



AUSTRALIA MATTERS FOR AMERICA MATTERS FOR AUSTRALIA



AsiaMattersforAmerica.org/Australia

The East-West Center promotes better relations and understanding among the people and nations of the United States, Asia, and the Pacific through cooperative study, research, and dialogue. Established by the US Congress in 1960, the Center serves as a resource for information and analysis on critical issues of common concern, bringing people together to exchange views, build expertise, and develop policy options.

The United States Studies Centre at the University of Sydney was established in 2006 to improve understanding of the United States in Australia and around the globe, and to become one of the world's leading American studies centers. Spanning the study of politics and policy, economics and business, culture and society, the Centre fulfills this mission through education, research, public outreach and policy initiatives. The Centre is a unique collaboration between the University of Sydney and the American Australian Association, and is supported in part by the Australian government and a range of private sector partners. It educates more than a thousand students annually, provides opportunities for the exchange of Australians and Americans across the Pacific and in Asia, and hosts a number of policy focused think tank projects. The Centre's flagship think tank program, Alliance 21, analyses the current US-Australia relationship and makes recommendations for future alliance policy.

The Perth USAsia Centre is a non-partisan, not-for-profit institution that promotes stronger relationships between Australia, the Indo-Pacific and the USA by contributing to strategic thinking, policy development and enhanced networks between government, the private sector and academia. The Perth USAsia Centre is also a conduit for greater communication and understanding across the Indo-Pacific region. Based at The University of Western Australia, the Centre works in close partnership with the United States Studies Centre at the University of Sydney, and draws on the distinctive attributes of Western Australia and its existing relationship to Asia. The Perth USAsia Centre will initially specialise in three policy areas: Indo-Pacific Strategy; The Australia-Asia-US Strategic Triangle; and Education and Public Outreach.

AUSTRALIA MATTERS FOR AMERICA/ AMERICA MATTERS FOR AUSTRALIA

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AsiaMattersforAmerica.org/Australia

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Highlights

PROFILE

The United States and Australia

The US and Australia have been formal allies since 1951. The United States is the largest economy in the world, while Australia is the 12th largest. Both countries share key values including strong democratic institutions, the rule of law, adherence to international norms, and openness to immigration.

TRADE

US-Australia Two-Way Goods Trade Increased 65% and Services Trade Increased 72% Since Implementation of the Australia-US Free Trade Agreement

The United States is Australia's 3rd largest trading partner and 2nd largest source of imports. Two-way goods trade was worth over \$35 billion in 2013 and two-way services trade exceeded \$17 billion.

JOBS FROM TRADE

More than 300,000 US Jobs are Supported by Exports to Australia

Six states had at least 6,000 jobs directly supported by exports to Australia, and an additional 29 states had at least 1,000 jobs directly supported.

INVESTMENT

The US Is the Largest Source of Foreign Direct Investment in Australia

US investment stock accounts for nearly 27% of all FDI in Australia. The US is the largest destination for Australian outbound investment, and Australian investment in the US has more than doubled since 2001. Bilateral investment stock between the US and Australia is roughly two-and-a-half times greater than that between Australia and China.

STUDENTS

Australia Is the Most Popular Destination in the Asia Pacific for US Students After China

The US is the 8th largest source of international students enrolled in Australian schools, as well as the most popular destination for outbound Australian students.

TRAVEL AND TOURISM

US-Australia Two-Way Tourism Exceeded 1.6 Million People in 2013

In 2013, spending from Australian visitors had an economic impact of \$100 million or greater in 21 US states.

AUSTRALIANS IN AMERICA / AMERICANS IN AUSTRALIA

The Number of Australians Living in the US Has Increased Nearly 20% Since 2000

Twenty-six states had more than 1,000 Australian American residents in 2013, representing all regions of the US. In 2014, there were more than 104,000 American-born residents in Australia, up 40% since 2006.

SISTER PARTNERSHIPS

US and Australian Communities Share 65 Sister Relationships

South Carolina and Texas both have state-level partnerships with Queensland, while California has a partnership with New South Wales.

ALLIES

The United States and Australia are Allies

The US and Australia have stood shoulder-to-shoulder in conflicts since the First World War. A majority of Australians feel that the US alliance is important to their national security.

GLOBAL PARTNERSHIP

The United States and Australia Cooperate Globally

The United States and Australia have jointly participated in humanitarian assistance and disaster relief (HADR) efforts in the Asia Pacific, the Middle East, and Africa. Both are members of the G20, APEC, and the East Asia Summit, and enjoy a high rate of voting concurrence at the United Nations.

US and Australia in Profile

The United States and Australia share historical ties from the 19th century. The two countries fought alongside each other in the First World War and have been formal allies since 1951, when the countries signed the Australia-New Zealand-US (ANZUS) Treaty. The United States is the largest economy in the world while Australia is the 12th largest. The two countries deepened their economic partnership with the establishment of the Australia United States Free Trade Agreement (AUSFTA) in 2005 and currently enjoy significant cooperation in the Asia Pacific on issues of regional stability and energy security. Both are G20 nations and share key values including strong democratic institutions, the rule of law, adherence to international norms, and openness to immigration. Every year, millions of Australians and Americans visit each other's countries for business, study, and tourism, encouraged by the growing commercial ties, established student exchange programs, and sister city relationships.

| INDICATOR | UNITED STATES | AUSTRALIA |
|--|-----------------|-----------------|
| Population | 319 million | 23.2 million |
| Urban population (% of total) | 81% | 89% |
| GDP (current US\$) | \$16.8 trillion | \$1.56 trillion |
| GDP growth (annual %) | 2.2% | 2.5% |
| Merchandise trade as % of GDP | 23.3% | 31.7% |
| Exports of goods and services (% of GDP) | 13% | 20% |
| Imports of goods and services (% of GDP) | 17% | 21% |
| Foreign direct investment, net inflows (BoP, current US\$) | \$295 billion | \$52 billion |
| Military Expenditure (% of GDP) | 3.8% | 1.6% |
| Time required to start business (days) | 3 | 6 |

*All figures rounded throughout.
Source: World Bank. All figures 2013, except population (2014).

AUSTRALIA IN THE ASIA PACIFIC



“Australia will be an utterly dependable ally of the United States... The United States has paid a very high price to secure freedom and prosperity for many countries...and should never do all that work on its own.”
Prime Minister Tony Abbott, 2014

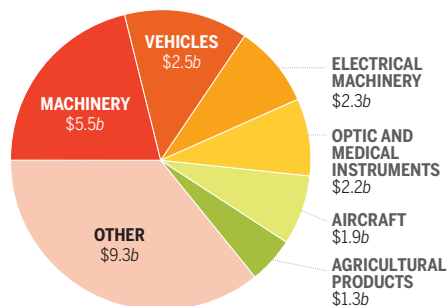
“We don’t have a better friend in the world, as well as the Asia-Pacific region, than Australia.”
President Barack Obama, 2014

US-Australia Two-Way Goods Trade Increased 65% and Services Trade Increased 72% Since Implementation of the Australia-US Free Trade Agreement

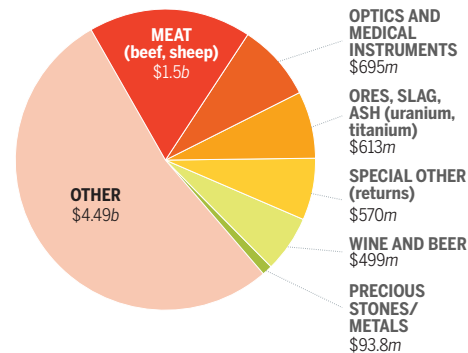
The Australia United States Free Trade Agreement (AUSFTA), which came into effect on January 1, 2005, eliminated 99% of duties on US manufactured exports and 100% of duties on agricultural exports to Australia. Since the implementation of the AUSFTA, Australia increased exports of goods to the US by 26% and the US increased exports of goods to Australia by 68%. The United States is Australia's 3rd largest trading partner and 2nd largest source of imports, while Australia is the 26th largest trading partner for the US and the 9th largest source of agricultural imports to the US.

US-Australia total trade in goods is worth \$35 billion and two-way services trade exceeds \$17 billion. The US had an overall goods trade surplus with Australia valued at \$16.9 billion in 2013, a 104% increase since the implementation of the AUSFTA.

