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Australian entrepreneurs find a new home in Shanghai

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Shanghai | A decade ago, the typical Australian flying into China for work was employed by a big mining company or a major bank.

These days, they are more likely to be e-commerce entrepreneurs working out of their lobby than a suited executive heading to his company's high-rise office space.

This change in the way Australia does business with China was one of the main drivers for a new project aimed at creating a "home" for the hundreds of thousands of [Aussies flocking to Shanghai](#) each year to try to make a buck.

Australia House, a seven-storey redevelopment in downtown Shanghai, is positioning itself as a networking hub for Australian companies in China.

The contemporary building, designed as a combination of permanent office and hot desk space, will be opened tomorrow by Trade Minister Simon Birmingham, who is in Shanghai this week for Xi Jinping's annual import trade fair.

With its transparent facade, rooftop terrace, green credentials and ground floor cafes, the recently refurbished building stands out from the other uniform high-rises in the part of town bordering the city's former French Concession.

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A collaboration between Melbourne-born architect Alexandra Chu and the Australian Chamber of Commerce in Shanghai (AustCham Shanghai), the project has been designed to attract tenants from the small- and medium-sized companies now flooding into China to do business.

AustCham chief executive Jack Brady said many of these companies employed fly-in, fly-out workers who wanted a base and somewhere to grab a shower when they were in China for meetings.

"You've still got the big Australian corporates here; - the banks, Bluescope, Visy, Qantas and others - they have been here some time. But more and more we see smaller providers engaging and selling food and beverage, goods, services and universities," Mr Brady told *The Australian Financial Review*.

"Shanghai is still a massive market for business. There are more fly-in, fly-out visitors and still an invested Australian expatriate community here. We liked the idea of having a home."

[Australian sporting bodies, such as Tennis Australia and the AFL, hoping to crack the China market](#) have also signed up, along with tax advisers SMATS Group and the William Angliss Institute, which provides specialist TAFE training.

"Australia House will likely become a considered model for Australian Business Chambers around the world," said Matt Heron, SMATS Group general manager. He says having Australian businesses under one roof will create networking opportunities.

Anken, Ms Chu's property development firm which has a string of projects in the city, teamed up with AustCham for the project. AustCham will be the major commercial tenant in the building, which will also be used to showcase Australian products and events.

"It is a space to engage all of our networks and those who live here with events run on premises and to help those who are visiting with showers, tea coffee etcetera," Mr Brady said.

"We hope visiting buyers, delegations, and Chinese government officials will see this as a destination," Mr Brady said.

About 8000 Australians live in Shanghai, which is China's commercial hub and the gateway for most people wanting to do business in the world's second-largest economy.

But the number of expatriates in China is falling as big multinationals reduce their numbers or replace them with local staff. While the environment for foreign companies in China is becoming tougher, Mr Brady said more Australians were flying into China each year to do business.

This is partly because of the changing nature of business: those from ecommerce companies, which do not have many staff or offices, were increasing.

"There is still plenty of interest from Australia and there has been a huge increase in the trading relationship from companies that don't necessarily need an office in China," he said.

While Canberra's [diplomatic relationship with China has been frosty over the last three years](#), more than 200 Australian companies are in Shanghai this week for the huge import exposition.

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