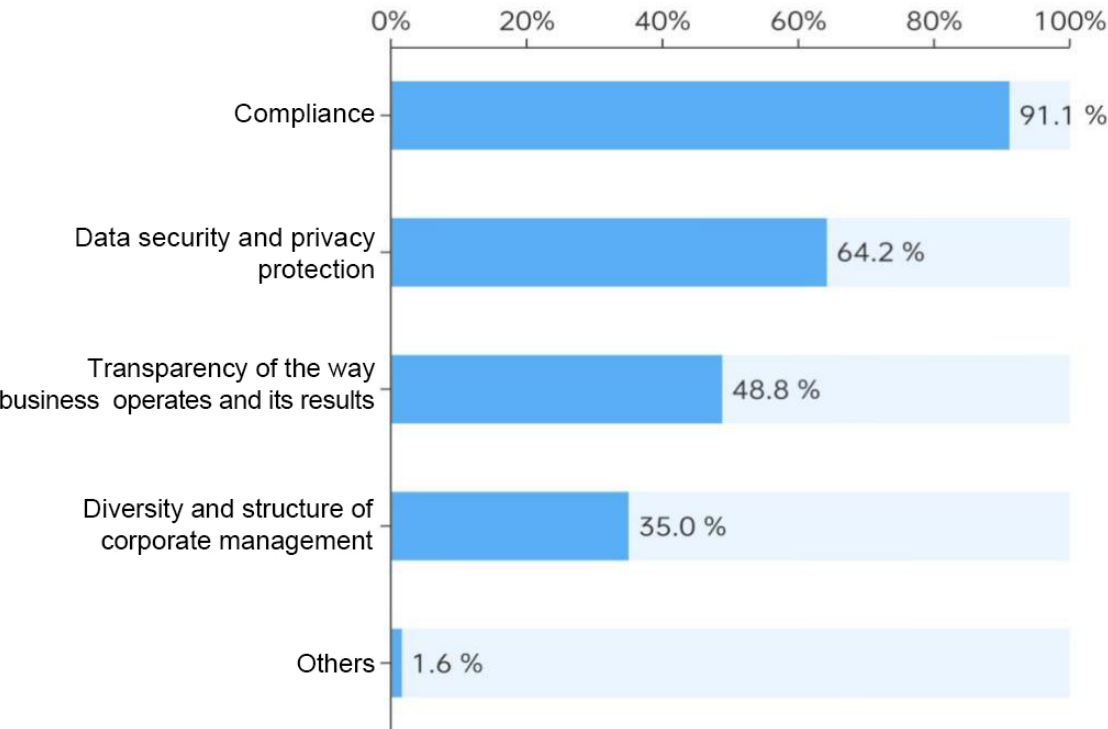


Figure 1-25: Corporate governance status of Chinese enterprises in Australia

1.8.2 Management Measures for ESG-related Issues

The measures taken by Chinese enterprises in response to ESG include: identifying ESG-related issues and integrating them into the corporate strategy and risk management process, incorporating ESG concepts into corporate development plan, developing and publicizing ESG-related company policies.

ESG Measures Taken by Chinese Enterprises in Operation

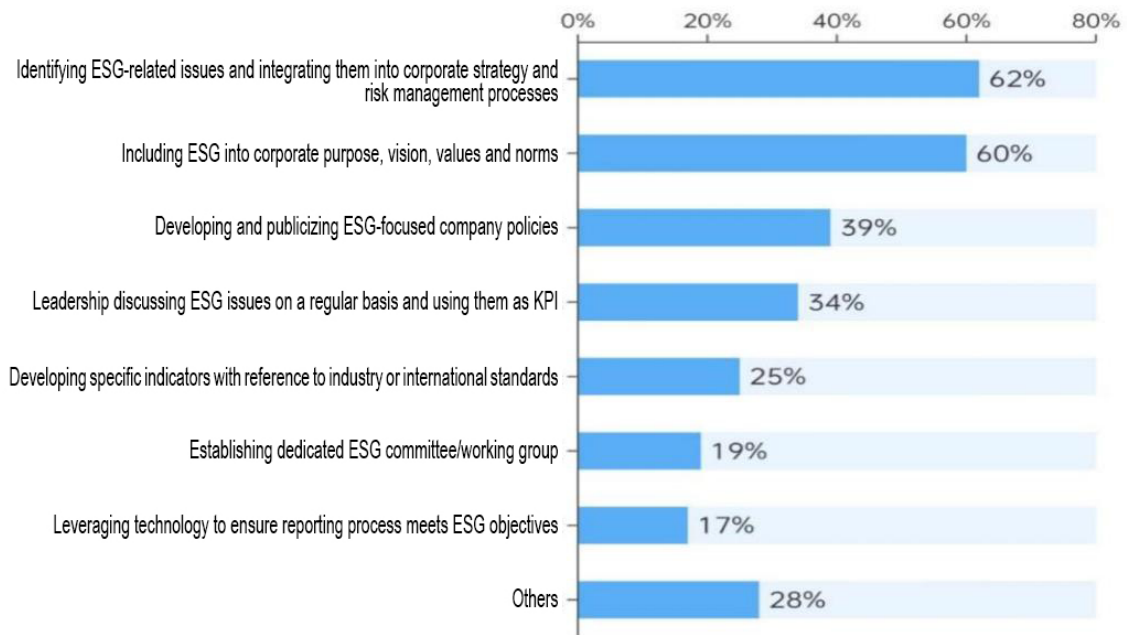


Figure 1-26: ESG management measures for Chinese enterprises in Australia

1.9 Digital Economy

1.9.1 Opportunities for Chinese Enterprises in the Digital economy

The Australian government has issued *The Digital Economy Strategy 2030*, *The Digital Economy Strategy Update 2022* and other relevant economic development plans. Most Chinese enterprises are still at the stage of industry exploration and research, trying to explore ways to combine business operations with digital economy.