MAJOR US GOODS EXPORTS TO AUSTRALIA, 2013



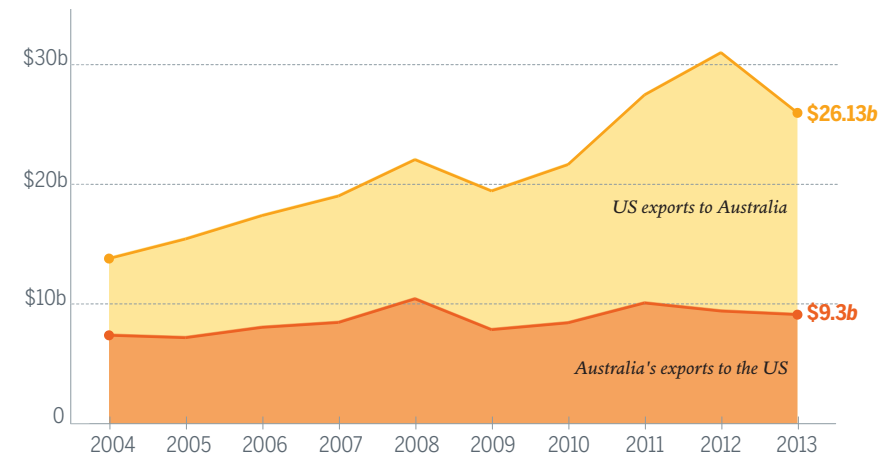
MAJOR AUSTRALIA GOODS EXPORTS TO THE US, 2013



*All monetary figures shown in US dollars throughout. Conversion of 2013 data from Australia calculated at 2013 average exchange rate of A\$1 = US\$0.9679.

Sources: USTR, US Census Bureau, Australian Department of Foreign Affairs and Trade.

US GOODS EXPORTS TO AUSTRALIA HAVE INCREASED STRONGLY SINCE THE AUSFTA WENT INTO EFFECT



TOP EXPORT PARTNERS (IN US\$ BILLIONS)

| US EXPORT PARTNERS (GOODS), 2013 | | |
|----------------------------------|----------------|---------|
| RANK | COUNTRY | EXPORTS |
| 1 | Canada | 287.8 |
| 2 | Mexico | 221.4 |
| 3 | China | 111.8 |
| 4 | Japan | 61.2 |
| 5 | United Kingdom | 49.2 |
| 6 | Germany | 45.7 |
| 7 | South Korea | 40.7 |
| 8 | Netherlands | 40 |
| 9 | Brazil | 39.3 |
| 10 | Hong Kong | 37.6 |
| 11 | Belgium | 32.2 |
| 12 | France | 28.7 |
| 13 | Singapore | 28.1 |
| 14 | Australia | 24.7 |
| 15 | Taiwan | 24.5 |

| AUSTRALIA'S EXPORT PARTNERS (GOODS AND SERVICES), 2013* | | |
|---|----------------------|---------|
| RANK | COUNTRY | EXPORTS |
| 1 | China | 104.1 |
| 2 | Japan | 49.4 |
| 3 | South Korea | 21.8 |
| 4 | United States | 16.5 |
| 5 | New Zealand | 11.1 |
| 6 | Singapore | 10.6 |
| 7 | India | 10.2 |
| 8 | Taiwan | 7.9 |
| 9 | United Kingdom | 7.6 |
| 10 | Malaysia | 7.0 |
| 11 | Indonesia | 6.7 |
| 12 | Thailand | 5.4 |
| 13 | Hong Kong | 4.5 |
| 14 | Vietnam | 3.7 |
| 15 | United Arab Emirates | 3.2 |

*Disaggregated data for top Australian goods and services trade partners unavailable.

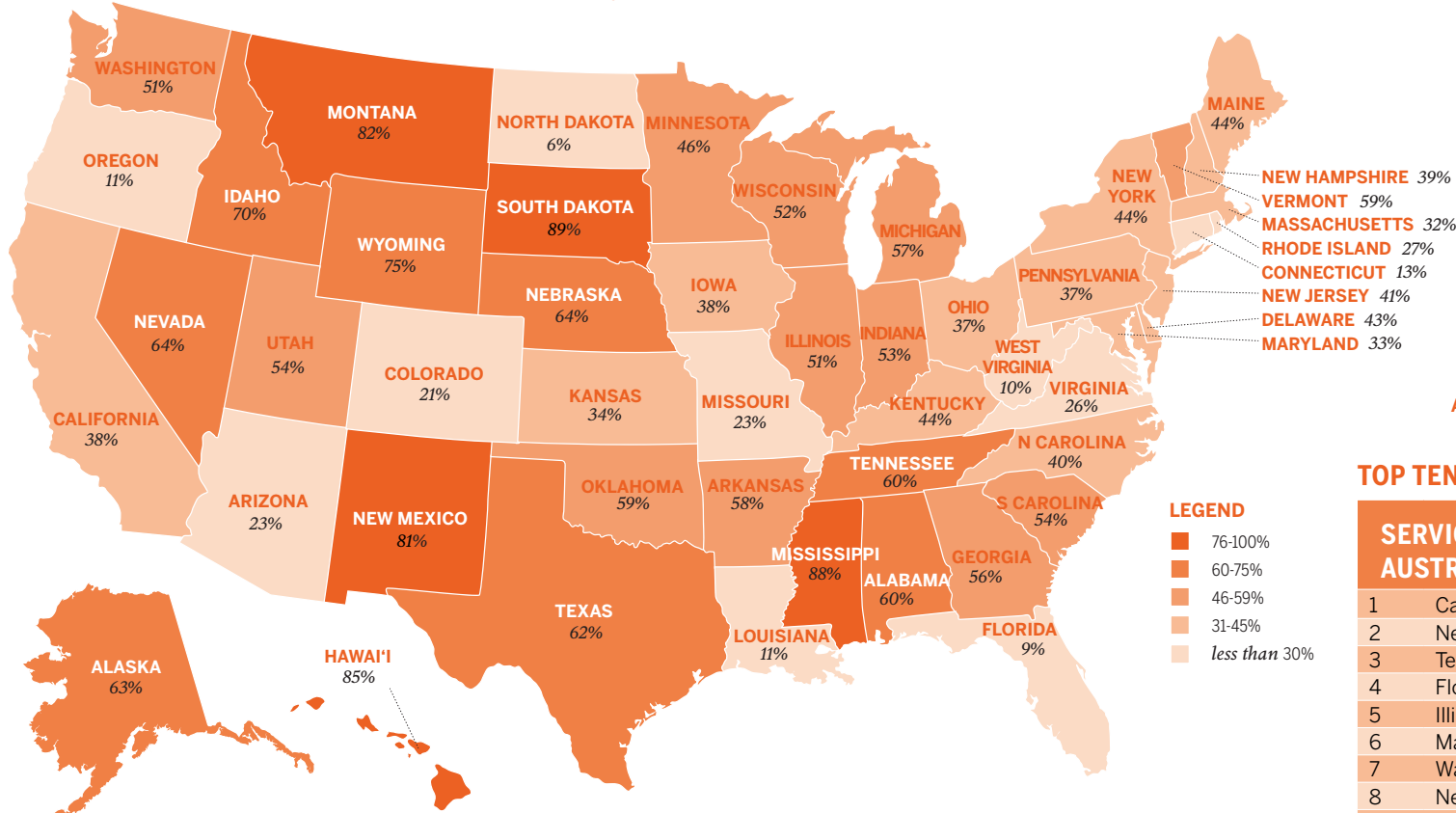
Half of US States Have Increased Exports by More than 50% since the Signing of the AUSFTA

Every US state has increased exports to Australia since the beginning of the FTA. Exports to Australia from 20 states grew between 20% to 49%. Fifteen states exported more than \$500 million to Australia in 2013.

Five Australian states exported more than \$1 billion to the US in 2013. The largest single export category from any state was beef and beef products from Queensland, valued at \$544 million. Other common export commodities included medical instruments, beer and wine, gold, ores and minerals, and

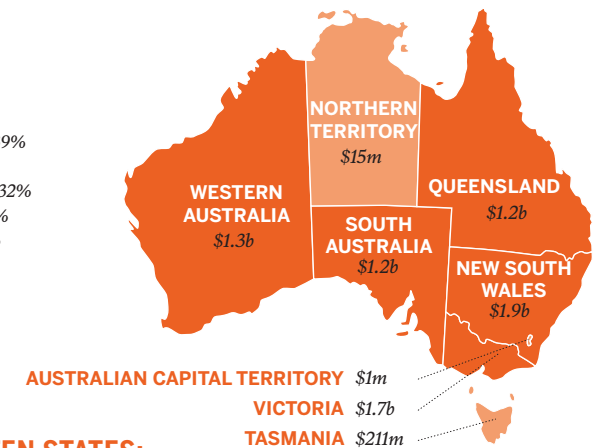
vehicle and aircraft parts. Between 2004 and 2007, most Australian states saw rising exports to the US, followed by declines that coincided with the global financial crisis. New South Wales, Queensland, and Victoria were back above 2004 export levels by 2014. Western Australia exports to the US remain below their 2004 level after peaking in 2008 and 2011, when US investment concentrated on the mining sector in the state.

