Interesting articles


Kenrick Cheah
Community Relations Director
NSW Labor Party
Chinese-Australian community should get more action for political donations, warns Huang Xiangmo

By Philip Wen

Beijing: The Chinese community in Australia shouldn’t let itself be viewed as little more than a “cash cow” by both federal parties it gives donations to, according to Huang Xiangmo, one of the country’s most prolific political donors.

Mr Huang, chairman of property developer Yuhu Group and a highly-influential figure in Australian-Chinese business circles, has attracted widespread media scrutiny after donating more than $1 million to both sides of politics since 2012, including contributions apparently directed at Foreign Minister Julie Bishop and former Trade Minister Andrew Robb.

He has done so juggling roles as chair of the Australia China Relations Institute at the University of Technology, Sydney, while simultaneously heading patriotic groups with close links to the Communist Party. He has used his position as head of the Australian Council for the Promotion of Peaceful Reunification of China to urge local Chinese-Australians to advance
Communist Party core interests, including the opposition of Taiwan and Tibetan independence.

"The Chinese community is still inexperienced when it comes to participating in politics, and in making political donations," Mr Huang wrote in a commentary for the Chinese state-run *Global Times* newspaper on Monday, in his capacity as ACRI chairman. "We need to learn ... how to have a more efficient combination between political requests and political donations, and how to use the media to push our political requests.

Mr Huang has become a frequent commentator on Australian politics, and his columns, which have included musings on the recent federal election and Kevin Rudd's United Nations push, have appeared in popular Chinese-language online media outlet *Sydney Today* as well as the *Global Times*.

Mr Huang said the Chinese community was under-represented in Australian politics and that the media focus on “China-related” donations had overtones of “racial discrimination”, given no other ethnicities were singled out for scrutiny. "They still keep the bias of White Australia and hope Chinese community continue to be silent instead of having power of speech in politics."

Without naming specific politicians, Mr Huang said Chinese Australians were often regarded as "cash cows" during an election campaign but after getting elected, they neglected the interests of the Chinese community.

Mr Huang donated $1.8 million to establish ACRI at UTS, which is headed by former foreign minister and NSW Premier Bob Carr. He has also made large contributions to the Children's Medical Research Institute at Westmead and toward an Australia-China arts institute at Western Sydney University.
Huang Xiangmo with Foreign Minister Julie Bishop. Supplied

Philip Wen

Philip Wen is the China correspondent for Fairfax Media.
Chinese interests play increasing role in Australian political donations

By Gina McColl
May 21, 2016 — 4.18pm

The many ways political donations buy access

A Chinese government-backed propaganda unit and a swag of companies that stand to gain from the China Australia Free Trade Agreement have made more than half a million dollars of political donations in Victoria, raising concerns about the influence of foreign donors.

Companies linked to Chinese conglomerate Yuhu Group made a donation to then trade minister Andrew Robb’s fundraising entity the day the trade deal was clinched.

Chinese money has become so important to Australian political parties that, at a recent glitzy fundraiser, Victorian Liberal president Michael Kroger made sure there was an interpreter to translate the auction.

Donors with strong links to China contributed $555,000 to the two major parties and fundraising entities in Victoria, a Fairfax Media analysis of Australian Electoral Commission
ICAC NSW EXHIBIT

Chinese interests play increasing role in Australian political donations


At least three donors failed to disclose their contributions to the Australian Electoral Commission.

**Big donors**

*How the sectors compare*

* Some donors appear in several sectors due to diverse interests

Source: AEC

Bayside Forum, which supports the federal Liberal candidate in the seat of Goldstein (where Mr Robb is set to be succeeded by former Human Rights Commissioner Tim Wilson at the July 2 federal election), accepted $100,000 in donations from executives of Chinese agriculture, property development and infrastructure company Yuhu Group.

At the time, Mr Robb was negotiating both ChAFTA and the 12-country Trans-Pacific Partnership.

Mr Robb has a long relationship with Yuhu and its chief Xiangmo Huang. He met with Mr Huang and other senior company executives in Hong Kong in March 2014 to discuss trade and economic co-operation, and to hear Mr Huang’s view on the obstacles to Chinese enterprises in Australia, such as working visas and foreign investment restrictions.

Mr Robb also endorsed Yuhu’s $2 billion investment in Australian agriculture in a joint-venture with a Chinese state-owned enterprise at its launch on September 15, 2014.