Impact of the Strategy on Digital Economy Released by the Australian Government on Chinese Enterprises

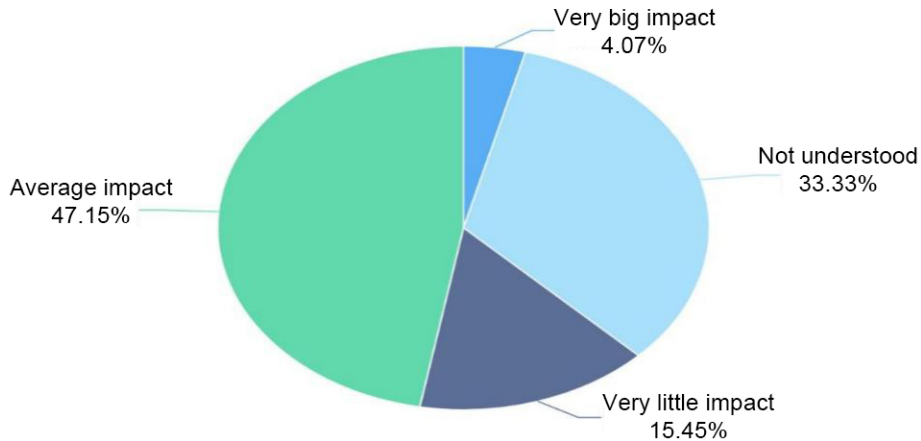


Figure 1-27: The Impact of Digital Economy on Chinese Enterprises in Australia

1.9.2 Practical Application of Digital Transformation in Chinese enterprises

Among the Chinese enterprises surveyed, the digital transformation process in financial, aviation transport and mining proves faster than in other industries. In the financial sector, most commercial banks are accelerating digital business development, integrating data analysis into risk control, anti-money laundering and other management operations, and employing blockchain technology to improve the security of supply chain finance and cross-border payments. In the aviation transport sector, some enterprises are optimizing ticketing systems with big data analysis to improve customer experience. In the mining sector, some mining enterprises materialize unmanned transport in open-pit mines with AI technology. Other attempts include the use of cloud computing technology to improve data storage efficiency; office process automation; creation of digital platforms to facilitate information sharing and employee training.

The survey shows that cloud computing, ChatGPT and other AI technologies are regarded as new technologies that can be of greater help to businesses in the future.

Chapter 2 Business Environment in Australia & Evaluation of Business Environment in Australia by Chinese Enterprises

2.1 Business Environment in Australia

Political environment: Australia enjoys a relatively stable political environment, a legal system and a highly credible government. Such political stability helps to create a favourable business environment and boosts investor confidence.

Economic environment: Australia enjoys a highly developed economic system, complete economic infrastructure and abundant mineral resources, which provide numerous business opportunities for a wide range of industries. As of the first half of 2023, Australia's GDP ranked 12th in the world. According to the IMF forecast, Australia's GDP will grow by 1.4 % in 2024 and 2.1 % in 2025.

Market environment: Australia enjoys open market economy with an open attitude towards foreign investment. It actively engages in international trade and has entered bilateral and multilateral trade agreements with many countries. According to the latest *Doing Business Report* released by the World Bank, Australia ranks 14th in the world for its business environment.

Infrastructure: Australia enjoys well-developed infrastructure, which includes modern transportation network, communications technology and energy infrastructure, providing a favourable business environment for enterprises.

Financial environment: Australia enjoys a sound financial system and

regulatory regime, with relatively healthy banking business and stable financial markets. The Australian dollar is the sixth most commonly used currency in the world.

Sci-tech innovation: Australia is well-founded in sci-tech innovation. Both governments and the private sectors are actively promoting technological innovation and R&D.

Laws and regulations: Australia enjoys a relatively well-developed legal system, with a high degree of legal transparency and clarity of regulations, providing legal protection for enterprises.

Labour quality: Australia enjoys a high-quality talent reserve. The workforce includes a high proportion of skilled workers, professionals and managers. In 2022 about 48 % of employees had high school diploma or above, an increase of 12 percentage points from 2010.

2.1.1 Work Efficiency, Service Attitude and Integrity of Government

The Australian Government is a frequent receiver of positive remarks from the international rating agencies for its efficiency, service attitude and government integrity.

In terms of efficiency: The Australian government demonstrates high levels of efficiency in many fields. Government agencies are usually able to respond to the needs of citizens and businesses, process documents and applications, and deliver required services in a timely manner. However, some complicated government processes may still cause certain delays. According to ABC interviews with local residents, over 40 % of residents believe that government efficiency needs to be improved.

In terms of service attitude: The Australian government departments generally have good attitude in service. Civil servants are usually professionally trained, respecting the rights of citizens and providing polite

and attentive services. The government is also making successive efforts to improve service quality and promote the convenience and efficiency of public services through digitization and online services. According to an interview with local residents conducted by ABC Australia, over 60 % of residents are satisfied with the service attitude of government departments and believe that they are treated with due respect.

In terms of integrity: The Australian Government has made certain achievements in integrity and established a series of laws and regulations to prevent corruptive behaviour. Australia consistently ranks in the top ten in global integrity ranking. Agencies such as the National Anti-Corruption Commission are responsible for monitoring and investigating corruption to ensure the proper use of public funds. However, issues such as transparency of political donations and ethical standards in the public sector still need improvement.