STATE TOTAL EXPORTS TO AUSTRALIA, PERCENT CHANGE SINCE AUSFTA



Sources: US Department of Commerce, Australian Department of Foreign Affairs and Trade, Australian Bureau of Statistics

TOTAL EXPORTS TO THE US BY REGION, 2013 (US\$)



TOP TEN STATES:

SERVICES EXPORTS TO AUSTRALIA, 2013

| | | |
|----|---------------|--------|
| 1 | California | \$3.2b |
| 2 | New York | \$2.5b |
| 3 | Texas | \$1.3b |
| 4 | Florida | \$1.1b |
| 5 | Illinois | \$827m |
| 6 | Massachusetts | \$747m |
| 7 | Washington | \$589m |
| 8 | New Jersey | \$569m |
| 9 | Georgia | \$557m |
| 10 | Pennsylvania | \$551m |

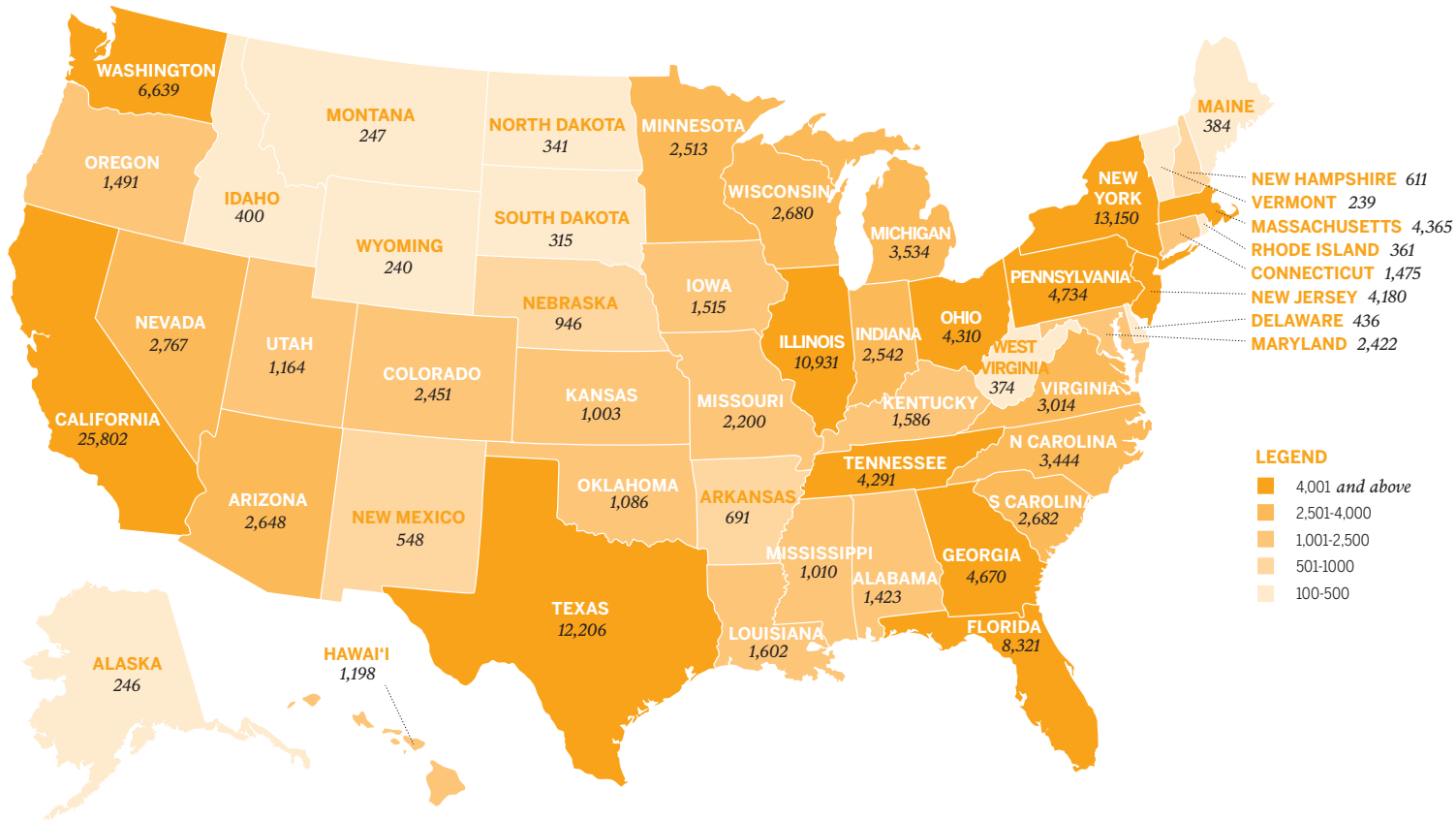
LEGEND

- \$1501 million and above
- \$501 million-\$1500 million
- \$0-\$500 million

More than 300,000 US Jobs are Directly or Indirectly Supported by Exports to Australia

Exports to Australia directly supported more than 158,000 jobs across the US in 2013, with a further 150,000 indirectly supported. Six states had at least 6,000 jobs directly supported by exports to Australia, and an additional 29 states had at least 1,000 jobs directly supported.

JOBS DIRECTLY SUPPORTED BY US GOODS AND SERVICES EXPORTS TO AUSTRALIA, 2013



TOP TEN STATES:

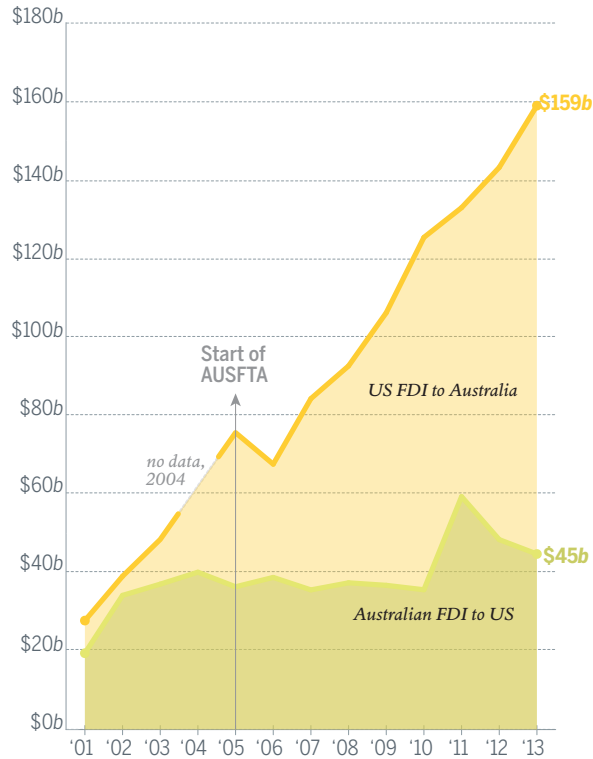
| JOBS FROM EXPORTS TO AUSTRALIA PER 100,000 RESIDENTS, 2013 | | |
|--|----------------|-----|
| 1 | Nevada | 109 |
| 2 | Washington | 104 |
| 3 | Hawai'i | 93 |
| 4 | Illinois | 91 |
| 5 | California | 73 |
| 6 | New York | 72 |
| 6 | Tennessee | 72 |
| 8 | Massachusetts | 70 |
| 9 | South Carolina | 61 |
| 10 | Nebraska | 55 |

Source: Estimated by The Trade Partnership (Washington, DC).

The US Is the Largest Source of Foreign Direct Investment in Australia and Is the Largest Destination for Australian Outbound Investment

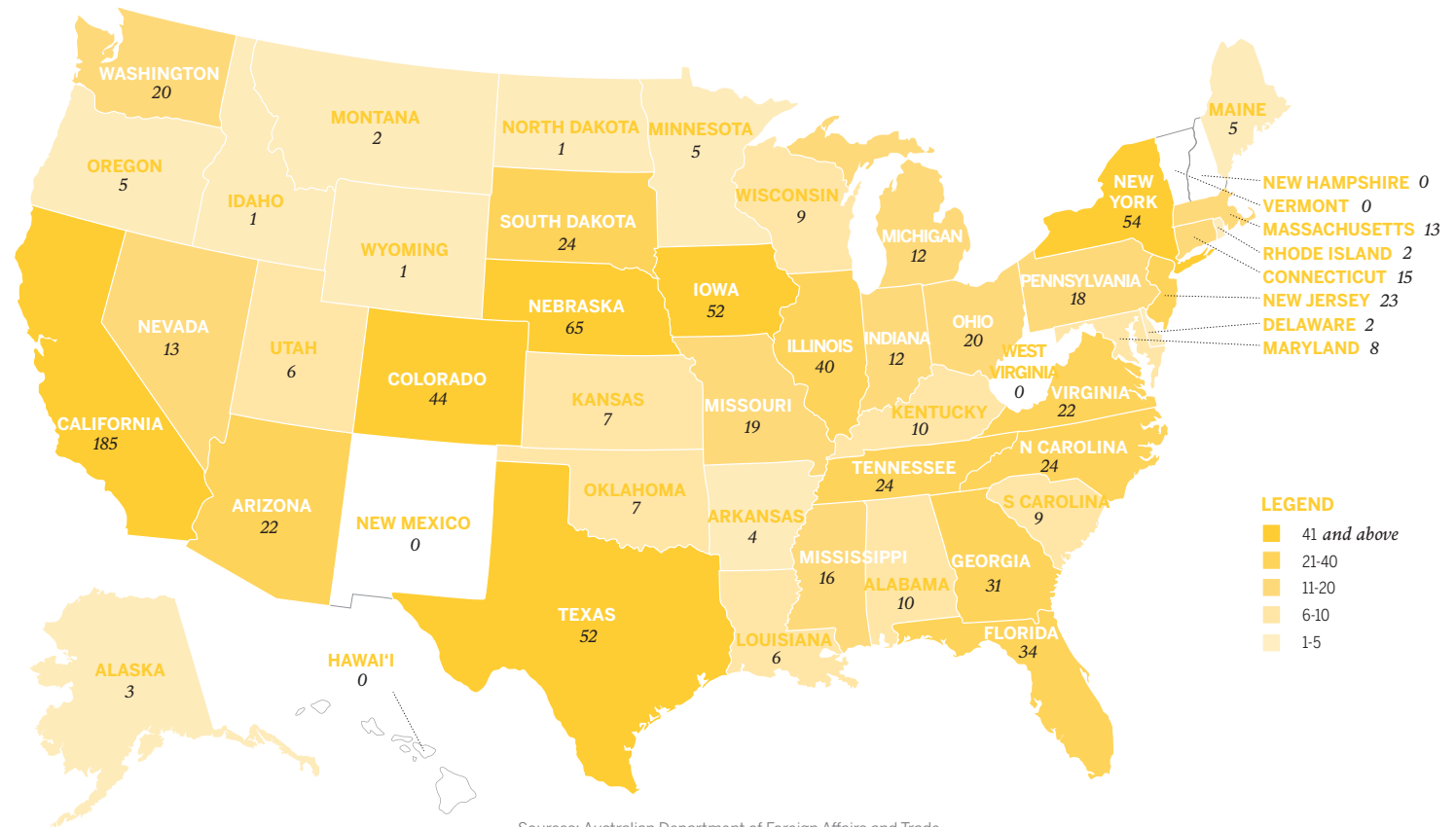
US investment stock in Australia is worth nearly \$160 billion, accounting for 26.7% of all FDI there. US investment in Australia dramatically increased during the energy and mining boom (2006-2011) and continues at a significant level. Australian investment in the US has more than doubled since 2001, with the sharpest rises in 2002 and 2011. Australia ranks as the 10th largest source of FDI in the United States. Bilateral investment stock between the US and Australia is roughly two-and-a-half times greater than that between Australia and China.

