

# Australia-China monthly wrap-up

April 2023



This edition features:

- Summary and analysis of major developments in April 2023

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The unclassified version of Australia's much-anticipated [Defence Strategic Review](#) (DSR) report was released on April 24, with the Australian government's acceptance of 106 of its recommendations reflecting the breadth and significance of the reforms the government is planning to make on Australia's defence strategy and force posture. At the review's core was how best to respond to major geopolitical changes in the region and globally. The most important in this regard was the report's acknowledgement that the US is no longer the 'unipolar leader of the Indo-Pacific,' and that the People's Republic of China (PRC), its assumed great power competitor, is presiding over 'the largest and most ambitious' military build-up 'of any country since the end of the Second World War... without transparency or reassurance... of [it's] strategic intent.'

The report also underscored the interdependency of defence and diplomacy. This was [highlighted](#) as a key tenet of the Labor government's foreign policy approach by Foreign Minister Penny Wong in a National Press Club speech.

In the area of high-level bilateral engagements, Department of Foreign Affairs and Trade (DFAT) Secretary Jan Adams met with PRC Vice Minister of Foreign Affairs Ma Zhaoxu, a former ambassador to Australia (2013-2016), on April 12 in Canberra. Western Australia's (WA) Premier Mark McGowan also travelled to Beijing for a five-day trip the following week. And an Australian business delegation visited the PRC, with the federal government's backing, at the end of the month. The Trade Minister, having [accepted](#) an invitation to visit the PRC following a meeting with his PRC counterpart in March, visited Beijing in May. Speculation also continues about a trip to the PRC by Prime Minister Anthony Albanese later in the year. At the time of writing, a trip to Australia by PRC Foreign Minister Qin Gang has also tentatively been [confirmed](#).

There has also been some progress on the economic front. Australia agreed to temporarily suspend its World Trade Organization (WTO) case against the PRC on its duties on barley in exchange for Beijing undertaking an 'expedited review' of its tariffs over the next three to four months. Trade Minister Don Farrell and Foreign Minister Wong sought to manage expectations about outcomes and timeframes by underlining an incremental approach to addressing trade impediments. The Trade Minister [said](#), 'Things are going well, but of course, it'll take some time to turn this ship around', while the Foreign Minister [noted](#) that 'step by step' is 'the only way we're going to make progress here'. With soft bans on [coal](#), [cotton](#)<sup>1</sup> and [copper](#) easing, industry optimism,

<sup>1</sup> See also Lewis Jackson and Dominique Patton, 'Australian cotton clears Chinese customs on bets sanctions will end', *Reuters*, February 22 2023 <<https://www.reuters.com/markets/commodities/australian-cotton-clears-chinese-customs-bets-sanctions-will-end-2023-02-21/>>.

particularly in the [wine industry](#), has increased. However, the Foreign Minister [cautioned](#) that ‘I don’t see the relationship with China as one where we go back to where we might have been 20 years ago’ and that it was important to ‘recognise that the sort of relationship... where we separated our economic and our strategic relationships and perspectives... that world has changed.’

This month also saw a particular focus on concerns over foreign interference. The scope and application of Australia’s foreign interference laws are being tested with a second individual charged under the legislation, which was passed in 2018.

### The political relationship overall

On April 4, the *South China Morning Post* [reported](#) that the PRC had issued an ‘in principle’ invitation for Prime Minister Albanese to visit Beijing, with ‘sources close to the Chinese and Australian governments’ telling the outlet that the trip might take place in September or October this year. The Prime Minister [spoke](#) around a question on the matter the next day: ‘I’ve said that if an invitation were to be received, then I’d accept it and we’d work out a timetable for it. There has not been a timetable worked out for it.’ Trade Minister Farrell, however, [told](#) interview hosts on April 14, ‘I think the Prime Minister may go to China later in the year. I’m sure that will be a possibility.’

On April 12, DFAT Secretary Jan Adams met with PRC Vice Minister for Foreign Affairs Ma. DFAT’s [media release](#) stated discussions covered trade, consular issues, human rights, strategic competition and Russia’s invasion of Ukraine. The PRC Foreign Ministry’s [media release](#) provided a less detailed overview, but also said that ‘Ma Zhaoxu emphasised that the current China–Australia relations are showing momentum of improvement and development’.

In an [speech](#) to the National Press Club on April 17 on ‘Australian interests in a regional balance of power’, Foreign Minister Wong [again](#) highlighted Australia’s search for a ‘strategic equilibrium’ and stressed the need to avoid ‘[v]iewing the future of the region in terms simply of great powers competing for primacy’ as that ‘means countries’ own national interests can fall out of focus’ and ‘diminishes the power of each country to engage other than through the prism of a great power.’ She emphasised the need for Australia to treat countries in the region as ‘[p]artners, not patriarchs’. At the same time, she underlined that ‘America is central to balancing a multipolar region.’