In conclusion, the Australian government generally performs well in work efficiency, service attitude and integrity, but there is still room for improvement. The government should make continuous efforts to improve the quality and efficiency of public services and strengthen integrity so as to better satisfy the needs of citizens and enterprises, and promote social stability and economic development.

2.1.2 Investment Promotion and Facilitation Policies in Australia

Australia is committed to attracting foreign investment and has adopted a series of policy measures to promote and facilitate investment. The following are some policies concerning investment promotion and facilitation:

Bilateral and multilateral trade agreements: Australia has entered into bilateral and multilateral trade agreements with many countries and regions, which have lowered trade barriers and facilitated investment.

Tax incentives: Australia provides a series of tax incentives to promote economic development, such as the R&D tax deduction/exemption, investment tax deduction/exemption, so as to attract business investment and innovation.

Innovation and sci-tech support: The Australian government supports enterprises to invest in sci-tech R&D through various innovation funds and sci-tech support programmes.

Infrastructure investment: The Australian government has been making active investment in infrastructure projects such as transport, energy and communications. These provide investors with a favourable business environment and opportunities for development.

Simplifying approval process: The Australian government is committed to simplifying the investment approval process, reducing redundant administrative processes and improving investment facilitation.

Talent recruitment and training: The Australian government supports enterprises in recruiting and training high quality talents so as to satisfy the needs of different industries and promote economic development.

Regional investment promotion programmes: Each region and territory in Australia have also introduced various investment promotion programmes to attract investment and promote local economic growth.

The Australian government is committed to improving investment facilitation and attracting more foreign investment through a series of policies and measures to promote the sustainable development of the domestic economy. However, in recent years (in particular since the COVID-19 epidemic), many foreign investors have given negative opinions on the Foreign Investment Review Board (FIRB). For example, many enterprises show a certain degree of concern towards the introduction of the stringent security review system against foreign investment in Australia. The Australian government has recently committed to further clarifying the

boundaries of the security review and reducing the restraints on foreign investors as caused by the regime.

2.1.3 Labor Cost in Australia

Labour costs in Australia are relatively high. According to data released by the Australian Department of Statistics in January 2024, the median weekly income of employees in the country is A\$1,300, with A\$1,509 for men and A\$1,130 for women. This is mainly due to the following factors:

The minimum wage: Australia adopts the minimum wage system to ensure that workers are paid with fair wage. The minimum wage is set by the government and is adjusted on a regular basis to accommodate changes in the cost of living.

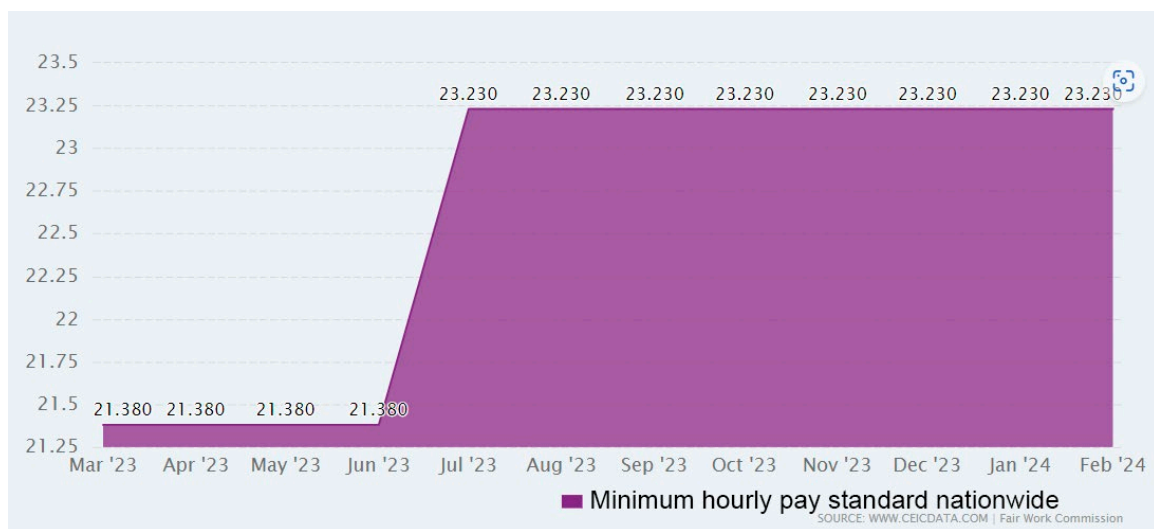


Figure 2-1: Wages in Australia, Source: AusGov.net

The role of labor unions: Labor unions in Australia play an important role in protecting labour rights. Unions usually represent workers in negotiation with employers to ensure that workers receive fair wages and benefits. However, this is also a major reason for the increase in labour costs.

Benefits and insurance: In addition to wages, employers also need to pay for the benefits and insurance for employees, such as health insurance,

pensions, and insurance against work injuries. These additional costs can also increase labour costs.

Labour market competition: Australia's labour supply is relatively tight and there exists labor shortage in certain industries and regions. This can also drive up the cost of hiring.

Although labour costs are relatively high in Australia, this reflects the relatively high standard of living and labor rights protection. High labour costs also mean that enterprises are more inclined to improve productivity and adopt technological innovations and automation to lower costs so as to improve competitiveness.

2.1.4 Financial Environment in Australia

Australia's financial environment is typically considered to be robust and developed with the following characteristics:

Stable financial system: Australia's financial system is highly stable and subject to rigid regulation and supervision. Its banking businesses are dominated by four major banks and enjoy good credit domestically and internationally. The robustness of Australia's financial system was proven during the Global Financial Crisis as it was less affected compared to other countries. The Australian financial sector accounts for approximately 12.8 % of the gross national income (2023).