US-AUSTRALIA DIRECT INVESTMENT (STOCK), 2001-2013



There are 129 Australian majority-owned companies and affiliates operating in the US, with over 960 locations in 45 states. There are 1,813 US majority-owned companies and affiliates operating nearly 8,500 facilities and offices across all eight states and territories of Australia.

FACILITIES OR OFFICES OPERATING IN THE US THAT ARE WHOLLY OR MAJORITY-OWNED BY AUSTRALIAN FIRMS



Sources: Australian Department of Foreign Affairs and Trade, US Bureau of Economic Analysis, US Department of Commerce, Uniworld Business Publications (accessed January, 2015)

US INVESTMENT IN THE AUSTRALIAN ENERGY SECTOR

The United States has long been an investor in Australian energy resources such as oil, coal, and liquefied natural gas (LNG). The resource and energy industry accounts for about 10% of Australia's GDP and employs about 266,000 people, 2.3% of the population. Resource and energy exports comprised 58% of Australia's export income in 2013. Halliburton, an oilfield services company, has provided services in Australia for over 50 years. In 2012, American energy firm ConocoPhillips joined Australian firm Origin Energy and China's Sinopec to invest \$23 billion in Queensland's Asia Pacific Liquefied Natural Gas (APLNG) project.

SELECTED US COMPANIES INVESTING IN AUSTRALIA

CHEVRON

Chevron holds the most natural gas resources in Australia. The Global Technology Center, an R&D resource for Chevron's worldwide operations, is located in Perth. Chevron has invested significantly in off-shore and on-shore exploration and holds a 50% interest in Caltex Australia Limited, one of the leading fuel marketers and convenience retailers.



Off-shore exploration by Chevron Australia

DOCUSIGN

DocuSign Inc, from San Francisco, is a leader in secure and convenient electronic transaction management. In November 2013, DocuSign established its Asia-Pacific headquarters in Sydney, where it has rapidly gained a large clientele, and from there plans to expand into Singapore, Vietnam, Hong Kong, and South Korea.

AMGEN

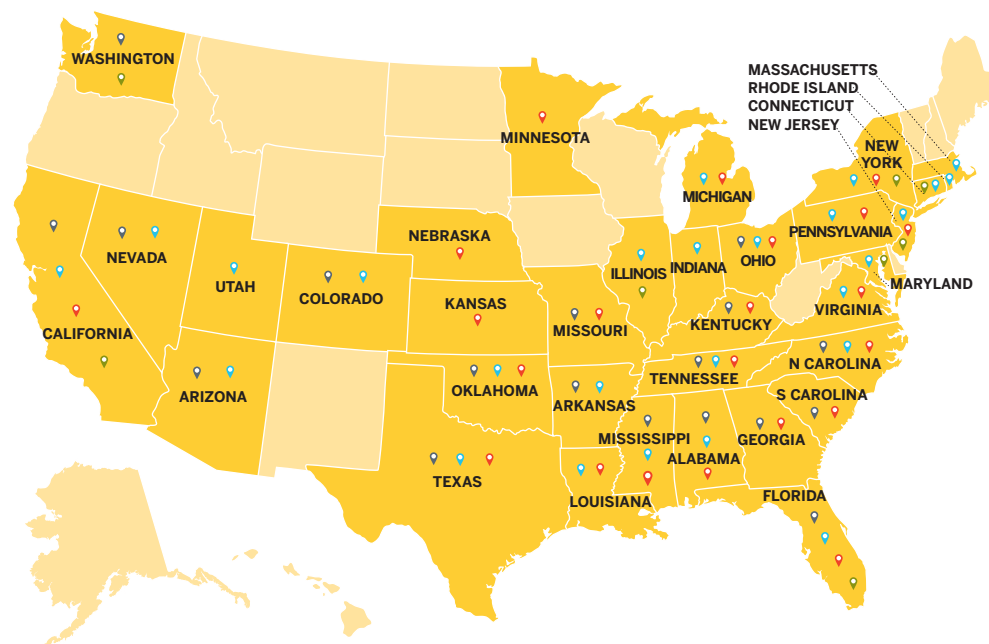
Amgen, a US biotechnology company, rates Australia as one of the top medical study locations outside of the United States. The company has been running clinical trials in Australia for more than 25 years and invests approximately \$29 million in local research and development annually.

Sources: Uniworld Business Publications (accessed January 2015), individual corporations, Former Director of Australian American Chamber of Commerce Joe Ward

AUSTRALIAN INVESTMENT IN THE US TECHNOLOGY SECTOR

Twenty-three Australian technology companies are operating in the US. An estimated 8,000 Australian entrepreneurs now work in Silicon Valley, America's technology hub. An example of a successful Australian start-up in the US is 99designs, which was founded in 2008 and is now the world's largest online graphic design marketplace. Australians hold key positions in leading tech firms, such as Andrew Wilson, the CEO of Electronic Arts (EA), one of the world's top games manufacturers.

SELECTED AUSTRALIAN COMPANIES INVESTING IN THE US



📍 BORAL LIMITED

Boral Limited is a manufacturer and supplier of building and construction materials.

📍 SIMS METAL MANAGEMENT LIMITED

Sims Metal Management Limited is the largest public metal recycling company in the world.

📍 VISY (dba Pratt Industries)

Visy is one of the largest privately owned paper, packaging, and recycling companies in the world. It is known in the United States as Pratt Industries.

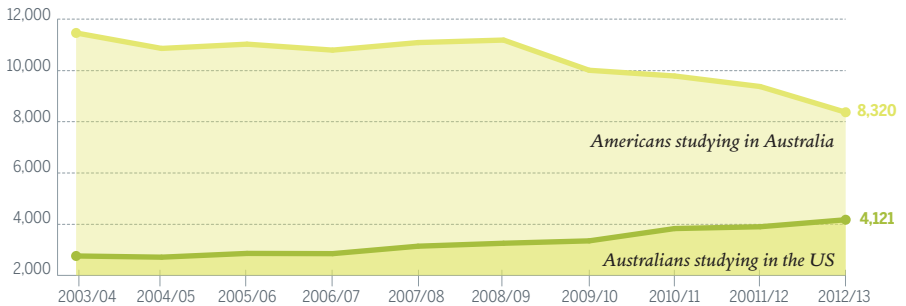
📍 WESTFIELD GROUP

The Westfield Group is one of the largest shopping mall operators in the world with retail destinations across the United States and Europe. The US has more Westfield facilities than any other country.

Australia Is the Most Popular Destination in the Asia Pacific for US Students After China

The number of Australians studying abroad in the US is rising, while the number of Americans studying abroad in Australia has declined. Nonetheless, Australia is the 8th most popular destination for US students studying abroad, second only to China in the Asia Pacific. The US is the 8th largest source of international students enrolled in Australian schools, as well as the most popular destination for outbound Australian students, ahead of the UK, China, and Canada.

