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HD **China** to sign FTA by year's end  
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**CHINA** has flagged it intends to finalise a free-trade agreement with Australia before the end of the year after nine years of negotiation in a move that has buoyed Australian negotiators.

Joe Hockey and Trade Minister Andrew Robb met with Xu Shaoshi, the chairman of **China**'s top economic planning agency, the National Development and Review Commission, yesterday in Beijing who reaffirmed the nation's commitment to signing a deal in the next few months.

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There is growing speculation a deal will be signed when **Chinese** President Xi Jinping visits Australia in November for the Brisbane G20 meeting and is expected to address federal parliament.

Mr Robb said there was an increasing willingness from Beijing to finalise an agreement that has been through more than 20 rounds of official negotiations.

**China** is now Australia's largest trading partner, with two-way trade between the nations worth at least \$US130 **billion** a year. The agricultural sector has become a stand-off as **China** seeks to increase its investment in Australia, especially in the **dairy** industry.

Canberra hopes to replicate the dramatic increase in dairy exports to **China** enjoyed by New Zealand since it signed an FTA with **China** in 2008. NZ exports, of which one third is dairy, have more than doubled since the deal was signed.

Australia has campaigned to be allowed greater access to the **Chinese** market for services.

Foreign Minister Julie Bishop had promised that an FTA would be finalised a year after the September election, but Tony Abbott adjusted the deadline until the end of this year. "The FTA is about rules and we will hopefully conclude a set of rules that will free up trade between Australia and **China**," Mr Robb said. "We are ... on track, it is a negotiation but we are both confident and we have gone into some detail as to what ground that has to be covered." The meetings also finalised an investment framework aimed to reduce the regulations between Australia and **China**.

Mr Hockey said the Coalition was keen to encourage more investment, especially into its northern Australia development plans. Under the current plan, Australia is expected to allow greater investment from **China**'s state-owned enterprises.

Mr Hockey ruled out strengthening foreign investment regulations to stop overseas citizens from buying multi-**million** dollar Australian properties.

The Australian has revealed that cashed up overseas investors were purchasing showcase overseas properties, in spite of Foreign Investment Review **Board** guidelines which prohibit them from buying existing homes. "There are existing rules for overseas investors, they are entitled to under certain circumstances to **buy** existing properties but the rules are very strict," the Treasurer said. "There has been no evidence that I have seen of abuse those rules."

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