In managing PRC relations, the Foreign Minister stated, ‘We start with the reality that China is going to continue to keep being China’. She said further, ‘A great power like China uses every tool at its disposal to maximise its own resilience and influence’ and while ‘[t]his statecraft illustrates the challenge for middle powers’, ‘we need not waste energy with shock or outrage at China seeking to maximise its advantage. Instead, we channel our energy in pressing for our own advantage.’

The Foreign Minister also discussed the dangers of amplifying talk of war over Taiwan (discussed further in the section on Taiwan below).

On the Chinese side, at the beginning of the month, PRC Ambassador to Australia Xiao Qian [told](#) *The Australian* newspaper that Australia and the PRC had ‘basically stabilised the relationship’. He said:

China and Australia have their differences in certain areas but fundamentally there is not a single area where China and Australia have to confront each other.

...

In history, you cannot single out one incident to say that we have been a threat to each other. China is developing but our policy remains unchanged and the policy towards Australia is a friendly policy.

## The economic relationship overall

On April 18, Agriculture Minister Murray Watt met with PRC Agriculture Vice Minister Ma Youxiang in Canberra, [describing](#) it as a ‘productive’ meeting. He said, ‘There’s more to do to remove trade impediments, but also many opportunities for agricultural cooperation’, [nominating](#) areas such as ‘supporting sustainability in agriculture, enhancing food security by reducing food loss and farming innovation, smoothing trade flows, responding to the impacts of climate change on food production, and managing natural resources.’

On April 23, an industry delegation comprising 15 senior Australian executives and local government officials [travelled](#) to the PRC for a six-day visit, ‘the first official delegation to visit China with the backing of the federal government’ for three years.

In parallel with its push to normalise trade relations with the PRC, the Australian government continued to seek to diversify trade and investment ties, with Trade Minister Farrell [visiting](#) Vietnam and the Philippines to work on strengthening trade relations across the region. Foreign Minister Wong in a [number](#) of media appearances [reiterated](#) that diversification was necessary for national resilience as ‘the sort of relationship we have with China and the world as it was 15 years ago when John Howard was in power... where we separated our economic and our strategic relationships and perspectives... that world has changed.’

The Ministerial Council on Trade and Investment held its inaugural meeting on April 13. The Council was established by the National Cabinet last year as part of a push to strengthen coordination between federal and state and territory governments on trade and investment. The meeting [communique](#) laid out a ‘Team Australia’ approach in advancing Australia’s trade and investment priorities’, largely aimed at the furtherance of diversification,<sup>2</sup> and made particular mention of ‘progress... in negotiations on the Indo-Pacific Economic Framework and the Australia-India Comprehensive Economic Cooperation Agreement’.

### Barley

On April 11, the Australian government [announced](#) that it had ‘reached an agreement’ with the PRC ‘that creates a pathway towards resolving the dispute over Australian barley.’ The PRC had imposed 80.5 percent duties on Australian barley since 2020.

In return for an ‘expedited review [by the PRC] of the duties over a three-month period, which may extend to a fourth if required’, Australia will temporarily suspend its WTO appeal. However, ‘If the duties are not lifted at the end of the review period, Australia will resume the dispute in the WTO.’

Foreign Minister Wong, while [underlining](#) that the barley tariffs are ‘unjustified’, said it was ‘a good step that China has agreed to expedite the review.’

While the WTO’s decision had been ‘due to be handed to the parties by the end of last month’, [according](#) to *The Guardian*, and ‘this was to be shared with other countries three weeks later’, the Foreign Minister [told](#) press that the agreement with the PRC ‘would potentially deliver a result in a shorter time frame than if we simply proceeded through the WTO’.

Trade Minister Farrell [repeated](#) the position he had enunciated since taking on the portfolio: ‘although we’ve got these disputes with the World Trade Organization, our preferred method of resolving these sorts of trade disputes is to discuss and to negotiate with our trading partners.’

The Trade Minister also [articulated](#) hopes that ‘this will be a template for then moving on to the other areas of dispute’, particularly Australian wine. He was also [hopeful](#) that the matters of barley and wine would be resolved before the end of the year.

<sup>2</sup> The approach includes: ‘continuing efforts that support trade and investment diversification; identifying opportunities to facilitate trade at and behind the Australian border; improving national coordination in trade advocacy, marketing strategies and the conduct of trade promotion in overseas markets; improving Commonwealth, State and Territory coordination in foreign direct investment attraction focussed on sectors of national significance; and supporting the clean energy transition and supply chain resilience.’

Asked whether ‘a partial [tariff relief] would be a good start’, the Trade Minister [replied](#), ‘No, we’re looking for a restoration of the arrangements that existed before the tariffs were imposed.’