US-AUSTRALIA STUDY ABROAD RATES, 2003-2013



US STUDENTS ABROAD, 2012/13

| RANK | COUNTRY | STUDENTS |
|------|----------------|----------|
| 1 | United Kingdom | 36,210 |
| 2 | Italy | 29,848 |
| 3 | Spain | 26,281 |
| 4 | France | 17,210 |
| 5 | China | 14,413 |
| 6 | Germany | 9,544 |
| 7 | Costa Rica | 8,497 |
| 8 | Australia | 8,320 |
| 9 | Ireland | 8,084 |
| 10 | Japan | 5,758 |

AUSTRALIAN STUDENTS ABROAD, 2013

| RANK | COUNTRY | STUDENTS |
|------|----------------|----------|
| 1 | United States | 4,196 |
| 2 | United Kingdom | 2,637 |
| 3 | China | 2,614 |
| 4 | Canada | 1,381 |
| 5 | Germany | 1,168 |
| 6 | France | 1,134 |
| 7 | Italy | 1,120 |
| 8 | Oceania Region | 1,118 |
| 9 | Japan | 999 |
| 10 | India | 865 |



August 1908: President Theodore Roosevelt's Great White Fleet stops in three Australian ports at the invitation of Prime Minister Deakin.

July 1918: US and Australian forces fight alongside each other for the first time at the battle of Hamel in Northern France during World War I, the first time US troops were placed under allied command.

This man is your FRIEND



Australian

He fights for FREEDOM

December 1941: Australia joins America in World War II. Later, US General Douglas MacArthur places the Allied Pacific headquarters in Australia.

1956: Australia and New Zealand become a formal part of the UK-US agreement on signals intelligence cooperation.

1950-1953: Australia is the first to follow the US in contributing forces to the UN operation in Korea, later known as the Korean War.

August 1950: Australian Prime Minister Robert Menzies becomes the first Australian leader to address the US Congress.

October 1966: US President Lyndon Baines Johnson conducts the first of two visits to Australia, the first US president to visit while in office.



1962-1975: 60,000 Australian troops serve for more than a decade in the Vietnam War.

December 1966: Australia and the US announce a joint facility for intelligence and surveillance to be located at Pine Gap, Northern Territory.

October 1984: Astronaut Paul Scully-Power becomes the first Australian-born person in space, traveling as part of a NASA mission aboard the Challenger space shuttle.

1980: Australian band Air Supply's album "Lost in Love" achieves three US Top Five singles.

November 1989: The first meeting of APEC is held in Canberra after the concept is proposed by Australian Prime Minister Bob Hawke.

1996: Australian art critic Robert Hughes is admitted to the prestigious American Academy of Arts and Sciences.

March 2003: Australia joins the US-led coalition Operation Iraqi Freedom.



January 2009: US President George W. Bush awards former Australian Prime Minister John Howard the US Presidential Medal of Freedom.

March/November, 2011: Australian Prime Minister Julia Gillard visits the US, and American President Barack Obama visits Australia. Each leader addresses the other country's legislature to mark the 60th anniversary of the ANZUS alliance.

January 2015: The 10th anniversary of the implementation of the US-Australia Free Trade Agreement is celebrated.

2012: American energy firm ConocoPhillips joins Australian firm Origin Energy and China's Sinopec to invest \$23 billion in Queensland's Asia Pacific Liquefied Natural Gas (APLNG) project.

2009: Australian-American scientist Elizabeth Blackburn wins the Nobel Prize in the category of Physiology or Medicine.

August 2014: The US and Australia sign a Force Posture Agreement, committing an eventual 2,500 US troops at the Australian base in Darwin.

June/November 2014: Australian Prime Minister Tony Abbott makes an extensive visit to the US, including stops in Washington, New York, Houston, and Hawai'i. US President Barack Obama travels to Australia to attend the G20 Summit in Brisbane.

September 2001: Prime Minister John Howard invokes the ANZUS Treaty for the first time in response to the September 11 terrorist attacks against the US.

April 2006: Australian-American author Geraldine Brooks wins the Pulitzer Prize in fiction for her novel, *March*.

1990: Australia contributes forces to the United Nations operation in Kuwait and later in the Persian Gulf.



July 1985: The Australia-United States Ministerial (AUSMIN) Consultations commence and become the principal annual forum for bilateral strategic consultations between the two countries.

1986: Paul Hogan's *Crocodile Dundee* becomes the second highest box-office earner for the year with US \$175 million.

1970: Australian tennis player Margaret Court wins the US Open major tournament in New York, becoming the first woman in the Open era to win all four major tournaments in a year.



1978: Australian Olivia Newton-John stars alongside American John Travolta in the extremely popular musical *Grease*.

February 1960: NASA's deep space tracking facility opens near Woomera, South Australia.

May 1962: Prime Minister Robert Menzies announces the US Naval Communication Station at North West Cape, Western Australia.

September 1951: The ANZUS Treaty is signed in San Francisco, establishing a formal trilateral alliance between the Australia, New Zealand, and the US.

March 1954: Caltex, a partnership between California Standard Oil and Texaco, begins operations in Western Australia. Caltex later becomes Chevron, which continues to operate and invest in Australia to this day.

January 1940: The US and Australia establish formal diplomatic relations.

1942-1945: Almost one million US troops visit Australia as part of World War II.

1935: Australian-American actor Errol Flynn gets his big break with the release of *Captain Blood*, propelling him to Hollywood stardom as the king of pirate films.

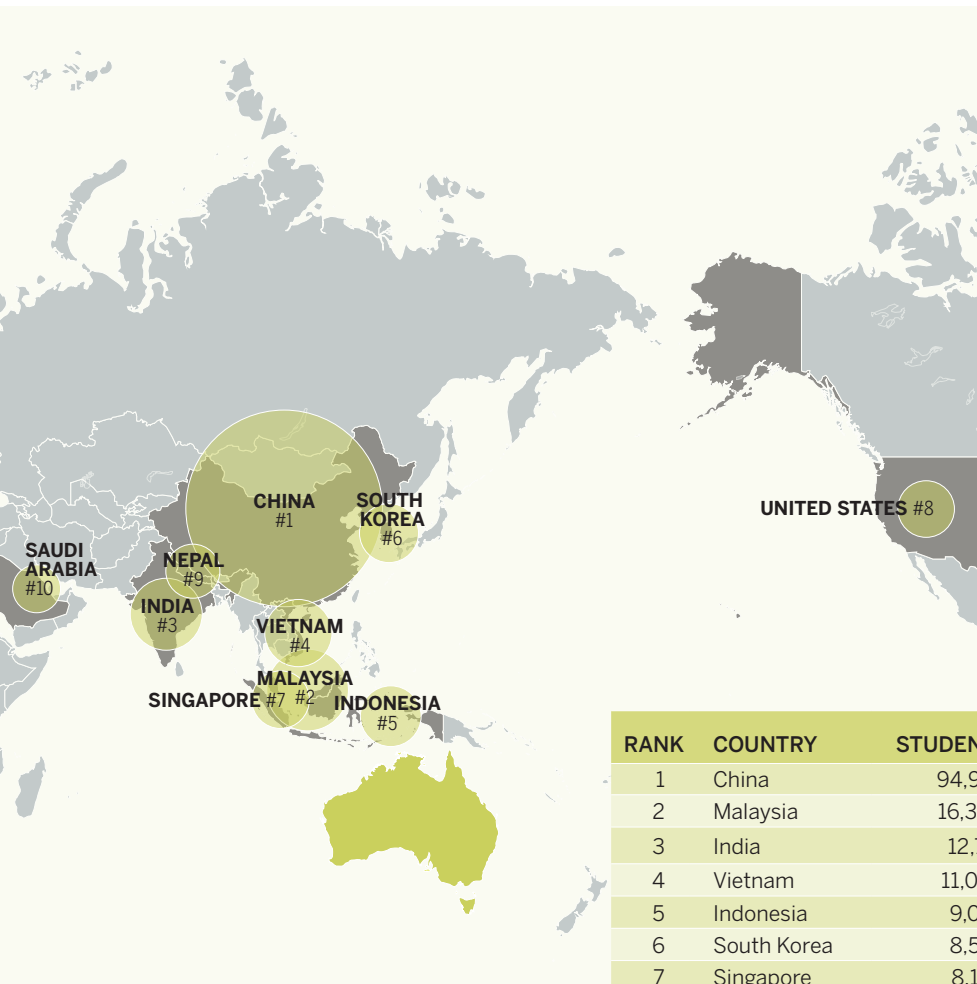


December 1908: American Jack Johnson wins the title of world heavyweight boxing champion in Sydney after having been denied the chance earlier due to segregation laws in America. He became the first person of color to win the title.

