

**Opening of Secretariat Office
Australia-China Chamber of Commerce and Industry of New South Wales
29 June 2004**

**By the Mr Du Wei, Deputy Consul-General of the
People's Republic of China in Sydney**

Mr. Michael Jones, President of the Australia-China Chamber of Commerce and Industry of New South Wales, Councillor Clover Moore, Lord Mayor of the City of Sydney,

Ladies and Gentlemen:

It is a great pleasure to be invited to this special event in the history and development of ACCCI and to make a few remarks for this occasion. I would start by extending, on behalf of Consul-General Mr. Liao Zhihong, our warm congratulations to the Chamber on the opening of its new Secretariat Office.

ACCCI started its operation in the mid 1970s, just a few years after the establishment of diplomatic relations between China and Australia. Since then, it has been playing a conducive role in promoting the business relations between our two countries. It also has helped with the consolidation of the cultural ties and friendship between our two peoples. For all their efforts and endeavor in those areas, we would like to say thank you, Mr. President and all other staff of ACCCI. The Chinese Consulate-General will continue to support ACCCI and its mission as it has done over the past years.

The economic and trade relationship between China and Australia is now at its height after a rapid development in recent years. Today, China and Australia are mutually important trading partners. New bilateral trade records have been set for many consecutive years. According to the statistics of China Customs, the total bilateral trade has reached \$13.6 billion USD in the year 2003, an increase of 30 percent over the \$10 billion USD landmark in 2002.

As of today, China is the third largest trading partner of Australia while and Australia is the ninth largest trading partner of China. Between the months of January and April of this year, our bilateral trade has increased by over 50 percent, a rate on top of the list among China's all major trading partners. During the same period, China's import from Australia has increased by 57.6 percent. This growth is much faster than China's export to Australia. In 2004, our bilateral trade is expected to reach \$16 billion USD.

China offers Australia a bundle of products with good quality and low prices. Australia supplies China with its rich mineral and energy resources and its agricultural produce. The complimentary nature of our economies and the potentials in supply and demand in our markets helps to form a strong driving force in our economic growth.

Business people in both countries should feel encouraged by the good opportunities in future. They are encouraged to do their part in strengthening the business ties of the two countries while making a few dollars for themselves. The road would not be without difficulties or hardships. But we have reasons to believe the future is bright.

In the past twenty-five years, China's economy has registered an average annual growth of over nine per cent. China's total trade volume with foreign countries now ranks the fourth in the world. This year, it is expected to reach the amount of \$1,000 billion USD. China's development is a peaceful one. Though China sticks to independence and self-reliance in its development, China's economic development cannot do without the rest of the world.



Therefore, China will continue its policy of opening up to the outside world and welcome with open arms business partners from all over the world. China's development will not constitute a threat to any other countries. China's development, after all, needs a very long period of time. China's economy does have some structural problems that need to be dealt with seriously. But it has an inherent driving force. That is the vast market and the huge demand.

The Australian business community may feel concerned or even somewhat worried about the recent adjustment that the Central Government of China initiated on the economy. The Australian stock market dropped by a few percent when the news first broke out. According to some economists, however, what was done was only a tap on the brake instead of full use of the brake. The purpose of the adjustment is just to make the Chinese economy grow in a healthy, stable and balanced manner. So far, the economy responded by already showing some positive signs. China's demand for what Australia can offer is still there and that is as huge as ever before.

Before reaching the time limit for tonight, I would just like to say a few words for China's market economy status, the recognition of which has become an issue in the way of the FTA talks between China and Australia. By adopting the policy of reform and opening-up to the outside world 25 years ago and officially entering WTO three years ago, China has already established and implemented a socialist market economy in the true sense of the word. The private or non-public sector in China is now a major force in the economic growth, taking up a 69% share of the whole economy. Such a percentage is well above the standard 60% level as commonly recognized for market economy. In nowadays China, the pricing of more than 90 percent of the commodities is done by the marketplace. There is also a whole list of facts that backs up China's market economy status.

To use the "non-market" label as a tool to contain China's exports and to shield a country's domestic industries is not only unfair as tactics, it is also harmful as a strategy. It takes goodwill and cooperation to nurture a business relationship. It takes only containment or sanctions to spoil it. In China, we have a traditional norm of behaviour, which advises people not to give others what they do not desire for themselves. Here in Australia, you have an effective aboriginal weapon, which could sometimes have a boomerang effect. The philosophical message that these things carry for a business relationship is goodwill will be rewarded with goodwill and barriers will only cause more difficulties for both sides. I am sure the Australian business community is able to use its good judgment to determine what is good for the business relationship between Australia and China, and have it act out accordingly.

Once again, congratulations to ACCCI on the opening of its new secretariat office.

Thank you all ladies and gentlemen.

[Additional information about Mr Du Wei](#) (including photograph, in PDF).