Rigid regulatory system: Australia has a rigid financial regulatory system, with organisations such as the Australian Prudential Regulation Authority (APRA) and the Australian Securities and Investments Commission (ASIC) responsible for regulating the operations of banks, insurance companies, securities exchanges and other financial institutions.

Well-developed financial markets: Australia has well-developed financial markets, including the stock market, bond market, foreign exchange market and commodity market. The Australian Securities

Exchange (ASX) is the main stock exchange in Australia and one of the world's leading financial markets.

Highly internationalization: Australia’s financial markets are highly internationalized, attracting a large number of foreign investors and financial institutions.

Innovation and sci-tech application: Australia values the application of new technologies to empower the financial industry, such as digital banking, FinTech and blockchain technology. These innovations have promoted the development of the financial services and improved financial efficiency in Australia.

Australia’s robust financial system contributes to its economic development and the stability of the global financial system.

2.2 Evaluation of Business Environment in Australia by Chinese Enterprises

In this survey, Chinese enterprises evaluated Australia’s overall business environment in seven dimensions: business environment, science and technology environment, legal environment, infrastructure environment, political environment, human resources environment, economic and industrial environment. Among them, Australia’s legal environment was unanimously praised. Due to the influence of China-Australia relations and high inflation in Australia in recent years, the political environment and the human resources environment were at a lower level as shown in the survey.

Table 2-1: What Australia-based Chinese Enterprises Score on Australia

Evaluation dimensions	Average score
Legal environment	8.12
Economic and industrial environment	7.62

Business environment	7.59
Science and technology environment	7.33
Infrastructure environment	6.96
Political environment	6.91
Human resources environment	6.59

The vast majority of Chinese enterprises are optimistic about the business environment in Australia, with 69% believing that the business environment in Australia will improve in the future and none believing that it will deteriorate significantly in the future.

Predictions of the Future Australian Business Environment by Chinese Enterprises

Unit: %

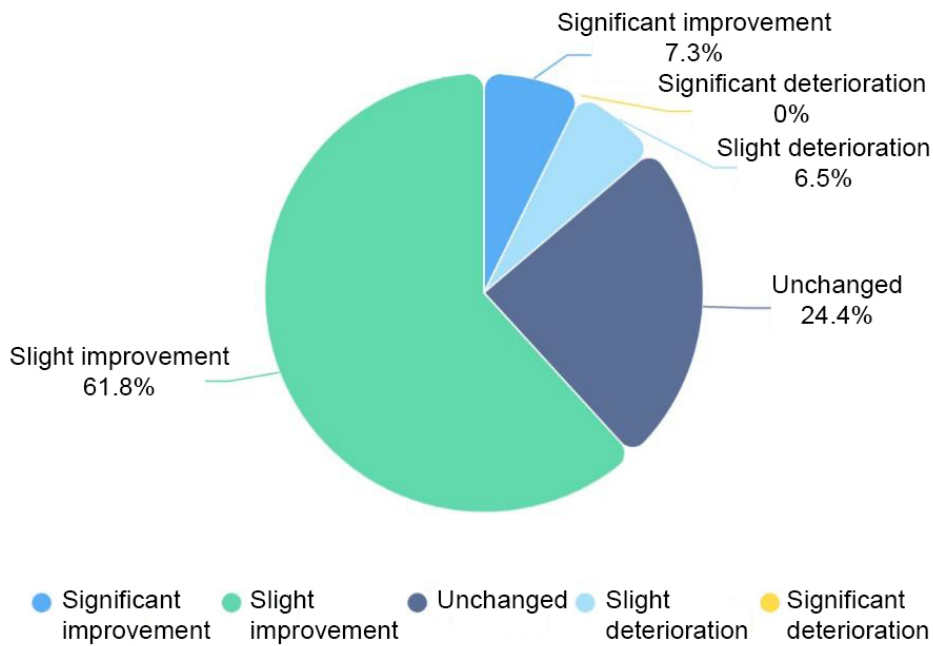


Figure 2-2: Predictions of the Australian Business Environment by Australia-based Chinese Enterprises

Chapter 3 Obstacles Faced by Chinese Enterprises in Making Investment in Australia and Corresponding Claims and Recommendations

3.1 Challenges and Major Obstacles

3.1.1 Overview of Challenges

Chinese enterprises operating in Australia may encounter the following challenges and difficulties:

Impact of international trade policies: International trade policies between China and Australia, such as trade frictions, tariff policies, trade agreements and other factors, may have an impact on the import and export activities of Chinese enterprises.

Differences in culture: Chinese enterprises may encounter different local culture and business culture in Australia, including aspects of business etiquette, communication style, business negotiation style, etc., which calls for Chinese enterprises to comprehend and accommodate.

Language barrier: Language barrier is another challenge that Chinese companies may encounter in Australia. Although English is the official language of Australia, Chinese employees may still need to adapt to the local accents and choice of words to ensure effective communication with local staff and clients.

Differences in laws and regulations: Australia and China differ from each other in the legal systems and business regulations, Chinese enterprises need to comply with Australian laws and regulations and understand local business practices, labour rights, taxation, etc.

Market competition: Chinese enterprises may face competition from local enterprises and other international enterprises. Understanding local market situations and developing effective marketing strategies and brand promotion are critical to the success of Chinese enterprises.

Social and political environment: Changes in the local social and political environment may also have an impact on Chinese enterprises. Factors such as policy changes, local government regulations, and social incidents may affect business operations. Chinese enterprises need to pay close attention to the local social and political environment.