T I M E L I N E O F U S - A U S T R A L I A R E L A T I O N S

1900s 1910s 1920s 1930s 1940s 1950s 1960s 1970s 1980s 1990s 2000s 2010s

TOP 10 COUNTRIES OF ORIGIN FOR STUDENTS STUDYING IN AUSTRALIA



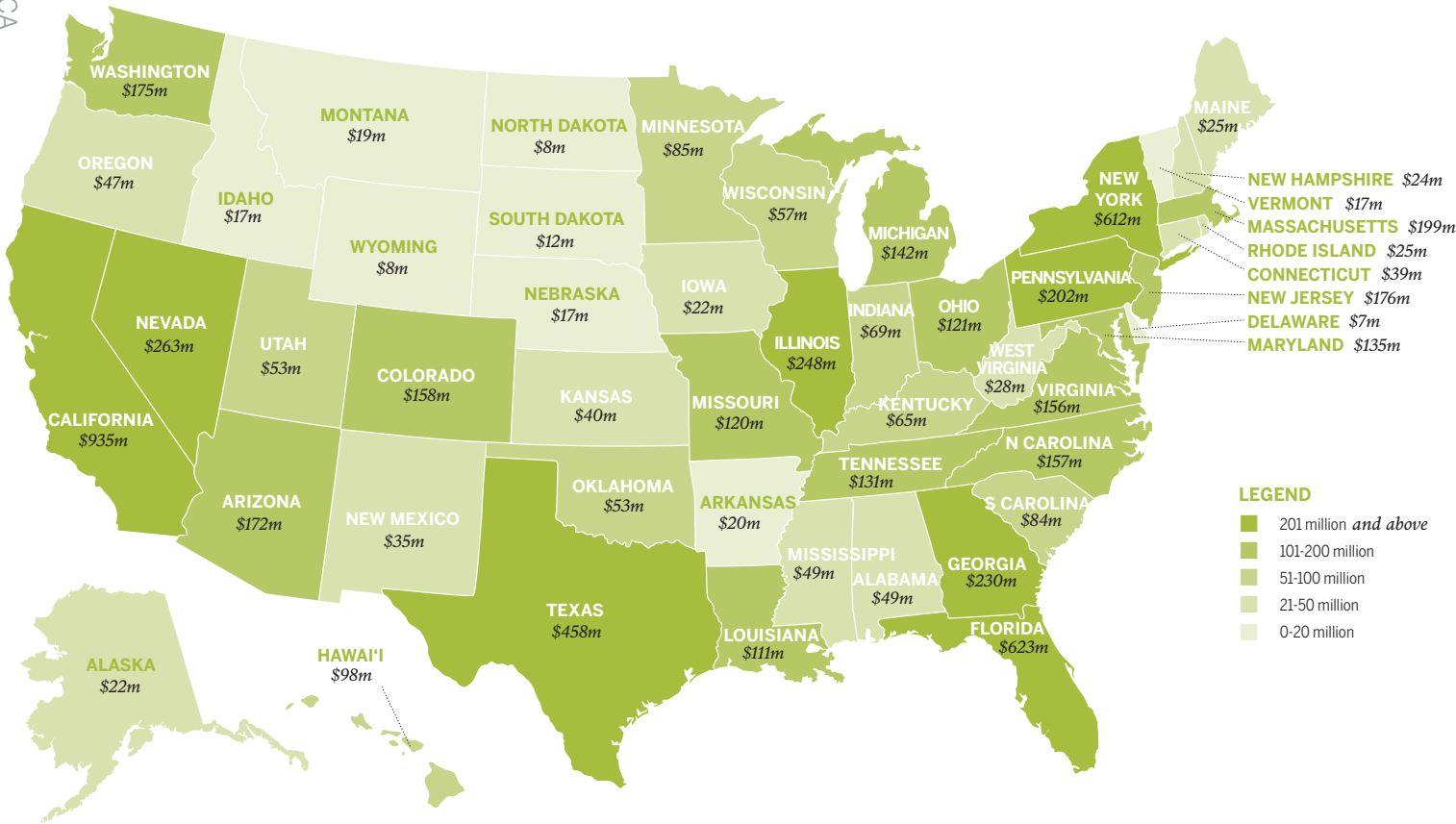
Source: Australian Education International (AEI), 2012.

US-Australia Two-Way Tourism Exceeds 1.6 Million People and Is Valued at Almost \$9.5 Billion

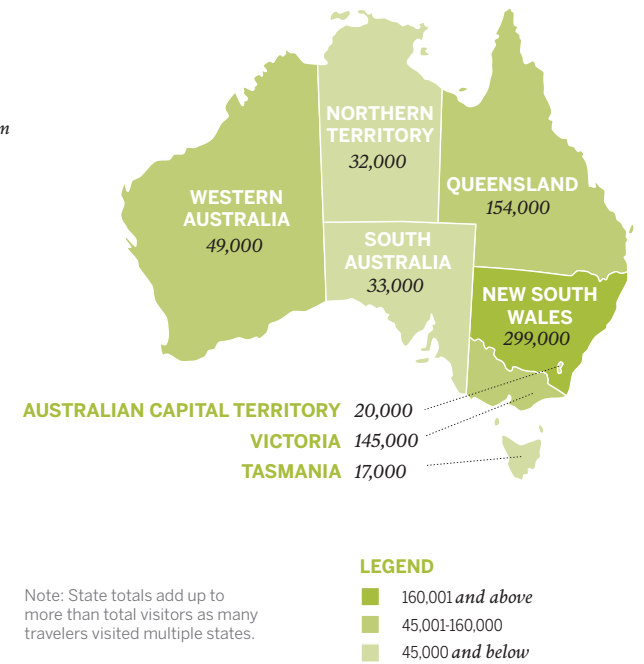
As the 10th largest source of foreign travelers to the US, 1.2 million Australians visit the US each year. In addition, nearly 500,000 Americans travel to Australia each year. Australians spend almost \$7 billion in the US and Americans spend over \$2.5 billion—or \$9.5 billion total. Twenty-one

US states have an economic impact of \$100 million or greater from spending by Australian visitors. The Australian states with the highest numbers of annual US visitors are New South Wales, Queensland, and Victoria.

AUSTRALIAN VISITOR SPENDING IN THE US, 2013



US VISITORS TO AUSTRALIA, BY STATE, 2013

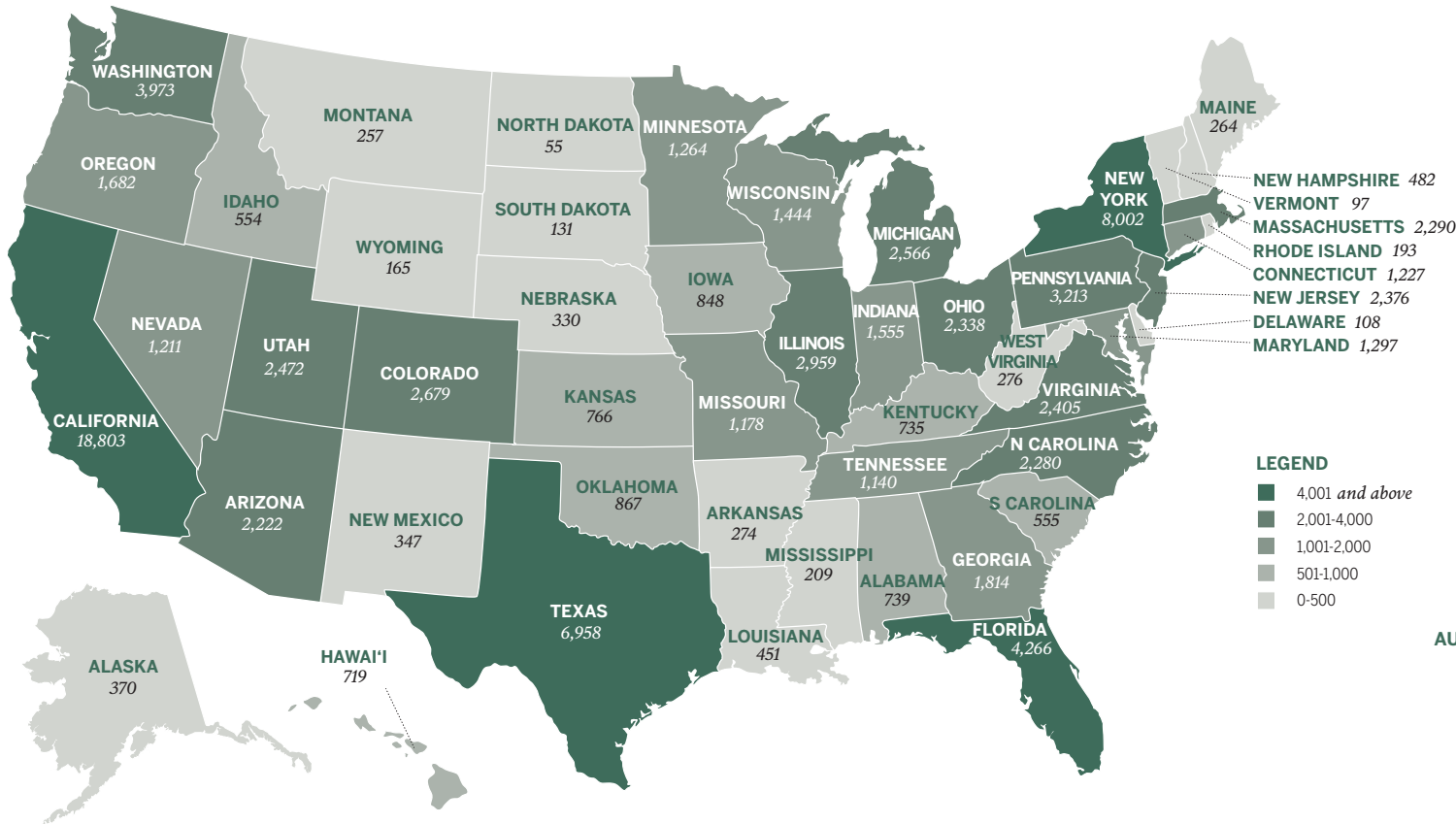


Sources: US International Trade Administration, Tourism Research Australia. Spending estimated by The Trade Partnership (Washington, DC).