Shadow Foreign Minister Simon Birmingham in a [media release](#) said the announcement ‘warrants cautious optimism’ although ‘the ultimate value of this process will be judged on the outcomes achieved’, these being ‘the complete and unconditional removal of tariffs on Australian barley and wine’. He also [said](#), ‘I think if China do back down and remove these tariffs, it will be a demonstration that they were, in effect, acting, as I called it, out before, in an attempt of economic coercion and that these tariffs were not remotely justified in the first place.’

In response to the Australian announcement, a PRC Foreign Ministry spokesperson [stated](#), ‘we aim to reestablish trust between the two countries and bring bilateral relations to the right track and, in this process, resolve our respective concerns on trade and economic issues in a balanced way through constructive consultation’.

The president of the grains section of Western Australia’s peak farming body, WA Farmers, [observed](#) that barley growers would be a ‘little more careful about having all our eggs in one basket again’ although ‘[a]t the end of the day, farmers will always sell to whoever has the best price.’

### **Comprehensive and Progressive Agreement for Trans-Pacific Partnership**

On March 31, the Australian government [announced](#) ‘the substantial conclusion of negotiations’ on the UK’s accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

A few days later, on April 4, the Trade Minister [said](#) that during the process of considering the UK’s application, ‘new [boundaries] or rules for accession’ had been established. ‘If China proceeds with their application, then they’ll be treated exactly the same way as we treated the United Kingdom. We’ll give consideration to their application, but bear in mind this, there are a lot of other countries who’d also like to join.’ While not directly stating as such, it is clear from government comments on the matter that the PRC’s imposition of trade impediments on Australia will have a bearing on consideration of the application.

The Foreign Minister [stated](#) similarly that ‘the CPTPP has very high standards’ and ‘Australia’s position would be to ensure that the standards which are set in the CPTPP are maintained’ in relation to all membership applications.

### **Critical minerals**

Resources Minister Madeleine King in an April 13 [speech](#) said that ‘[g]lobal critical minerals supply chains are highly concentrated’ and that ‘[t]his creates a strategic challenge for Australia, and for our allies and partners’.

Observing that ‘China enjoys an unchallenged position across many aspects of the global critical minerals market’ and acknowledging that ‘[t]his has, in many ways, benefitted other countries’, with ‘the scale of China’s manufacturing and demand’ having ‘played a key role in driving down the cost of crucial technologies like solar cells, rechargeable batteries, and electric motors’, the Resources Minister underlined the need for Australia to work likeminded partners to ‘build new, diverse, resilient and sustainable supply chains as part of a global hedge against concentration.’

### **Defence Strategic Review**

The declassified version of the Defence Strategic Review (DSR) report,<sup>3</sup> released by the government on April 24, was [described](#) by Prime Minister Albanese as ‘the most comprehensive reassessment of Australia’s Defence Force posture and strategy that has occurred since the Second World War’.

<sup>3</sup> The final Defence Strategic Review report, authored by former Defence Minister Stephen Smith and former Chief of the Defence Force Angus Houston, was handed to the Australian government in February. See Anthony Albanese and Richard Marles, [media release, Defence Strategic Review handed to government](#), February 14 2023 <<https://www.pm.gov.au/media/defence-strategic-review-handed-government>>.

The PRC's military rise, and growing competition with the United States, were addressed in the report as significant aspects of Australia's changing strategic circumstances. Echoing earlier statements by the Defence Minister and others, the report said that 'China's military build-up is now the largest and most ambitious of any country since the end of the Second World War' and that this build up was occurring 'without transparency or reassurance... of China's strategic intent.' It also stated that China was engaged in 'strategic competition in Australia's near neighbourhood' and that Beijing's 'assertion of sovereignty over the South China Sea threatens the global rules-based order... in a way that adversely impacts Australia's national interests'.

Certain passages in the report, however, were more conciliatory, highlighting the need for defence to go hand-in-hand with diplomacy. The PRC's military build-up was described as occurring 'alongside significant economic development, benefiting many countries in the Indo-Pacific, including Australia.' One passage, stating that '[a] stable relationship between Australia and China is in the interests of both countries and the broader region', repeated the Albanese government's doctrine on the Australia-PRC relationship: 'Australia will continue to cooperate with China where we can, disagree where we must, manage our differences wisely, and, above all else, engage in and vigorously pursue our own national interest.'

The report found that Australia's defence posture 'is not fit for purpose for our current strategic circumstances'. It stated that the new challenge for Australia's military was to adapt to a situation in which Australia's ally the US, which is locked in 'intense... competition' with the PRC, is 'no longer the unipolar leader of the Indo-Pacific.' The review also sought to respond to changes to 'the nature of conflict and threats' that have been brought about, in part, by developments in terms of long range precision strike capabilities. While the report states that these capabilities have helped erode Australia's 'geographic benefits' and 'comfort of distance', it also noted that 'the threat of the use of military force or coercion against Australia does not require invasion' but could instead be targeted 'against our trade and supply routes, which are vital for Australia's economic prosperity.'<sup>4</sup>

In view of these factors, some of the recommendations adopted in the report were that Australia needs a greater capacity to project power further from our shores, and a sovereign capacity, built through a 'national defence' approach, to further develop and mobilise Australia's industrial and other capacities.