The survey shows that 65% of Chinese enterprises have experienced certain degree of difficulty during work in Australia, and 3.3 % find it very difficult.

As a foreign investor, is it difficult to work in the Australian system?

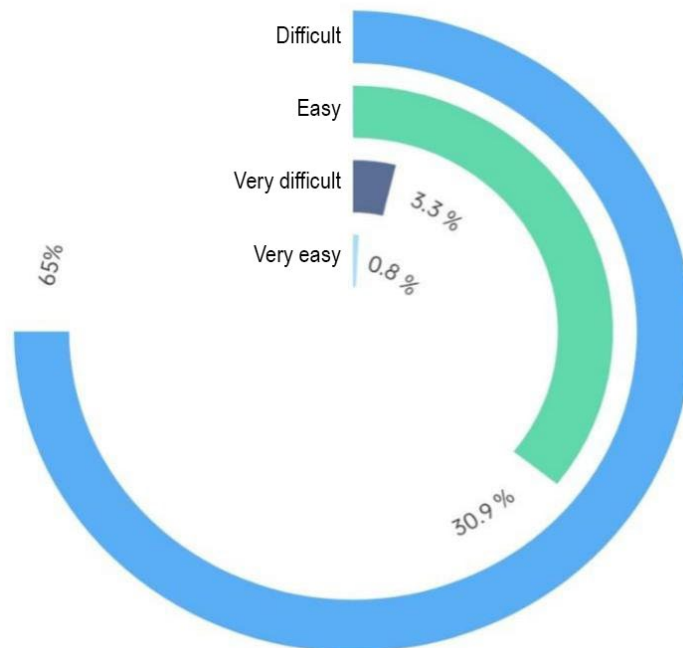
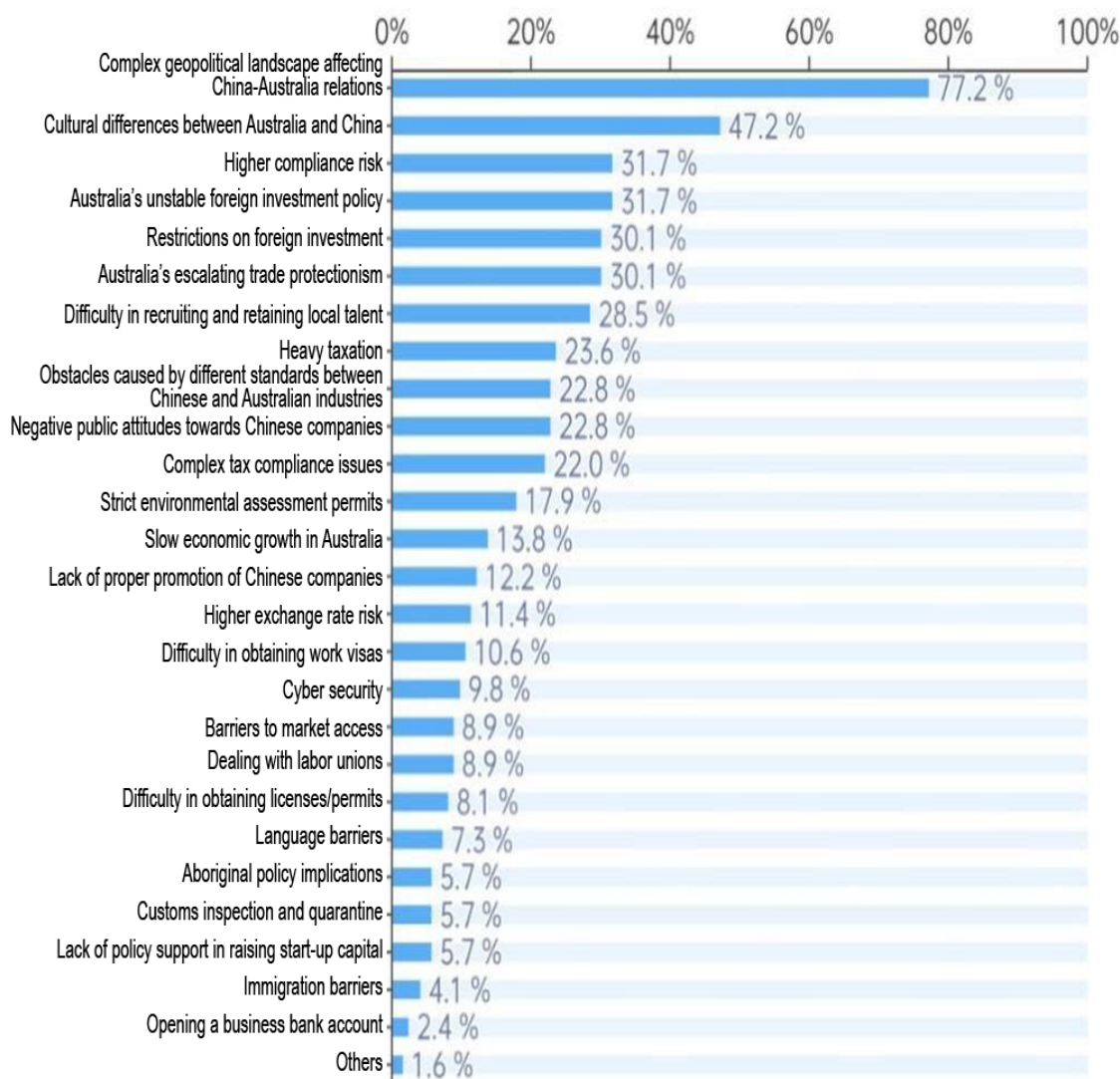


Figure 3-1: Survey on Employees of Chinese Enterprises in Australia

The top five challenges faced by Chinese enterprises in Australia are: complicated geopolitical landscape, cultural differences between China and Australia, higher compliance risks, Australia's unstable foreign investment

policies, and restrictions on foreign investment. The respective percentages are 77.2 %, 47.2 %, 31.7 %, 31.7 % and 30.1 %.

