

Dear Ms Berejiklian,

I refer to the submission that was provided to the Senate Standing Committee on Foreign Affairs, Defence and Trade in relation to its inquiry on *Australia's Foreign Relations (State and Territory Arrangements) Bill 2020* and *Australia's Foreign Relations (State and Territory Arrangements) (Consequential Amendments) Bill 2020*

It was very disappointing that the NSW Government declined to appear at the hearing. Given the potential effects of this Bill on state governments, committee members were denied the opportunity to question the states and territories on key components of the Bills.

As a Liberal Senator from NSW, I am acutely aware of foreign relations issues that prevail in my home state. Regrettably, the ongoing media reporting of the activities, including of councils, MPs and former MPs raise serious questions of conduct, which may be subject to the provisions of these Bills.

I would invite you and your officials to review the transcript of our hearings and provide any comments in response.

In addition, I would appreciate if you could respond to the following:

Confucius Institute – NSW Department of Education and Communities

1. I note that on or about 28 October 2015, a Confucius Institute was founded at the NSW Department of Education and Communities with the Education Department of the Zhengzhou province. Please provide full details regarding this agreement including how it came about, who negotiated its terms, the nature of those terms, the location of the classes in NSW where teaching occurred and the extent of funding from Chinese sources.
2. Is the agreement regarding the Confucius Institute still in force? If not, when did it cease? Why did it cease? Please circumstances gave rise to the need to terminate the agreement?

University of NSW

3. In relation to the University of NSW, please provide details of what oversight the NSW government has exercised over the university?
4. What action, if any, did the NSW Government, through its ministerial representative on the NSW University Council or otherwise, undertaken following the removal of social media posting by Dr Pearson critical of China's crackdown in Hong Kong and UNSW's subsequent actions? Please provide full details regarding the same, including any action taken by relevant NSW Minister.

5. Who is the ministerial representative on the UNSW Council and when was he or she appointed? What responsibilities does he or she have, including reporting to the NSW Government?
6. What action has the NSW Government taken to investigate academic freedom at the UNSW and most especially, following the Pearson incident?
7. Media reports indicate that the UNSW commissioned an internal investigation into Chinese influence but which the university has failed to release? Are you aware of this report? Have you seen it? Was it provided to the NSW Government, through its ministerial representative University Council or other person/persons?
8. I note that on or about 11 December 2007, a Confucius Institute was established at the University of NSW. Did the NSW Government have any role in its establishment? Since then, has the NSW Government, through its relevant minister or its representative on the UNSW Council had official interaction, relationship or other contact with that Confucius Institute?

University of Sydney

9. In relation to the University of Sydney, please provide details of what oversight the NSW government has exercised over the university?
10. I note that on or about 19 October 2007, a Confucius Institute was established at the University of Sydney. Did the NSW Government have any role in its establishment? Since then, has the NSW Government, through its relevant minister or its representative on the Sydney University Senate had official interaction, relationship or other contact with that Confucius Institute?

NSW Government Special Envoy to China

11. When was this position established? Please provide a list of all persons who have held this position since its establishment.
12. What are the responsibilities of this position, most importantly, the foreign relations component of these responsibilities? What is the remuneration of the position, including coverage of expenses?
13. Who has ministerial oversight or responsibility for this position?
14. What is the process for appointment to the position, including experience, language etc. requirements?
15. Given the foreign relations component of the position, please confirm that those responsibilities would come within the meaning of both core foreign arrangements and non-core foreign arrangements within the meaning of the Bills?

16. When was Mr Jim Harrowell appointed as the NSW Government Special Envoy to China?
17. By way of example, please outline Mr Harrowell's activities as Special Envoy and indicate whether they would fall within the descriptor of core foreign arrangements and non-core foreign arrangements within the meaning of the Bills?