According to AEC disclosures, Chaoshan No 1 Trust (of which Mr Huang is a director) made a $50,000 donation to Bayside Forum two months later, on the same day ChAFTA was finalised and details announced by Mr Robb and then prime minister Tony Abbott.

Another $50,000 donation to Bayside Forum, this time by Fu Ocean Pty Ltd (whose director Zhaokai Su is reportedly Yuhu’s office manager), was undated. And two months after the Hong Kong meeting, $50,000 was donated to the New South Wales division of the Liberal Party. It is illegal for property developers to donate to the NSW branch, but a loophole permits it if the funds are intended to contribute to a federal campaign.
The free trade agreement, which came into force on December 20, 2015, has been criticised by the opposition and unions for threatening Australian jobs – particularly a provision that allows Australian-registered companies with 50 per cent Chinese ownership to bring in Chinese labour to work on infrastructure projects of $150 million or more.

Mr Huang and his associates have donated millions of dollars to the Labor and Liberal parties over recent years, and in 2015 stepped in to pay a legal bill on behalf of NSW Labor reformist and fixer, Senator Sam Dastyari.

Mr Robb was Mr Huang’s guest at the Melbourne Cup in 2013, when Mr Huang also presented the trophy. Mr Robb reportedly attended Mr Huang’s daughter Carina’s wedding in Sydney in January 2016, as did Opposition Leader Bill Shorten.

As trade minister, Mr Robb also attended the "Yuhu 2015 Giving Day" on February 6, 2015, held in part to celebrate Mr Huang’s election as President of the Australian Council for the Promotion of Peaceful Reunification of China. That organisation’s activities include hosting Chinese government officials in Australia and lobbying against independence movements in Taiwan, Hong Kong and Tibet.

At the time of the donation, Mr Robb was still negotiating the Trans-Pacific Partnership – a 12-country trade deal which does not include China or Taiwan, but that Taiwan had sought to join.

On February 1, the NSW branch of the ALP revealed its biggest donor, Eng Joo Ang, had given $110,000. The next day Mr Eng told media he couldn’t recall it and later that he had not made the donation. On February 12, a late return was quietly published on the AEC periodic disclosures as an “update”.

Mr Eng is executive vice chairman of the Australian Council for the Promotion of Peaceful Reunification of China.

Mr Robb declined to answer Fairfax Media questions about Bayside Forum’s protocols for handling potential conflicts between fundraising sources and his responsibilities as a minister.

“There were absolutely no conflicts of interest,” he said.

Mr Huang was contacted for comment but did not respond.

Meanwhile, the Victorian Liberals received $15,000 from the China Australia Media Group, believed to be an arm of the Chinese government. The group has twice beenouted for hiring Western journalists at news conferences to ask soft questions of government ministers and officials with the aim of spreading Chinese propaganda.

Chinese property developers have also emerged as generous supporters of political parties. In 2013-14, a pair of Brighton property investors with import-export interests Jianping Fu and Min Zhang, donated $200,000 to the Victorian Labor party. Melbourne-based property developer the Ever Bright Group donated $200,000 to the federal Liberal party and Glen Waverley developer Jiandong Huang donated another $100,000.

Richard Gu’s AXF Group, whose development projects include a massive 5500-home project in the city’s west, donated $150,000 to the Victorian Labor party. ZJF Investments, a company owned by property developer Zheng Jiefu (who sought refuge in Melbourne after facing embezzlement charges in China), donated $20,000 to Labor’s state branch.
Both AXF Group and ZJF failed to make their own donations disclosures to the AEC. Fu Ocean disclosed its $30,000 contribution to the NSW Liberals, but failed to disclose the $50,000 Bayside Forum donation.

The AEC said it was following up outstanding returns.

Governance expert Ken Coghill says foreign donations to Australian political parties should be illegal, as they are in many countries including the United States and Britain.

"The Australian political process ought to be something that is not manipulated or distorted by foreign interests," says the former state Labor MP, now director of the Parliamentary Studies Unit at Monash University.

Gina McColl

Writes about institutions, public policy, arts and culture, and consumer affairs.
Chinese 'King of the Mountain' brush with corruption scandal

By Philip Wen and Lucy Macken

Updated February 25, 2016 — 8.12pm, first published February 24, 2016 — 8.49pm

Beijing overtakes New York as 'Billionaire Capital of the World'

When a little-known Chinese property developer splashed $12.8 million on an Australian mansion in 2012, it raised eyebrows not just for the price but for the copycat purchases that followed.