Challenges Faced by Chinese Enterprises in Business Operation in Australia



Source: 2023 survey

Figure 3-2: Challenges faced by Chinese enterprises in Australia

3.1.2 Geopolitics and Bilateral Relations

The change of China-Australia relations is a complicated and multi-layered topic, involving politics, economics, diplomacy, etc.

Over the past decades, China and Australia have established close

cooperation in areas of trade, education, tourism, etc. However, due to some sensitive issues and geopolitical factors in recent years, relations between the two countries have experienced some challenges.

Nonetheless, trade and cultural exchanges between China and Australia have carried on, and both sides have expressed the intention to seek further cooperation and achieve win-win results. The future development of China-Australia relations depends on whether the two sides can work together to resolve differences and enhance mutual trust through dialogue and cooperation.

3.1.3 Cultural Differences between Australia and China

Culture is a highly abstract concept. Yet when it comes to business operation and management, it is inevitably reflected in the human behaviour patterns. Cultural differences are reflected in all aspects, including differences in behaviour, habits and cognition, as well as differences in laws, regulations and social systems, and religious beliefs. This is particularly evident for Chinese state-owned enterprises investing in Australia.

It is mostly reflected in the differences in managerial philosophy, employee incentives and constraints mechanism, organisational structure, authorization and reporting, and human resource management.

3.1.4 Higher Compliance Risks

Tax compliance: Chinese companies need to comply with Australia's tax laws for income tax, VAT, corporate tax, etc., so as to ensure compliant operation and tax reporting.

Tax risk related to cross-border transaction: When it comes to cross-border transactions between China and Australia, Chinese enterprises need to pay attention to cross-border tax compliance issues, including transfer pricing, cross-border payments and taxation agreements, etc.

Tax filing compliance: Chinese enterprises need to file tax and financial information with the Australian Taxation Office in a timely and accurate manner to avoid tax penalties and late payment fines.

Tax audit risk: Chinese enterprises may face tax risks and penalties should there be problems with tax filing or when selected for audit by the Australian Taxation Office.

Double taxation risk: When dealing with taxation issues between China and Australia, Chinese enterprises need to pay attention to the risk of double taxation and make reasonable use of tools such as bilateral tax agreements to avoid the risks.

In order to cope with these tax compliance risks, Chinese enterprises need to establish sound financial and tax management systems, comply with Australian tax laws and regulations, and seek the assistance from professional tax advisors and accountants when necessary.

3.1.5 Ever Changing Foreign Investment Policies in Australia

Australia's foreign investment policy has undergone a number of changes over the past few years, which may create some uncertainty for foreign investors. Some of the potential uncertainties include:

Policy adjustments: The Australian government may adjust its foreign investment policy in response to its national interests and international relations, for example, by restricting certain types of foreign investment or imposing restrictions on investment from particular countries.

Security review: The Australian Government conducts rigid review on foreign investment in areas of national security or sensitivity and may impose restrictions or require security review on specific industries or projects.

Political influence: Australia's foreign investment policy may be influenced by political factors both at home and abroad, including relations

with other countries, the domestic political climate and other factors.

Regulatory changes: Australia's foreign investment regulations may be adjusted over time, including investor requirements, application procedures, and investment restrictions.

These factors may lead to a degree of distrust among foreign investors of the investment environment in Australia. Therefore, when considering making investment in Australia, foreign investors need to pay close attention to changes in relevant policies and regulations and carefully assess investment risks.

3.1.6 Restrictions on Foreign Investment

In addition to the impact of investment policies, Australia also adopts certain restrictions regarding some specific fields and investment behaviours, including:

National security: Australia conducts rigid reviews on foreign investment involving national security or sensitive issues, and may impose restrictions on specific industries or projects, including national defence, infrastructure and communications, etc.

Real estate investment: Foreign investors are also subject to certain restrictions on real estate investment in Australia, such as restrictions on investment in residential and agricultural land, and related licences and approvals.

Corporate acquisitions: When acquiring Australian enterprises, foreign investors need to conform to the review criteria of Australia's Foreign Investment Review Board (FIRB), in particular in areas such as large transactions or those involving sensitive industries.

Competitive bidding: When participating in Australian government procurement projects, foreign investors need to comply with relevant competitive bidding requirements and may face some restrictions.

These restrictions aim to protect Australia's national interests and national security and to ensure that foreign investment complies with local regulations and policies. When making investment in Australia, foreign investors need to acknowledge and comply with the relevant investment restrictions and review procedures.

3.1.7 Corporate Governance Issues Faced by Chinese Enterprises Upon M&A

When Chinese enterprises engage in M&A, they may face such corporate governance issues:

Cultural inclusion: Upon M&A, Chinese enterprises need to take care of inclusion and communication issues between different cultures, including differences in management style, values, work habits, etc., in order to ensure smooth cooperation of employees and employers.

Legal compliance: Upon M&A, Chinese enterprises need to comply with Australian laws and regulations and corporate governance standards, including transparency requirements, reporting requirements, and protection of shareholders' rights and interests, in order to ensure compliant operation.

Shareholder Relationship Management: Upon M&A, Chinese enterprises need to take care of the relationship between local shareholders and investors, including communication, profit distribution, voting rights, etc.

