

## Michigan Trades with Australia

Australia is the 15th largest market for Michigan goods exports, worth over \$ 361 million in 2007. Michigan's major exports to Australia include motor vehicle parts, medical equipment, marine craft and books.

Product	Value (\$)	Percent
Transportation Equipment	121,707,186	34.0
Machinery Manufactures	76,249,605	21.3
Computers & Electronic Products	33,997,902	9.5
Chemical Manufactures	29,363,602	8.2
Fabricated Metal Products	23,738,040	6.6
Furniture & Related Products	15,275,790	4.3
All Others	57,200,800	16.0
<b>TOTAL</b>	<b>357,532,925</b>	<b>100%</b>

Source: US Department of Commerce 2007 CY

### Did you know?

- **Holden**, an important subsidiary of Detroit's **General Motors** worldwide operations, produces Australia's best selling family car, the Commodore. Additionally, Holden is a large importer of engine components and transmissions from the United States.
- **Lake Express**, a high speed vehicle-passenger ferry offering direct service on Lake Michigan between Muskegon and Milwaukee was built by **Austal USA**, an Australian-owned shipbuilder.
- Michigan, in conjunction with the other US Great Lakes states, has an **international trade office in Sydney**.

## 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.

## Australia Invests in Michigan

- **Advanced Magnesium Technologies** develops technologies for applying magnesium alloys in manufacturing processes, particularly in the automotive industry, and has its US office in Livonia.
- **AITS** designs and supplies heating, ventilation, air conditioning and power train cooling systems to automotive manufactures and has an office in Auburn Hills.
- **Amcort PET Packaging**, in the global Amcor group, manufactures packaging for the consumer products industry. It has its US head office in Ann Arbor and a production plant in Manchester.
- **ANCA (USA)**, a subsidiary of Australia-based ANCA, designs and manufactures cutting and grinding machines to produce tools and parts for industry, and is based in Farmington Hills.
- **Diemould Tooling Services** manufactures plastic injection moulds and special purpose equipment for the automotive industry, and has a manufacturing plant in Port Huron.
- **Global Ethanol Holdings** has a majority stake in an ethanol plant in Riga.
- **Portland Orthopaedics** designs and manufactures a range of reconstructive devices, predominantly human joint replacement systems, and has its main US office in St Clair.
- **Pratt Industries USA**, sister to Visy, Australia's largest packaging and recycling company, has production plants in Grand Rapids and Bridgman.

## 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.