Local Government

18. Given the extensive sister-city arrangements and friendship city arrangements between councils in NSW and overseas entities, what oversight, if any, does the NSW Government exercise in relation to such activities? If so, is this undertaken by the NSW minister responsible for local government, some other person/persons or a combination of both? Please provide full details.
19. Given the foreign relations engagement by councils, please outline which of their responsibilities would come within the meaning of both core foreign arrangements and non-core foreign arrangements within the meaning of the Bills?
20. Media reports indicated that in April 2020, Wagga Wagga Council initially decided to cut ties with its Chinese Sister City – Kunming. The decision was taken because China is governed by the Chinese Communist Party and its handling of the coronavirus. After much criticism especially from the Chinese Sydney consulate, Wagga Wagga Council in an extraordinary meeting reversed the decision to cut ties with their Chinese Sister City – Kunming.¹ What action, if any, did the NSW Government, through the relevant minister or others, undertake regarding this?
21. Media reports indicated that in April 2019, Georges River Council in Southern Sydney bowed to pressure from the Chinese Government and banned Vision China Times, an Australian-owned media company, from sponsoring a Chinese New Year event because it was critical of the Chinese Communist Party. Chinese consular officials issued at least eight warnings to Georges River Council over its dealings with Vision China Times media. Vision China Times stated it had been repeatedly harassed by Chinese consular officials, because it published information critical of the Chinese Communist Party.² What action, if any, did the NSW Government, through the relevant minister or others, undertake regarding this?
22. Media reports indicate that in October 2019, Chinese billionaire Huang Xiangmo made a \$135 million profit from Ryde City Council Councillor Simon Zhou, who voted to support his development and who failed to declare a \$4 million link to the developer.³ Reports further indicate that when Councillor Simon Zhou who is also Deputy Mayor came under attack for failing to declare his \$4 million connection to Chinese property developer

¹ <https://www.abc.net.au/news/2020-04-22/coronavirus-wagga-rescinds-vote-to-cut-with-china/12173476>

² <https://www.abc.net.au/news/2019-04-07/china-pressured-sydney-council-over-media-organisation/10962226>

³ <https://www.afr.com/politics/huang-xiangmo-s-135m-planning-windfall-20191029-p535cb>

Huang Xiangmo, a crowd of 100 people was mobilised in support of their “*Chinese representative*” at the next Ryde City Council meeting. Media reports indicate further evidence of Chinese Government involvement.⁴ What action, if any, did the NSW Government, through the relevant minister or others, undertake regarding this?

23. Media reports indicate that Edward River Council offered Cron land to a Chinese government-backed vocational college to build a training and research facility without appropriate tender process.⁵ What action, if any, did the NSW Government, through the relevant minister or others, undertake regarding this?
24. Given the allegations which have emerged in various ICAC investigations including Operation Dasha (2018) and Operation Keppel (2020) and the involvement of individuals allegedly connected to the Chinese Communist Party and PRC State Owned-enterprises, does it not strengthen the need to ensure that the definition of foreign entity include corporations that may operate commercially but which are state-owned enterprises?

Arrangements with foreign governments or state owned enterprises

25. Please provide details of all existing arrangements including contracts, sale of assets or businesses, joint ventures etc. entered into by the NSW Government within the last 10 years with foreign governments or their state owned enterprises, including particularly those with China.
26. In relation to each of these, please provide the details of acquisition, including date, parties, tender processes, parties to the negotiations, process of negotiation, sale price, etc.

⁴ <https://www.afr.com/politics/beijing-s-sharp-power-targets-a-sydney-council-20191114-p53aoh>

⁵ <https://www.smh.com.au/national/nsw/nsw-council-accused-of-sham-tender-over-china-backed-project-20200820-p55nq3.html>

Senator the Hon Concetta Fierravanti-Wells
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Senator Fierravanti-Wells

Thank you for your correspondence of 16 October 2020, regarding *Australia's Foreign Relations (State and Territory Arrangements) Bill* (the Bill). I am responding on behalf of the Premier.

The NSW Government thanks the Senate Standing Committee on Foreign Affairs, Defence and Trade (the Committee) for considering our submission and reiterates its support for the broad intent of the Bill.

The NSW Government considers that its submission fully represents NSW's views on the Bill to the Committee. We refer the Senator to our submission.

Yours sincerely

Tim Reardon
Secretary

29 October 2020