The Number of Australians Living in the US Increased Nearly 20% since 2000









There were 93,864 people of Australian ancestry living in the United States in 2013. The number of people of Australian ancestry living in the US has increased by 19.3% since 2000. Twenty-six states had more than 1,000 Australian American residents in 2013, representing all regions of the US.

PEOPLE OF AUSTRALIAN ANCESTRY IN THE US, POPULATION, 2013



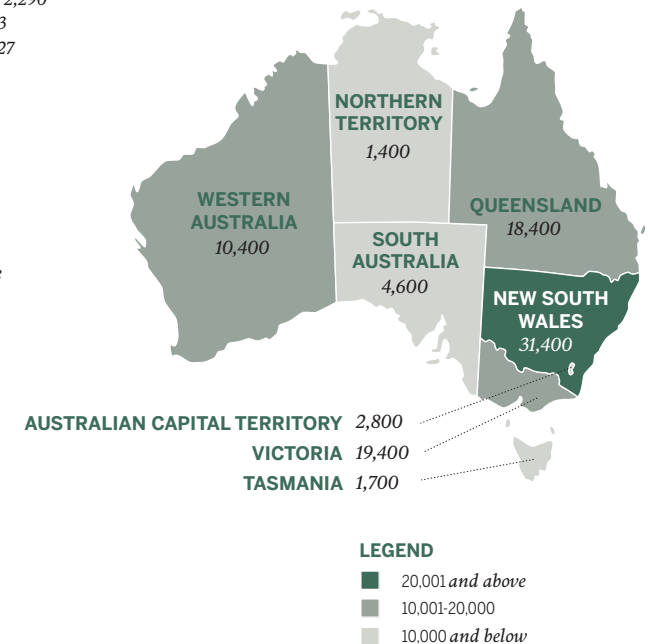
Sources: US Census Bureau, Australia Bureau of Statistics.

NOTABLE AUSTRALIANS IN THE US

| | | | |
|---|---|---|--|
|  | RUPERT MURDOCH – Businessman, CEO and Chairman of News Corporation |  | SIA – Musician |
|  | CHRIS HEMSWORTH – Actor |  | ANDREW BOGUT – NBA basketball player |
|  | ANTHONY PRATT – Businessman, Global Chairman of Pratt Industries |  | KEVIN RUDD – Former Australian Prime Minister, President of the Asia Society's Policy Institute |
|  | NICOLE KIDMAN – Actress |  | ERIN PHILLIPS – WNBA basketball player |

THERE ARE MORE THAN 104,000 AMERICAN-BORN RESIDENTS OF AUSTRALIA, UP 40% SINCE 2006

AMERICANS RESIDING IN AUSTRALIA, BY STATE, 2011

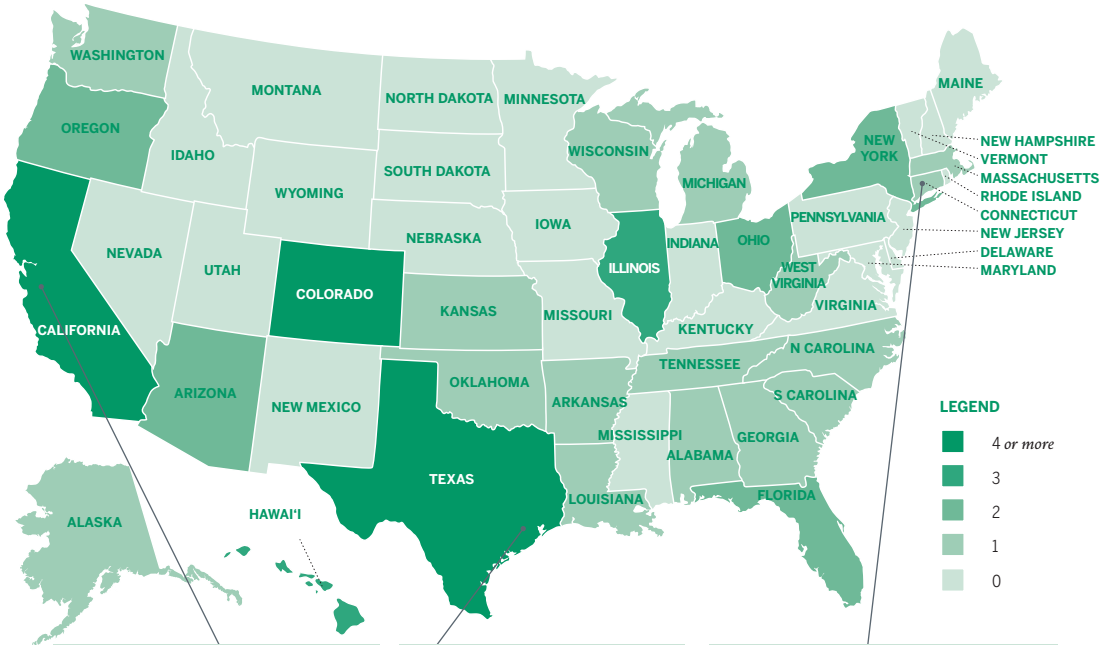


US and Australian Communities Share 65 Sister Relationships

The United States and Australia have 62 city or county sister relationships, and 3 sister state relationships. Sister relationships are municipal partnerships between cities, counties, and states with similar jurisdictions that work to build civic and people-to-people relationships and support commercial ties.

California has 19 sister cities relationships with Australia – the most of any US state. The state of California also has a sister relationship with the state of New South Wales. New South Wales has the most sister relationships of any Australian state with 29, followed by Victoria with 12.

US SISTER RELATIONSHIPS WITH AUSTRALIA



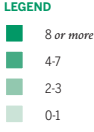
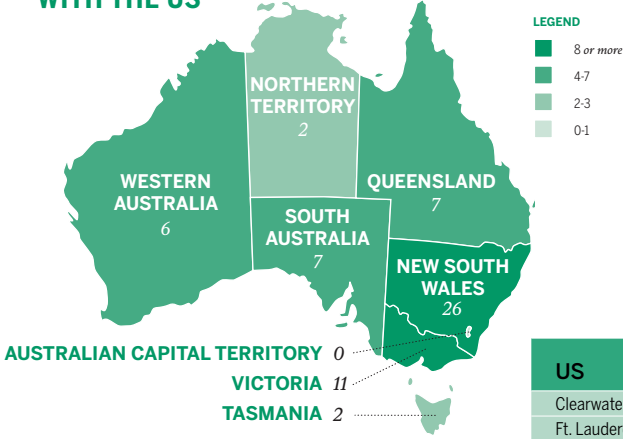
Elementary schools in Los Altos, California and Greater Bendigo, Western Australia participate in a pen-pal program that brings together teachers and young students from the two communities.

In 2014, Perth, Western Australia, and Houston, Texas celebrated the 30th anniversary of their sister city relationship and both belong to the World Energy Cities Partnership.

Stratford, Connecticut and Stratford, Victoria both belong to an organization that unites cities named Stratford from around the world. In reunion events, importance is placed on their cultural ties to Shakespeare and theater.



AUSTRALIAN SISTER RELATIONSHIPS WITH THE US



| US | AUSTRALIA |
|----------------------|--------------------------|
| Mobile, AL | Cockburn, WA |
| Anchorage, AK | Darwin, NT |
| Flagstaff, AZ | Blue Mountain, NSW |
| Scottsdale, AZ | Cairns, QLD |
| Subiaco, AR | Subiaco, WA |
| State of California | State of New South Wales |
| Arcadia, CA | Newcastle, NSW |
| Bakersfield, CA | Darwin, NT |
| Brisbane, CA | Brisbane, QLD |
| Coloma, CA | Clunes, VIC |
| Costa Mesa, CA | Wyndham, WA |
| El Cajon, CA | Goulburn, NSW |
| Fremont, CA | Elizabeth, SA |
| Helmet, CA | Cootamundra, NSW |
| Huntington Beach, CA | Manly, NSW |
| Los Altos, CA | Greater Bendigo, VIC |
| Merced, CA | Albury, NSW |
| Napa Valley, CA | Launceston, TAS |
| Novato, CA | Shepparton, VIC |
| Orange, CA | Orange, NSW |
| San Diego, CA | Perth, WA |
| San Francisco, CA | Sydney, NSW |
| Temple City, CA | Hawkesbury Shire, NSW |
| Tulare, CA | Inverell, NSW |
| Upland, CA | Mildura, VIC |
| Colorado Springs, CO | Bankstown, NSW |
| Lakewood, CO | Sutherland Shire, NSW |
| Littleton, CO | Bega, NSW |
| Vail, CO | Delatite Shire, VIC |
| Stanford, CT | Stanford, VIC |