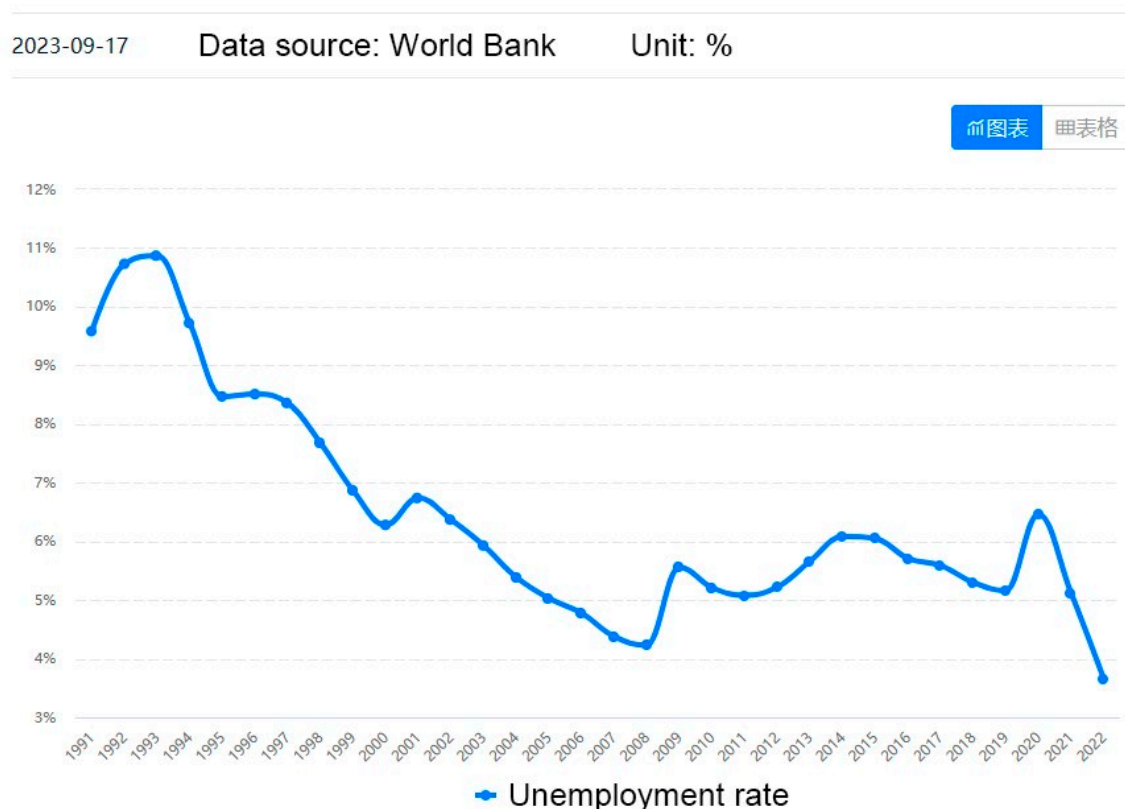
Talent management: Upon M&A, Chinese enterprises need to allocate and manage staff resources in a proper manner, including local Australian staff and staff from China, in order to ensure effective utilization of talents and team collaboration.

Risk management: Upon M&A, Chinese enterprises need to effectively manage the risks of Australian assets, including market risks, political risks and financial risks.

Upon M&A, Chinese enterprises should actively address the above corporate governance issues and establish effective corporate governance structure and management mechanism to ensure the sustainable operation and development of the acquired assets.

3.1.8 Difficulty in Recruitment

According to data released by the Australian Bureau of Statistics in 2023, due to seasonal adjustment, the domestic unemployment rate was 3.9 % in 2023. The labour market continues to be tight and the employment rate is on the rise.



3.1.9 Labour standard Restrictions

Australia has well-established labour laws and regulations with minimum employment conditions; employee rights and protections,

including the right to join and be represented by labor union; activities with labor unions and member organizations; relevant employer rights and protections; and a framework for negotiation and disputes resolution.

In 2006, the Australian Government established a nationwide employment system, which covers all companies in the private sector. Most state governments have also legislated to ensure that cooperative or self-employed type of private businesses are included in the system. This means the employer-employee relationship between most businesses and the staff employed is bounded by the *Fair Employment Act*, released in 2009.

An important objective of the *Fair Employment Act* is to provide a safety net to ensure fair, relevant and enforceable minimum employment conditions. One of the elements of the safety net is the National Employment Standard (NES). As the minimum employment standard, it sets out the basic terms and conditions on the employment of employees, which can only be raised through *Remuneration Agreement* or *Enterprise Agreement*. Another element of the safety net is the Modern Awards, which applies to employers and employees in specific industries and specific occupational groups. It sets minimum wage based on job performance and the employee skills, and defines the compensation applicable employment types, including full-time and part-time, short-term, temporary and shift work, and flexible working arrangements for employees with family burdens. Meanwhile, it can also set work duration, such as the number of working hours, the request for intermediate breaks, the length of each shift, the length of breaks, and the scheduling arrangements, etc.

The Modern Award provides that companies should not have terms that discriminate against employees on race, gender, sexual orientation, age, disability, family responsibilities, caring responsibilities or religious beliefs. In addition to the provision of a safety net of labor terms for employees, state and territory laws also create a framework of employment-related rights,

protections and obligations which include: occupational health and safety, prohibition of discrimination, general protections, unfair dismissal, etc. Labor unions have always been a characteristic of the Australia's employment framework, legally representing employees in negotiating with employers on working conditions and in dealing with disputes and grievances arising from workplace.