Within Australia, reactions to the report varied.

The report was [criticised](#) by Shadow Defence Minister Andrew Hastie who said that the government had 'failed to deliver the sort of action that our strategic circumstances require', pointing to '[t]he delays to strategic direction, the deferral of spending and the cannibalising of capability as the Labor government costs you within the defence budget.'

Australian Greens spokesperson for defence Senator David Shoebridge [said](#) the report recommends spending 'countless billions on projecting lethal force into the South China Sea apparently to keep us safe, but it fails to explain how our key national interests are served by Australia joining a US-led war in the South China Sea'.

Former Australian Army chief Peter Leahy, in an [opinion piece](#) for *The Australian Financial Review* broadly supportive of the report, wrote, 'It recognises the changes in our strategic circumstances and confirms the obvious. Australia has chosen security with the United States over prosperity with China. Of course, we should try to maintain both, but the move towards the US as a strategic partner under AUKUS and the Quad is irreversible.'

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4 On this last point, Defence Minister Marles elaborated in a television interview: 'Well, we really face the most challenging set of strategic circumstances that we have in decades within our region, where we're witnessing the biggest conventional military build up that we have seen since the end of the Second World War. That doesn't happen for no reason. It shapes our landscape. And at the same time, our economic connection is much greater with the world today than it was back in the 1980s, when we last assessed our strategic posture, which is what we've announced today. One example of that is that most of our liquid fuels today come from just one country by sea, and that's from Singapore. In the mid-90s, all of that was produced onshore. And so there's an obvious vulnerability associated with that.' See Richard Marles, interview, *The Project, Network 10*, April 24 2023 <<https://www.minister.defence.gov.au/transcripts/2023-04-24/television-interview-project>>.

## Beijing's response

The response of the PRC Ministry of Foreign Affairs to the report was relatively muted. A Foreign Ministry spokesperson [said](#):

China pursues a defensive national defense policy and stays committed to peace and stability in the Asia-Pacific and the wider world. We do not pose a challenge to any country. We hope certain countries will not use China as an excuse for military build-up and will refrain from hyping up the 'China threat' narrative.

Asked about these comments, Mr Marles [responded](#), 'Well, obviously, that's not what we're seeking to do'. He said that 'at the heart of [the report] is providing or making our contribution... to the collective security [of the Indo-Pacific]'.

There did not seem to be any material follow up on the matter in the PRC Foreign Ministry's regular press conferences for the remainder of the month.

## Other nations' responses

The US and Japan welcomed the report soon after its release. US Defense Secretary Lloyd J. Austin III [stated](#) that the review 'demonstrates Australia's commitment to being at the forefront of incorporating new capabilities for the Australian Defence Force to better enable Australia to meet regional and global challenges, as well as to our Unbreakable Alliance, which has never been stronger', remarking that 'The DSR and the US National Defense Strategy are strongly aligned'. Japan's Ministry of Defense [stated](#) it 'welcomes the release as it contributes to peace and stability in the Indo-Pacific region by strengthening Australia's deterrence capabilities.' On April 28, Japan's Defence Minister Yasukazu Hamada [conveyed](#) the same message to Defence Minister Marles during a telephone conference.

Southeast Asian and Pacific nations have not as yet publicly [commented](#).

## AUKUS

[Speaking](#) at the Japan National Press Club on April 13, Australian Ambassador to Japan Justin Hayhurst was asked whether Japan would be welcome to join AUKUS, or the Five Eyes intelligence sharing group comprising Australia, the US, the UK, Canada and New Zealand. He replied that the AUKUS group 'need to work together first to deliver capabilities they've promised before they can really consider expansion'.

The Australian government continues to make reassurances across the region about Australia's acquisition of nuclear submarines under the AUKUS partnership. Immediately prior to a visit by Foreign Minister Wong to New Caledonia this month, New Caledonia President Louis Mapou had indicated that one agenda item for discussion would be New Caledonia's [concerns](#) regarding Australia's acquisition of nuclear submarines:

When Australia decides to align itself with the United States in the framework of AUKUS to acquire nuclear submarines, it raises the question: if it starts here, where will it end? How does this impact the Treaty of Rarotonga<sup>5</sup> and the Boe Declaration<sup>6</sup> on security?

On April 20, Foreign Minister Wong [told](#) a press conference following a meeting with the President that Australia will 'ensure we comply with our obligations under the Treaty of Rarotonga' and will 'exercises the highest standards of compliance with the Non-Proliferation Treaty', and that these points had been conveyed to President Mapou and others in the region.

5 A treaty which entered into force in 1968 that designates the South Pacific as a nuclear weapon-free zone. See United Nations, *Treaty of Rarotonga* <<https://www.un.org/nwzf/fr/content/treaty-rarotonga>>.

