

## Montana Trades with Australia

Montana exported goods worth over \$8.1 million to Australia in 2007. Montana's major exports to Australia include copper products, civil engineering equipment, mining equipment and tires.

| Product                         | Value (\$)       | Percent     |
|---------------------------------|------------------|-------------|
| Machinery Manufactures          | 3,444,619        | 42.4        |
| Chemical Manufactures           | 1,678,969        | 20.7        |
| Plastic & Rubber Products       | 1,008,680        | 12.4        |
| Computers & Electronic Products | 636,345          | 7.8         |
| Transportation Equipment        | 414,782          | 5.1         |
| Miscellaneous Manufactures      | 270,561          | 3.3         |
| All Others                      | 664,450          | 8.2         |
| <b>TOTAL</b>                    | <b>8,118,406</b> | <b>100%</b> |

Source: US Department of Commerce 2007 CY

## Did you know?

- Australia is an important market for **Tow-Haul Corporation (Smith Equipment USA)**, a Belgrade-based company that manufactures and sells off-road trailers and other equipment for the mining industry.
- Missoula-based **MorTan Inc.** produces the Morgan Lens, a treatment for ocular trauma through emergency eye irrigation, and has a significant market for this product in Australia.
- The United States is the number one destination for Australian investment abroad, with total investment of US\$355.6 billion, and direct investment of US\$133.1 billion. Australia is the eighth largest foreign investor in the United States. There is considerable investment in the US manufacturing, finance and real estate sectors.
- Approximately 670,000 Australians visited the United States in 2007 for vacation, personal, business and other reasons - an increase of 24% since 2000 - and spent \$3.3 billion in the course of this travel.

## Australia invests in Montana

- **Luzenac**, part of the Australian-Anglo Rio Tinto resources group, owns and operates the yellowstone talc mine in Three Forks and two local processing mills.
- **Rio Tinto Energy America**, also part of the Australian-Anglo Rio Tinto resources group, owns and operates the Spring Creek coal mine near Decker.
- **Samson Oil & Gas Limited** has a stake in a drilling prospect at South Goose Lake.

## 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.