

## Kentucky Trades with Australia

Kentucky exported goods worth over \$238.6 million to Australia in 2007. Kentucky's major exports to Australia include whisky, computer peripheral parts, aircraft engine parts and motor vehicle parts.

Product	Value (\$)	Percent
Beverage & Tobacco Products	54,442,844	22.8
Transportation Equipment	51,848,957	21.7
Chemical Manufactures	31,613,761	13.2
Machinery Manufactures	29,877,759	12.5
Computers & Electronic Products	28,382,999	11.9
Processed Foods	9,544,437	4.0
All Others	32,895,855	13.8
<b>TOTAL</b>	<b>238,606,612</b>	<b>100%</b>

Source: US Department of Commerce 2007 CY

## Australia Invests in Kentucky

- **Actus Lend Lease**, sister to Australia's Bovis Lend Lease, has contracted with the US Army to oversee the long-term development and management of military housing communities at Fort Knox.
- **Amcor PET Packaging**, part of the global Amcor packaging group, manufactures packaging for the consumer products industry and has a production plant in Nicholasville.
- **Boral USA**, owned by Australia's Boral Limited, is the US's largest brick manufacturer and has production plants in Walton, Louisville and Paducah.
- **Macquarie CountryWide Trust** owns two shopping centers in Kentucky, at Franklin Square and Silverlake.
- **Simba Systems** designs and produces custom-woven bath and beach towels, and has a manufacturing plant in Morehead.

## Did you know?

- **Valvoline Australia**, a subsidiary of Covington-based **Ashland Inc.**, markets, distributes and produces automotive oils, lubricants and other products and has an office in Wetherill Park in New South Wales.
- Australian company **Lion Nathan Ltd** has Australian marketing and distribution rights to **McKenna Bourbon**, which has been distilled in Kentucky since 1855.

## Australia: Strong economy, important trading partner

- Total trade between Australia and the United States was \$44 billion in 2007, with US exports to Australia amounting to \$29 billion. Australia ranks in the top 10 export markets for 14 states and the top 25 markets for 48 states.
- Australia is among the most highly developed and economically successful countries in the world with a gross domestic product (GDP) of \$1 trillion for the 2007/08 financial year.
- Australia has one of the world's most open and innovative economies. The OECD's 2008 annual review of economic reform assesses that Australia's economy is the least regulated among OECD member countries and imposes the least impact on economic behaviour.

## AUSFTA

The **Australia-US Free Trade Agreement (FTA)** came into force on 1 January 2005. The FTA gives US businesses price advantages and preferential access over international competitors in the Australian market. The FTA eliminates 99% of Australia's manufacturing tariffs, giving US firms a 5% average cost advantage over their international competitors in the Australian market. Additionally the FTA:

- Grants enhanced preferential access for American service exporters to Australia.
- Grants tariff-free access to Australia's agricultural market for US exporters.
- Removes foreign investment screening for a range of foreign investment activities, including establishment of all new businesses in Australia.