



## Australia's China policy in the lead-up to the 2025 federal election

## Elena Collinson April 24 2025

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As Australia heads toward the 2025 federal election, cost of living pressures remain the dominant political issue, with inflation, wages, and housing shaping day-to-day voter concerns. Yet beneath these pressing domestic matters lies a deeper, albeit quieter, reckoning: how should Australia navigate one of its most complex and consequential foreign relationships - that with China? This question remains a significant backdrop to national conversations about security and leadership.

In contrast to the 2022 federal election, where China featured prominently as a national security concern, the last three years have seen a more muted, bipartisan consensus around China policy prevail, with the issue remaining relatively depoliticised in the lead-up to this year's vote.

However, this fragile consensus is beginning to fray. In recent months, the Liberal-National Coalition has revived more combative rhetoric, accusing the Labor government of inaction and complacency in the face of growing strategic threats. While avoiding the incendiary rhetoric of its 2022 campaign, the Coalition has returned to familiar critiques, portraying Albanese and Labor as 'weak' on national security.

The Labor government has continued to pursue a steadying approach, aiming to stabilise relations with Beijing while reaffirming Australia's security commitments through frameworks like AUKUS, the security pact linking Australia, the United Kingdom, and the United States. Labor has presented itself as a calm, pragmatic steward of foreign affairs, avoiding ideological escalation while quietly reinforcing deterrence.

In contrast, the Coalition has embraced a more overtly assertive posture. Framing China as a clear and present strategic challenge, it seeks to distinguish itself as the party of national strength and ideological clarity.

This divergence is not immediately about core principles. Rather, it is more about tone, strategic emphasis and the way each side imagines Australia's place in a turbulent world.

Labor's handling of the relationship with China has so far received public approval. Its messaging discipline has appeared to resonate with voters weary of geopolitical tumult. But that cautious approach will be tested as global dynamics continue to shift, more dramatically so with Donald Trump's return to the White House and as Beijing's assertiveness in the Indo-Pacific intensifies. In such a world, Canberra's hedging space shrinks and ambiguity becomes harder to sustain.

The Coalition, meanwhile, appears to be betting that a refined but still hardline China rhetoric and policy will have political and strategic payoffs. It has adopted a tripartite messaging strategy: Opposition Leader Peter Dutton projects strength on national security while engaging constructively on trade and diaspora issues; the shadow foreign and trade ministers adopt a pragmatic, moderate approach; and shadow defense and home affairs ministers take a firm ideological line on threats posed by Beijing. Whether this balance could be maintained in government, under greater domestic and international scrutiny, is another question.

Crucially, both parties are increasingly attentive to Australia's Chinese communities, not only for their electoral significance but as a vital dimension of domestic cohesion, prompting sustained efforts at engagement and messaging sensitivity. Managing the China relationship is no longer simply a matter of foreign affairs. It is a question of internal resilience.

On trade, both Labor and the Coalition support expanding economic ties with China. Trade Minister Don Farrell has expressed confidence in the relationship's future, suggesting two-way trade could grow from \$300 billion to \$400 billion annually. Dutton has gone further, stating he would 'love to see the trading relationship increase two-fold.' Again, however, the difference lies in framing. Labor continues to advocate risk-managed commercial engagement, grounded in economic pragmatism. The Coalition, on the other hand, casts trade in more overtly strategic terms, warning of overdependence and economic vulnerability.

Critical minerals have been positioned as central to trade diplomacy for both parties. Labor has aligned more closely with the Coalition's view that Australia's resource wealth should be leveraged. On connected technologies such as electric vehicles, the split is more pronounced: Labor leans toward consumer access and affordability, while the Coalition, though ruling out a blanket ban, raises alarms about data and cybersecurity risks, signalling a more restrictive stance should it take power.

Issues like the Port of Darwin and China's potential accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) reflect deeper trends. Although both parties have come to share positions, supporting the return of Darwin Port to Australian control and imposing strict entry conditions on CPTPP membership, the narrative differs. Labor largely frames its stance in terms of national resilience and institutional process. The Coalition couches it in language more oriented toward security and values, suggesting a more normative foreign policy if elected.

Human rights and foreign interference round out the emerging points of differentiation in approach as opposed to substance. Labor will likely continue to publicly express its concerns around human rights abuses in Xinjiang, Tibet and Hong Kong, but avoid unilateral Magnitsky-style sanctions in favor of multilateral diplomacy and private diplomatic channels. The Coalition advocates a firmer approach, including targeted sanctions as a tool of values-based policy.

Countering foreign interference will continue to be a policy priority regardless of which party forms the next government. However, signs point to Labor's continuation of a restrained, risk-managed model while the Coalition would likely take a more interventionist route. While Labor has expanded Australia's counter-interference toolkit, it maintains a broadly country-agnostic approach. The Coalition has called for more direct attribution and stronger enforcement. A key priority for the Coalition is the restoration of the Department of Home Affairs to its 'rightful place as the pre-eminent domestic national security policy and operations portfolio.' It has also proposed structural reforms, including annual reporting by the Office of National Intelligence and reform of the Foreign Influence Transparency Scheme.

Taiwan remains a looming flashpoint. Both Labor and the Coalition support the One China policy and oppose unilateral changes to the status quo. But while Labor emphasises strategic ambiguity and multilateral deterrence, the Coalition signals greater alignment with Washington's posture. As AUKUS deepens Australia's integration with US planning, future flexibility in any military escalation involving Taiwan is narrowed.

The 2025 election will not be a referendum on China policy per se. But it will shape the contours of how Australia confronts an era of intensifying strategic rivalry. The bipartisan foundation of Australia's China policy remains strong, but the lines of difference are hardening, shaped not only by domestic political strategy but by growing global volatility.

Whichever party forms government, they will inherit a foreign policy landscape more contested, less forgiving, and increasingly defined by the need for clarity.

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