6 The Boe Declaration on Regional Security, adopted in 2018, 'recognises an expanded concept of security, including human, cyber and environmental security, and frames regional responses to emerging security issues.' See Australian Government Department of Foreign Affairs, 'Shared security in the Pacific' <<https://www.dfat.gov.au/geo/pacific/shared-security-in-the-pacific>>; Pacific Islands Forum, *Boe Declaration on Regional Security*, 2018 <<https://www.forumsec.org/2018/09/05/boe-declaration-on-regional-security/>>.

Strong opposition to the AUKUS submarine deal in some domestic quarters also continued. Greens leader Adam Bandt in a National Press Club [address](#) on April 26 called on the government to ‘scrap’ the nuclear submarines, calling it ‘a terrible decision’. He said, ‘We understand Labor wants to pinch national security from the Liberals, but \$368b is an expensive price to pay for political expediency.’

Opposition from Beijing to the AUKUS nuclear submarine deal continued to be expressed in April, primarily through online statements from the PRC embassy in the UK.<sup>7</sup>

## Taiwan

Taiwan’s President Tsai Ing-wen ‘[transited](#)’ through the US en route to South America at the beginning of the month, [meeting](#) US House of Representatives Speaker Kevin McCarthy while there on April 6. At the same time former Taiwanese President Ma Ying-jeou [concluded](#) a 12-day tour of mainland China on April 7, the first such trip by a former Taiwanese leader since the Republic of China’s (ROC) government fled the mainland after losing the civil war to communist forces in 1949.

In response to President Tsai’s meeting with Speaker McCarthy, the PRC [conducted](#) military drills, including a simulated blockade of the island.

Foreign Minister Wong [termed](#) the exercises ‘destabilising’ and urged de-escalation, adhering to the same formulation she used in responding to military drills by Beijing subsequent to US former House Speaker Nancy Pelosi’s visit to Taiwan in August last year.

The following week, during her National Press Club [address](#), the Foreign Minister referenced the PRC’s ‘practice strikes and blockades around Taiwan’ as part of a ‘combination of factors’ that ‘comprise the most confronting of circumstances in decades’.

She also laid out the government’s position with respect to hypotheticals vis-à-vis Taiwan, making implicit reference to Nine Media’s ‘[Red Alert](#)’ series while doing so:

[T]here is much frenzied discussion in [political and media circles over timelines and scenarios when it comes to Taiwan. Anyone in positions like mine who feels an urge to add to that discussion should resist the temptation.

It is the most dangerous of parlour games.

...

[O]ur job is to lower the heat on any potential conflict, while increasing pressure on others to do the same. The Albanese Government does that here at home, and we do that in our diplomacy.

That may not sell as many newspapers today, but it will help you to sell them for a lot longer.

Emphasising again the importance of maintaining the status quo, the Foreign Minister stated that ‘[a] war over Taiwan would be catastrophic for all’ and that ‘there would be no real winners’.

7 On April 9, the PRC’s embassy in the UK released a series of four posts, attributed to an embassy spokesperson, on its website, claiming that the AUKUS deal threatened to ‘further provoke regional security and military confrontation’ and ‘seriously jeopardizes regional peace, stability and prosperity.’ It also made the accusation that the deal ‘seriously compromises the authority of the IAEA [International Atomic Energy Agency]’ and ‘tramples on the purpose of the NPT [Nuclear Non-Proliferation Treaty]’. The final post said that the three countries ‘must immediately stop playing group politics and provoking bloc confrontation, and refrain from coercing the IAEA into endorsing their nuclear submarine cooperation. They should not go further down the wrong and dangerous path for the sake of their selfish interests’. See Embassy of the People’s Republic of China in the United Kingdom of Great Britain and Northern Ireland, Embassy spokesperson’s remarks on AUKUS nuclear submarine cooperation, April 9 2023: (1) <[http://gb.china-embassy.gov.cn/eng/PressandMedia/Spokepersons/202304/t20230409\\_11056425.htm](http://gb.china-embassy.gov.cn/eng/PressandMedia/Spokepersons/202304/t20230409_11056425.htm)>; (2) <[http://gb.china-embassy.gov.cn/eng/PressandMedia/Spokepersons/202304/t20230409\\_11056426.htm](http://gb.china-embassy.gov.cn/eng/PressandMedia/Spokepersons/202304/t20230409_11056426.htm)>; (3) <[http://gb.china-embassy.gov.cn/eng/PressandMedia/Spokepersons/202304/t20230409\\_11056427.htm](http://gb.china-embassy.gov.cn/eng/PressandMedia/Spokepersons/202304/t20230409_11056427.htm)>; (4) <[http://gb.china-embassy.gov.cn/eng/PressandMedia/Spokepersons/202304/t20230409\\_11056428.htm](http://gb.china-embassy.gov.cn/eng/PressandMedia/Spokepersons/202304/t20230409_11056428.htm)>.