A flurry of mainland buyers descended on Sydney property agents with requests for similar properties nearby, but with the proviso that their mansions could not be "bigger and better". They made clear it was in deference to the original purchaser, Huang Xiangmo.

"When Mr Huang was looking to buy we were also looking for houses for his associates – but they weren’t able to buy until Mr Huang had bought his 'King of the Mountain' house," one Mosman agent told Fairfax Media. "And their houses, as we understood it, couldn’t be higher than his on the hillside or better than his."
In the following months five more multimillion-dollar homes were sold to Huang’s "friends", all lower down the hillside in Beauty Point. Agents, baffled but delighted, listened to buyers speak of their hope that Huang’s "good fortune" would rub off on them through living nearby. As word spread of the area’s excellent feng shui, interest from other Chinese buyers surged, Mosman prices broke out of a prolonged post-GFC slump, and long-time residents took to calling the area "Beijing Point".

Huang Xiangmo with Malcolm Turnbull at Chinese New Year celebrations in Sydney this month.

Huang arrived in Australia in near-total obscurity. But big spending and relentless networking behind closed doors has seen him swiftly ingratiate himself with Australia’s most powerful politicians to become the figurehead of the new wave of “mainland money” coursing through Australia. On top of a fast-growing portfolio of property developments, Huang’s Yuhu Group is party to a landmark $2 billion Australian agriculture investment deal, endorsed by the federal government in late 2014.

There is the question, however, of just how much the government and public institutions know about Huang, a prolific political donor who has funnelled more than $1 million into the coffers of both major parties since 2012, including through family members, his companies and staff.

The 46-year-old, who also goes by his legal name Huang Changran, gave $1.8 million to establish the Australia-China Relations Institute at the University of Technology Sydney, helmed by former foreign minister and NSW premier Bob Carr, and another $1 million to the Children’s Medical Research Institute at Westmead. In December, he pledged $3.5 million for an Australia-China Institute for Arts and Culture at Western Sydney University.

Fairfax Media can reveal Huang was caught up in a far-reaching corruption scandal involving senior government officials in his native Jieyang, a city of 6 million in the southern Chinese province of Guangdong, which prompted a hasty departure from his base in Shenzhen.
Sources with knowledge of the matter say Huang, having been tipped off that a close political patron would be investigated for graft as part of Chinese President Xi Jinping's anti-corruption drive - which includes operations Fox Hunt and Sky Net, left hurriedly for Australia, where he had already explored the possibility of expanding Yuhu Group.

Huang has been conspicuously low-profile in China since 2013, with Yuhu's website documenting his every move in Australia, Hong Kong and Taiwan - but never on the mainland. Huang says he has had no trouble returning to mainland China.

Last month, he failed to appear at his own company's annual meeting in Shenzhen, where a major strategic decision was announced, refocusing Shenzhen Yuhu's expansion plans toward Australia and away from the mainland Chinese market.
“My philanthropic donations don’t come with any hidden agenda, and it has nothing to do with China”

Huang Xiangmo

Around the same time Huang was picking up the pieces, another Jieyang entrepreneur was seeking to reinvent himself in Australia. Li Ruipeng is now notorious as the Chinese businessman who fished luxury Rolex watches out of a paper bag, presenting them to Tony Abbott and former frontbenchers Ian Macfarlane and Stuart Robert.

Despite representing himself as a billionaire in Australia, Li has left behind a multimillion-dollar trail of unpaid creditors and employees in mainland China, according to court documents obtained by Fairfax Media. Li and several co-accused have been consistent no-shows in court; lawyers acting for those owed money believe he absconded to Australia as his business started to go sour. A Guangdong court ordered his company assets frozen in September 2014.
Though Huang is listed as a director of Yuhu’s Australian subsidiaries, he has chosen not to hold any shares in his name, according to corporate filings. Yuhu’s lucrative property operations are majority-owned by his wife, Huang Jiefang, and Huang Jiquan, believed to be the couple’s son. The Mosman mansion is also in Huang Jiefang’s name.

