

## Tennessee Trades with Australia

Australia is the 9th largest market for Tennessee goods exports, worth over \$541.8 million in 2007. Tennessee's major exports to Australia include medical equipment, drilling equipment, motor vehicle parts and aircraft parts.

Product	Value (\$)	Percent
Machinery Manufactures	137,918,818	25.5
Miscellaneous Manufactures	134,246,431	24.8
Computers & Electronic Products	72,800,270	13.4
Transportation Equipment	59,721,537	11.0
Chemical Manufactures	50,514,607	9.3
Beverage & Tobacco Products	16,293,421	3.0
All Others	70,353,782	13.0
<b>TOTAL</b>	<b>541,848,866</b>	<b>100%</b>

Source: US Department of Commerce 2007 CY

## Did you know?

- 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 is the fifth most popular study abroad destination among US students.

## 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 Tennessee

- **Actus Lend Lease**, sister to Australia's Bovis Lend Lease, has its US head office in Nashville.
- **Boral USA**, owned by Australia's Boral Limited, is the US's largest brick manufacturer and has a production plant in Gleason.
- **Bovis Lend Lease**, a leading Australian project and construction management company, has an office in Nashville and has run a range of projects across Tennessee.
- **Butler Manufacturing**, a subsidiary of Australia's BlueScope Steel Limited (formerly BHP Steel), manufactures metal building systems for commercial construction at a facility in Jackson.
- **Macquarie DDR Trust** owns 3 shopping centers in Tennessee.
- **PBR International USA**, a subsidiary of Australia's Pacifica Group, manufactures automotive brake system components at a facility in Knoxville.
- **Pratt Industries USA**, sister to Visy, Australia's largest packaging and recycling company, has manufacturing plants in Humboldt, Memphis and Nashville.

## 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.