Asked on April 23 whether a PRC-Taiwan conflict was unavoidable, Defence Minister Marles replied, 'I don't feel that's inevitable'. He said that Australia was seeking to use diplomacy to 'create pathways for peace', while through measures set out in the DSR hedging against the potential for conflict in 'a very complex and difficult world.'

In a newspaper interview published on April 26, outgoing Japanese Ambassador to Australia Yamagami Shingo, discussing a possible invasion of Taiwan by the PRC, [said](#) that 'time is running out.' He went on to say:

Time is quite limited because our response has been slow. So rather than letting our counterpart think they see a window of opportunity to resort to military action, we have to do our best to narrow or even close that window of opportunity.

That is why we need to come up with prompt action in terms of increasing our deterrence.

If you look at past history, deterrence could fail.

## Regional relationships – Pacific Island nations

In late April, Foreign Minister Wong travelled to [New Caledonia and Tuvalu](#), her 10<sup>th</sup> visit to the Pacific as Foreign Minister, and Prime Minister Albanese [met](#) Nauru President Russ Kun in Brisbane.

While in New Caledonia, the Foreign Minister addressed concerns regarding Australia's acquisition of nuclear submarines under AUKUS (discussed further in 'AUKUS' section above). Prior to her visit, against the backdrop of Melanesian Spearhead Group (of which a pro-independence alliance of political parties in New Caledonia is a part of) discussions on a sub-regional security framework involving the PRC, a spokesperson for New Caledonia's President Mapou [told Reuters](#) that '[i]n terms of China's presence, the president has always said New Caledonia is open to discussions with any countries – China, Japan, United States'.

Earlier in the month, Papua New Guinea's (PNG) Foreign Minister Justin Tkatchenko, following a meeting with PRC Foreign Minister Qin Gang, issued a statement which [said](#) that the PRC Foreign Minister had 'raised China's concerns on [the] proposed PNG-Australia Bilateral Security Treaty and its intended purposes' and 'went on to seek reassurances that the purported bilateral security arrangement with Australia was not in some way seeking to counter China's influence in PNG and the Pacific.' Foreign Minister Tkatchenko in the same statement indicated that reassurances had been offered to his PRC counterpart: '[The arrangement] will be one focused more on building PNG's capacity and capabilities to face these security challenges from the external environment but more importantly internally. It will not be solely [a] defence agreement between PNG and Australia.'

## Foreign interference

Australian businessperson Alexander Csergo was arrested and charged with one count of reckless foreign interference (see section 92.3 of the *Criminal Code Act 1995* outlined below) for alleged offences between 2021 and 2023. He is the second person to be charged with violating Australia's foreign interference laws since legislation was passed in 2018.

It is [alleged](#) that Mr Csergo had provided material to two PRC foreign intelligence operatives, compiling handwritten reports about the AUKUS security partnership, the Quad, lithium mining and iron ore and other economic and defence matters in exchange for cash payments. His barrister [stated](#) that these reports had drawn from public source as opposed to secret documents. The prosecutor [said](#) that Mr Csergo had admitted in a police interview that when he met with the two individuals alleged to be foreign agents, he had 'immediately suspected' they worked for a PRC intelligence agency and that his actions were '[done](#) in a certain state of mind'.

If convicted, he faces up to 15 years imprisonment. He is due to appear before the court again on June 14.

## 92.3 Offence of reckless foreign interference

- (1) A person commits an offence if:
- (a) the person engages in conduct; and
  - (b) any of the following circumstances exists:
    - (i) the conduct is engaged in on behalf of, or in collaboration with, a foreign principal or a person acting on behalf of a foreign principal;
    - (ii) the conduct is directed, funded or supervised by a foreign principal or a person acting on behalf of a foreign principal; and
  - (c) the person is reckless as to whether the conduct will:
    - (i) influence a political or governmental process of the Commonwealth or a State or Territory; or
    - (ii) influence the exercise (whether or not in Australia) of an Australian democratic or political right or duty; or
    - (iii) support intelligence activities of a foreign principal; or
    - (iv) prejudice Australia's national security; and
  - (d) any part of the conduct:
    - (i) is covert or involves deception; or
    - (ii) involves the person making a threat to cause serious harm, whether to the person to whom the threat is made or any other person; or
    - (iii) involves the person making a demand with menaces.

### State premiers' visits to the PRC

On April 2, WA Premier McGowan **announced** he would be travelling to the PRC for a five-day trip beginning April 17, his first official visit to the country in four years. He stated the purpose of the trip was 'to reconnect Western Australia with its largest trading partner and strengthen partnerships with key government and industry leaders'.

Prior to his departure he **said**, 'China is an important trading partner and we want to re-establish ties', adding that he would be focusing on 'economic issues that are of benefit to Western Australia'.