Huang’s woes in Jieyang stem from the close political connections which helped him ride from rags to riches during China’s real estate boom. In 2009, Huang gave 150 million yuan ($32 million) toward the construction of a grand pagoda-style city gate, citing his close relationship with the city’s top official, Communist Party secretary Chen Hongping.

"One night, it was after 10pm, I was having a chat over tea with Secretary Chen," Huang told the local state-run newspaper in a hagiographic account of his contribution to the city. "When he raised the matter of the Jieyang Tower, he was very impassioned, very worked up. He made no secret that Jieyang’s financial situation was inferior to more developed regions, and hoped that I could provide some valuable assistance."

Trouble struck when Chen was investigated for corruption in November 2012. A subsequent court indictment alleged that, obsessed with building himself the perfect grave, Chen embezzled millions to construct a luxurious family burial site in accordance with the principles of feng shui. He was formally detained in June 2013, has been expelled from the party and is awaiting sentencing.
Ominously for Huang, the indictment also found Chen erred by overspending on the city gate, which features nine 10-metre spires surrounding a giant rhyolite boulder transported from the storied Mount Tai, some 1600 kilometres away in Shandong province. All told, the court found Chen had accepted an "unprecedented" sum of more than 125 million yuan in bribes.

Chen’s arrest also led to the downfall of his immediate predecessor, Wan Qingliang, who had by then been promoted to party secretary of the city of Guangzhou. Local media ran sordid accounts of the pair sharing the same mistress, adding that Wan flew around on chartered China Southern flights, picking his favourite air stewardesses from a photo line-up on his iPad.
Former Guangzhou party chief Wan Qingliang cried out loud in court, regretting corruption, paper.wenweipo.com/2015/12/26/CH1...

3 10:00 AM - Dec 26, 2015

See Eddie Du's other Tweets

There is no suggestion that Huang’s contribution toward the Jieyang Tower should be construed as a bribe. But Huang’s decision to leave at a politically turbulent time proved astute. Even if innocent, staying would have meant putting faith in China’s party-controlled judiciary instructed to pry into Wan and Chen’s financial benefactors. Another local businessman who donated toward the city gate, Huang Hongming (no relation), was detained in connection to Chen’s investigation, his whereabouts still unknown.

In a rare telephone interview with Fairfax Media, Huang Xiangmo said he was never affected by Chen’s case, pointing out he was never mentioned by name in the prosecution’s indictment.

"It was a philanthropic act," he said, referring to his contribution to the Jieyang Tower. "I don’t have any business or investments in Jieyang, my company doesn’t have any projects in Jieyang."

He said he had made plans to migrate to Australia as early as 2010, well before he knew Chen was in trouble. He is applying for citizenship and expects to get his passport next month. He denied having any trouble entering mainland China, saying he frequently returned.

On his donation to UTS, he said he hoped “Australians could understand China more clearly, and that China could understand Australia more clearly”.

“My philanthropic donations don’t come with any hidden agenda, and it has nothing to do with China," he told Fairfax Media. "My company doesn’t invest in China any more; it just has some small residual assets. When the media say I have some [ulterior] motives, I don’t know whether to laugh or cry ... I feel it is unfair, not objective."

And of his political donations to both major parties, he said: “I just sometime participate in their activities ... I feel sometimes their politics are in line with us Chinese-Australian businesses, in line with our standards and ideas. We just support their political views, without raising ours.”

If Li’s efforts to court favours in Australia have backfired, Huang is swiftly moving toward political reinvention. As head of the Australian Council for the Promotion of Peaceful Reunification of China, he gives speeches urging Chinese-Australians to oppose independence for Taiwan, Xinjiang or Tibet.

When Xi made his first official visit to Australia as China’s president in late 2014, Huang was there to greet him as a leader of Australia’s Chinese business community.

He gave a keynote address at this month’s farewell reception for China’s outgoing ambassador to Australia, Ma Zhaoxu.
And having sought to woo Australia's revolving door of recent prime ministers, he was granted a front-row seat alongside Malcolm Turnbull and Opposition Leader Bill Shorten at Sydney's lantern fair celebrations marking the Lunar New Year.

In a statement, UTS said it is "proud to have attracted financial support from Mr Huang Xiangmo as it has from other Australian-Chinese donors".

"Like all universities, UTS undertakes due diligence before accepting any donations. The university is not aware of any impropriety involving Mr Huang."

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