3.1.10 Restrictions on Government Purchase

Australia's requirements and considerations for government procurement are as follows:

Local procurement priority: Australia usually gives priority to products and services from local enterprises in government purchase so as to support the country's economy and employment.

Compliance with laws and regulations: When participating in government procurement in Australia, Chinese enterprises are required to comply with Australian laws and regulations, including commercial contracts, tax regulations, labour laws, etc., in order to ensure compliant operation.

Security review: For government procurement projects involving national security or sensitive areas, the Australian government may conduct security review on foreign enterprises and may impose restrictions on enterprises from certain countries.

Competitive bidding: Government procurement projects are usually conducted through competitive bidding, which requires participating enterprises to provide eligible quotations and proposals which are then selected on a fair and transparent basis.

These government procurement restrictions aim to safeguard the fairness, compliance and national interest of Australia. For Chinese enterprises, it is necessary to acknowledge and comply with the relevant

regulations when participating in Australian government procurement.

3.2 Key Claims and Recommendations to the Australian Government

Chinese enterprises hope that Australia can better maintain the China-Australia relationship, reduce political interference in business activities, ensure policy continuity and stability; optimize the foreign investment environment, including refining the review process of the Foreign Investment Review Board (FIRB), clarifying the review criteria, simplifying visa approval process, strengthening the infrastructure development, and increasing tax incentives; and provide regulatory guidance to help Chinese enterprises understand and comply with local regulatory requirements. Specific claims and recommendations include:

【Provide fair treatment to Chinese enterprises investing in Australia】

On May 1st 2024, Australia announced the reform of the foreign investment regulatory framework to further strengthen the review of investments in sensitive areas such as key infrastructure, key minerals and key technologies. This has aroused high level of attention from Chinese enterprises which hope that the Australian government can offer a fair, just, transparent and non-discriminatory business environment for Chinese enterprises to invest and operate in Australia, so that they can participate in market competition in a fair manner.

【Further clarify the review criteria for Chinese enterprises investing in critical infrastructure and key minerals】

In recent years, Australia has adopted more rigid review on foreign investment in sensitive areas such as telecommunications networks, key energy facilities, data storage as well as some minerals, which may have an

impact on Chinese enterprises investing in the relevant areas and impair normal business cooperation. China and Australia have extensive cooperation in infrastructure and minerals, and both sides should continue to expand the scope of win-win cooperation in the spirit of fairness and justice, and further clarify the review criteria for access to the above-mentioned areas by foreign investors.

【Facilitate the travel of people between China and Australia】

It is desirable that the convenience of visa application for employees of Chinese enterprises travelling to Australia should be improved, that the Chinese enterprises should be facilitated to bring in operation and management staff, as well as technicians and medical practitioners who are in short supply in the Australian market. In addition, the visa refusal rate for Chinese businessmen and tourists travelling to Australia is quite high. It is hoped that the Australian government can optimize visa process, improve the efficiency of visa application and explore the possibility of mutual visa exemption with China.

【Loosen the restrictions on foreign investment】

Over 30% of the Chinese enterprises surveyed have claimed for loosening the foreign investment review in energy, mining, finance, etc. For example, FIRB's security review criteria for foreign investors remain unclear. In recent years, the number of cases of Chinese enterprises rejected for national security reasons are quite high, which has dampened the enthusiasm of Chinese enterprises that wish to invest in Australia. Office space, warehouse lease (over 5 years) or commercial-land investment are all subject to FIRB approval, incurring additional fees and time costs.

【Reducing the cost of doing business for foreign investors】

The labor cost in Australia is quite high and some profession experience a shortage of labour. The complicated tax regulations and higher tax rates

can be burdensome to corporate finance and operation. The cessation of income tax incentives for offshore market operations since 2023 further increases the tax burden on financial institutions; the cancellation of the Offshore Business Unit (OBU) means a considerable increase on the cost of branch financing, which reduce the competitiveness of banks. It is recommended that relevant measures be taken to reduce the costs involved.

Introduction of CCCA

The China Chamber of Commerce in Australia (CCCA) was established in 2006 for the purpose of serving its members, safeguarding their legitimate rights and interests, promoting the development of China-Australia economic and trade relations and inter-enterprise exchanges, and playing the role of a bridge to connect the business development between Australia and China. Headquartered in Sydney, the Chamber currently has 392 member organisations in energy, minerals, trade, finance, communications, transport, real estate, manufacturing, tourism, agriculture, animal husbandry, etc.

The acting chairman of the CCCA (also the chairman of Sydney branch) is Li Mang, President of Bank of China Sydney Branch, and the five vice-chairmen are Sinosteel Australia (also the chairman of Perth branch), China Southern Airlines Melbourne Office (also the chairman of Melbourne branch), PetroChina International (Australia) (also the chairman of Brisbane branch), Sinosteel South Australia (also the chairman of Adelaide branch), and Yancoal Australia Pty Ltd. The chamber has set up a secretariat to take care of the day-to-day affairs, with the CCPIT Australia Office assuming the role of the Secretariat. In addition, the Chamber has set up six industry committees, namely the legal and compliance committee, the aviation committee, the resources and energy committee, the women entrepreneurs committee, the external relations committee and the finance committee.

The CCCA has made great efforts in conducting enterprise research, and collaborates with professional consulting agencies to provide member enterprises with services such as policy interpretation and regulatory guidance, so as to build a platform for the external relations to be

strategically positioned in the China-Australia relationship and empower fruitful economic and trade relations.

Contact CCCA:

Tel: 0293739500

Email: sgcca@cccaau.org

Address: 1506, 99 Bathurst Street, Sydney NSW 2000 Australia