The Prime Minister, asked earlier in the month, 'Are you happy for premiers to visit China to shore up trade agreements and relationships with China?', **responded**, 'Absolutely I am, because it's about jobs, and it's about them looking after their state.' He noted in particular that 'WA is a great export state. And the number one destination for the exports from WA is China. So it's a good thing that Mark McGowan is engaged with our major trading partner.'

In Beijing, Premier McGowan **led** the Fifth Western Australia-China Strategic Dialogue with 30 business leaders from both nations. He also met with Vice Minister of Foreign Affairs Ma, participating in an hour-long discussion in which he **raised** the cases of detained Australians Cheng Lei and Yang Hengjun, who have been in detention in the PRC since late 2020 and early 2019, respectively.

Premier McGowan **suggested** that, should Prime Minister Albanese visit the PRC this year, 'one of the things he could do is, invite all the Premiers and Chief Ministers to come with him' which 'would be a strong demonstration that the relationship is back to a harmonious and productive one'.<sup>8</sup> Similar trips been undertaken by Tony Abbott and Malcolm Turnbull, to the PRC and the US, respectively.<sup>9</sup>

### TikTok ban on Australian government phones

<sup>8</sup> This suggestion was erroneously reported on by several media outlets on April 20 as constituting a call for Australia's national cabinet to be held in Beijing. See Caitlyn Rintoul, 'Mark McGowan's China trade mission: WA Premier calls for National Cabinet to be held in Beijing', *The West Australian*, April 20 2023 <<https://www.theage.com.au/national/western-australia/nw-premier-mcgowan-wants-national-cabinet-to-come-to-china-too-20230420-p5d1xj.html>>; Anthony Anderson, 'Premier calls for National Cabinet to be held in Beijing', *news.com.au*, April 2023 <<https://www.news.com.au/national/western-australia/premier-calls-for-national-cabinet-to-be-held-in-beijing/news-story/6031035ec57fcc76d8b4907bdb0dd100>>; Gary Adshead, 'Now Premier McGowan wants national cabinet to come to China too', *The Age*, April 20 2023 <<https://www.theage.com.au/national/western-australia/nw-premier-mcgowan-wants-national-cabinet-to-come-to-china-too-20230420-p5d1xj.html>>.

<sup>9</sup> In March 2014, then-Prime Minister Tony Abbott stated in a press conference announcing his first visit to the PRC as Prime Minister that he would be 'inviting the Premiers and Chief Ministers to accompany' him. Similarly, Malcolm Turnbull as prime minister in 2018 was accompanied by four state premiers during a visit to the US. See Australian Embassy, Beijing, media release 'Australian Prime Minister Tony Abbott's visit to Northeast Asia - April 2014', March 3 2014 <<https://china.embassy.gov.au/bjng/140303MRPMvisit.html>>; 'Malcolm Turnbull leading mega-delegation to US', *SBS News*, February 21 2018 <<https://www.sbs.com.au/news/article/malcolm-turnbull-leading-mega-delegation-to-us/5haccxy44>>.

On April 4, Attorney-General Mark Dreyfus [announced](#) a ban on TikTok on government devices, with the ban commencing ‘as soon as practicable’. This move followed similar measures by likeminded nations.<sup>10</sup>

According to Home Affairs Minister Clare O’Neil, about half of all government departments and agencies had already banned the app from government devices prior to the direction from the Attorney-General, with the direction issued ‘to ensure consistency across the Commonwealth’.

In line with the federal government, all Australian state and territory governments have now implemented a similar ban.<sup>11</sup> In announcing the ban, the Tasmanian Premier also publicly [shared](#) advice received from the Australian Signals Directorate that was ‘relevant to the general public’.<sup>12</sup>

Asked whether such a ban should be emulated by companies operating in sectors such as critical minerals and defence industries, Prime Minister Albanese [replied](#), ‘I’m not going to be so bold as to tell individual companies what they should do.’

Opposition Leader Peter Dutton [expressed](#) support for the ban. On whether politicians and public servants should be allowed to use the app on their personal devices, and on possible restrictions on the broader public’s use of TikTok, the Opposition Leader said he would defer to the advice of intelligence agencies.

A PRC Foreign Ministry spokesperson [described](#) the ban as an ‘abuse of state power’, saying Beijing had ‘made solemn demarches to the Australian side’. The spokesperson said, ‘China always believes that digital security should not be used as a tool to suppress foreign companies in an overstretch of the concept of national security and abuse of state power.’ This professed stance sits uncomfortably with the PRC’s own measures, Beijing having banned virtually every prominent foreign social media application.

## DJI drones used by Australian Defence Force

Following a [report](#) that the Australian Defence Force was using drones from PRC company Da Jiang Innovations (DJI), an audit of the Defence Department’s supply chain was ordered by Defence Minister Marles. A spokesperson for the Defence Minister said, ‘Where there are concerns identified in the audit, those devices and products will be removed.’ It remains to be seen whether the DJI drones will be banned.

