

# China Investment drying Up in Australia?

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The screenshot shows the ABC News website interface. At the top, there's a navigation bar with categories like 'Just In', 'Watch Live', 'Coronavirus', 'Politics', 'World', 'Business', 'Analysis', 'Sport', 'Science', 'Health', 'Arts', 'Fact Check', and 'Other'. The main headline reads: "Chinese investors fast abandoning Australia but still hold vast amounts of infrastructure, land and water". Below the headline, it says "The Business / By business reporter Samuel Yang" and "Posted Yesterday at 4:48am, updated Yesterday at 10:34am". The main image is a video player with a play button and the text "INVESTMENT DRYING UP" overlaid on a background of Chinese 100 Yuan banknotes. To the right of the main article, there's a "Top Stories" section with several short news items, including "Family of driver killed while delivering food gets \$830k in landmark decision", "Union chief says Reserve Bank in 'boomer fantasy land' over wage-price spiral fears", "Sex assault report into WA's FIFO industry finds 'appalling behaviours' still prevalent in the industry", "Four injured in NZ stabbing, police praise 'extreme bravery' of Auckland residents who stepped in", "In a 'pitch for dignity', council begs 8,000 holiday-home owners to open their doors to renters", "Former neo-Nazi in prison for murder gets more time for failed jail break plot", and "Driving that killed three people in SA's South East 'bad' but not dangerous, lawyer says".

Chinese investors are fast abandoning Australia as a frosty bilateral relationship dampens trade, with a report showing Chinese investment in Australia nosedived by almost 70 per cent last year to the lowest level since 2007.

## Key points:

- Chinese firms are turning away from investing in Australia in favour of Europe and South America
- But they still hold vast land, water, energy and mining assets
- Experts say while there Chinese-Australian tensions are easing, investors are not returning anytime soon

A report by KPMG and The University of Sydney found Chinese firms laid out \$778 million in Australia in 2021, compared to \$2.5 billion in 2020.

At its peak in 2008, when Beijing desperately needed natural resources to boost the economy, investors from China splurged about \$US16.2 billion (\$19.1bn based on 2008 exchange rate) in Australia, which was 24 times more than last year.

The number of deals last year almost halved to 11, from 20 in 2020. Four transactions — related to acquiring iron ore and lithium mines — accounted for most of the total Chinese investment inflows last year.

More on <https://www.abc.net.au/news/2022-06-22/chinese-investment-in-australia-plunges-70-per-cent/101048340>