## Brisbane Olympics

10 Canada had banned the app from all government-issued devices in February, and the European Parliament, New Zealand, the UK and France followed suit soon after. The US banned the app from government devices at the end of last year. For Canada see Mike Wendling, ‘Canada bans TikTok on government devices’, *BBC*, February 28 2023 <<https://www.bbc.com/news/world-us-canada-64792894>>; for the European Parliament see Xiaofei Xu, Eve Brennan and James Frater, ‘EU bans TikTok from official devices across all three government institutions’, *CNN*, March 1 2023 <<https://edition.cnn.com/2023/02/28/tech/tiktok-eu-ban-intl-hnk/index.html>>; for New Zealand see Nick Perry, ‘New Zealand lawmakers banned from TikTok amid data use fears’, *Associated Press*, March 17 2023 <<https://apnews.com/article/new-zealand-tiktok-ban-lawmakers-parliament-workers-36c42f94d236d5d714d4fb0dd8ac2f45>>; for the UK see Dan Sabbagh, ‘UK bans TikTok from government mobile phones’, *The Guardian*, March 17 2023 <<https://www.theguardian.com/technology/2023/mar/16/uk-bans-tiktok-from-government-mobile-phones>>; for France see AP Staff, ‘France bans TikTok, Twitter from government staff phones’, *Associated Press*, March 25 2023 <<https://apnews.com/article/tiktok-france-ban-cybersecurity-china-4c48564fbfe7b86bf44c30969902c293>>; and for the US see David Ingram, ‘Biden signs TikTok ban for government devices, setting up a chaotic 2023 for the app’, *NBC News*, December 31 2022 <<https://www.nbcnews.com/tech/tech-news/tiktok-ban-biden-government-college-state-federal-security-privacy-rcna63724>>.

11 For Australian Capital Territory see Andrew Barr, Shane Rattenbury and Chris Steel, ‘ACT government to restrict use of TikTok on government-issued devices’, media release, Australian Capital Territory Government, April 5 2023 <[https://www.cmtedd.act.gov.au/open\\_government/inform/act\\_government\\_media\\_releases/barr/2023/act-government-to-restrict-use-of-tiktok-on-government-issued-devices](https://www.cmtedd.act.gov.au/open_government/inform/act_government_media_releases/barr/2023/act-government-to-restrict-use-of-tiktok-on-government-issued-devices)>; for New South Wales see NSW Premier, ‘NSW government moves to ban TikTok on government-issued devices’, media release, New South Wales Government, April 6 2023 <<https://www.nsw.gov.au/media-releases/tiktok-ban-on-government-devices>>; for the Northern Territory see ‘NT government to ban TikTok on employees’ work phones’, *Northern Territory News*, April 6 2023 <<https://www.ntnews.com.au/news/politics/nt-government-to-ban-tiktok-on-employees-work-phones-devices/news-story/27360269fd025df11a419ebb967b601>>; for South Australia see Peter Malinauskas, ‘TikTok banned from SA government devices’, media release, Government of South Australia, April 12 2023 <<https://www.premier.sa.gov.au/media-releases/news-items/tiktok-banned-from-sa-government-devices>>; for Tasmania see Jeremy Rockliff and Madeleine Ogilvie, ‘TikTok to be prohibited from government-issued devices’, media release, *Tasmanian Times*, April 6 2023 <<https://tasmaniantimes.com/2023/04/tas-govt-bans-tiktok/>>; for Victoria see Marnie Vinall, ‘TikTok to be banned from state government devices following federal move’, *Sydney Morning Herald*, April 3 2023 <<https://www.smh.com.au/politics/federal/tiktok-to-be-banned-from-state-government-devices-following-federal-move-20230403-p5cxsx.html>>; and for Western Australia see Hamish Hastie, ‘The TikTok ban hammer crashes down on WA but who will apply for an exemption?’ *WAtoday*, April 27 2023 <<https://www.watoday.com.au/politics/western-australia/the-tiktok-ban-reaches-wa-but-will-anyone-apply-for-an-exemption-20230426-p5d3j8.html>>.

12 This advice stated: ‘Do not use it on a phone that can access any official information, for example, any workplace communication (email clients, MS Teams); If a phone does have TikTok installed, keep the phone away from any sensitive conversations; and Remove metadata (such as location information) from photos and videos before uploading them to TikTok.’

PRC Ambassador Xiao [suggested](#) the 2032 Brisbane Olympics was a potential opportunity for Australia-PRC cooperation, noting that ‘China benefited a lot from Australia’s commitment and contribution to the success of the Beijing Games in 2008 and more recently the Winter Olympics so we want to reciprocate.’

The following day, the Prime Minister, while welcoming the PRC’s participation in the Olympics, rejected any idea of sponsorship or partnership, [saying](#), ‘we’re not looking for any other governments to be engaged.’

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