| US | AUSTRALIA |
|-------------------------|-----------------------------------|
| Clearwater, FL | Wyong, NSW |
| Ft. Lauderdale, FL | Gold Coast, QLD |
| Auburn, GA | Auburn, NSW |
| Hawai'i County, HI | Mackay, QLD |
| Kauai County, HI | Cooktown, QLD |
| Waikiki, HI | Freshwater, NSW |
| Brookfield, IL | Moe, VIC |
| DeKalb, IL | Tamworth, NSW |
| Wilmette, IL | Mona Vale, NSW |
| Leavenworth, KS | Wagga Wagga, NSW |
| New Orleans, LA | Holdfast Bay, SA |
| Boston, MA | Melbourne, VIC |
| Walker, MI | Colac, VIC |
| Canistota, NY | Wauchope, NSW |
| Woodstock, NY | Nimbin, NSW |
| Beaufort, NC | Beaufort, VIC |
| Springfield, OH | Berwick, VIC |
| Springfield, OH | Casey, VIC |
| Stroud, OK | Stroud, NSW |
| Albany, OR | Albany, WA |
| St. Helens, OR | Bowral, NSW |
| State of South Carolina | State of Queensland |
| Nashville, TN | Tamworth, NSW |
| State of Texas | State of Queensland |
| Austin, TX | Adelaide, SA |
| Houston, TX | Perth, WA |
| Laredo, TX | Murray Bridge, SA |
| Missouri City, TX | Campbell Town, TAS |
| Plano, TX | Port Adelaide-Enfield, SA |
| Rockport, TX | Beachport, SA |
| Round Rock, TX | Speers Point, Lake Macquarie, NSW |
| Seguin, TX | Millicent, SA |
| Bellingham, WA | Port Stephens, NSW |
| Bluefield, WV | Lithgow, NSW |
| Eau Claire, WI | Lismore, NSW |

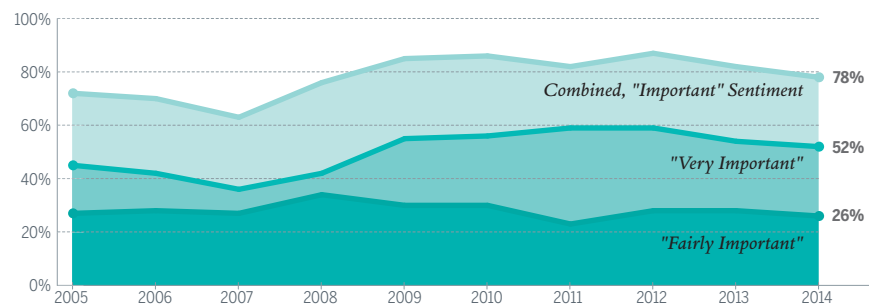
Source: Sister Cities International; individual sister city associations

The US and Australia Are Allies

Australia and the US are treaty allies through the Australia-New Zealand-United States Security Treaty (ANZUS), which was signed in 1951 and remains Australia's preeminent formal security treaty. Australia is the only country to have served alongside the United States in every major US military conflict over the last century, including operations in World War I, World War II, Korea, Vietnam, the Persian Gulf, Somalia, East Timor, Afghanistan, Iraq, and the fight against ISIS. In the immediate aftermath of the September 11, 2001 terror attacks in the US, Australia invoked the ANZUS treaty for the first time in pledging to assist the US. The two countries conduct joint military exercises, have standardized much of their equipment and operational doctrine, and share military intelligence at the highest level. Every year, Foreign and Defense Ministers of both Australia and the US meet for the Australia-United States Ministerial Consultations (AUSMIN) to discuss global and regional security issues. Since 2012, the position of Deputy Commander (Operations), US Army, Pacific, has been filled by generals from the Australian armed services, making it the highest ranking command position to be awarded to a foreign national. In August 2014, the US and Australia signed a 25-year legally binding Force Posture Agreement, committing that the current rotational deployment of 1,500 US Marines and airmen at the Australian base in Darwin will eventually reach 2,500.

The US is the number one supplier of Australia's arms and military hardware, accounting for 67% of all of Australia's military purchases since 2004. Australia is the number one destination for American arms exports, accounting for 10% of total exports between 2009-2013, just ahead of South Korea and the United Arab Emirates.

AUSTRALIAN PUBLIC RESPONSE TO THE QUESTION "HOW IMPORTANT IS OUR ALLIANCE RELATIONSHIP WITH THE UNITED STATES FOR AUSTRALIA'S SECURITY?"



Source: Lowy Institute.



Andrew Mearns/Sydney Morning Herald

CURRENT AND PLANNED AUSTRALIAN PROCUREMENT OF US DEFENSE EQUIPMENT

| QTY | SYSTEM |
|-----|--|
| 19 | M777A2 lightweight towed howitzers |
| 6 | Australian Defence Force communications satellites |
| 14 | MH-60R Seahawk Romeo helicopters |
| 6 | E-7A Wedgetail airborne early warning and control aircraft |
| 10 | C-27J battlefield airlift aircraft |
| 12 | EA-18G Growler electronic attack aircraft |
| 72 | F-35A Joint Strike Fighter |

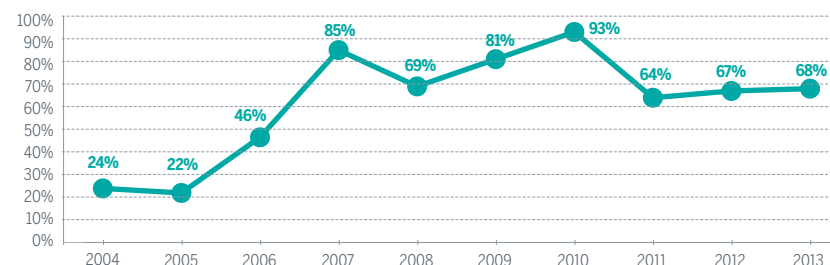
US PRESIDENTS ADDRESSING PARLIAMENT

| | |
|---------------|-------------------|
| Nov. 17, 2011 | Barack Obama |
| Oct. 23, 2003 | George W. Bush |
| Nov. 20, 1996 | Bill Clinton |
| Jan. 02, 1992 | George H. W. Bush |

AUSTRALIAN PRIME MINISTERS ADDRESSING CONGRESS

| | |
|---------------|-------------------------------------|
| Mar. 09, 2011 | Julia Gillard (Joint Session) |
| Jun. 12, 2002 | John Howard (Joint Session) |
| Jun. 23, 1988 | Bob Hawke (Joint Session) |
| Mar. 16, 1955 | Robert Menzies (House Reception) |
| Aug. 01, 1950 | Robert Menzies (House Reception) |

SHARE OF AUSTRALIAN ARMS IMPORTS SUPPLIED BY THE US



Sources: SIPRI, selected major procurements from Department of Defence (Australia).

"Although separated by a great ocean, the United States and Australia are bound together by our robust alliance, shared values, and common culture... 2015 is a significant year in the history of our countries: it marks the 10th anniversary of the Australia-US Free Trade Agreement and the 75th anniversary of US-Australia diplomatic relations."

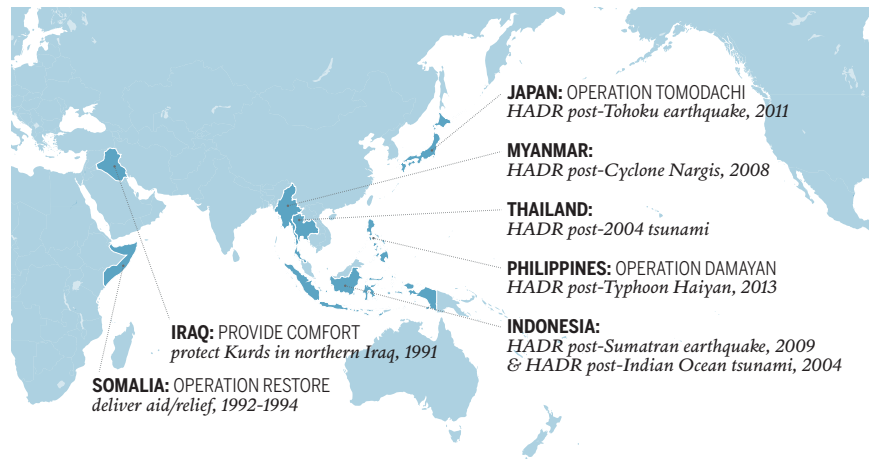
– US Secretary of State John Kerry, 2015

The United States and Australia in Global Partnership

Australia and the United States share much in common, from their similar cultures, histories, and values, to their shared vision for a stable and prosperous Asia-Pacific region. Both countries enjoy among the world's highest standards of living and share long democratic traditions. The two countries are both members of the Group of Twenty (G20), the East Asia Summit, and the Asia Pacific Economic Cooperation (APEC) forum. Australia served as a non-permanent member of the UN Security Council from 2013-2014, where it consistently voted in concurrence with the US. The two have jointly participated in a large number of humanitarian assistance and disaster relief (HADR) efforts around the world.

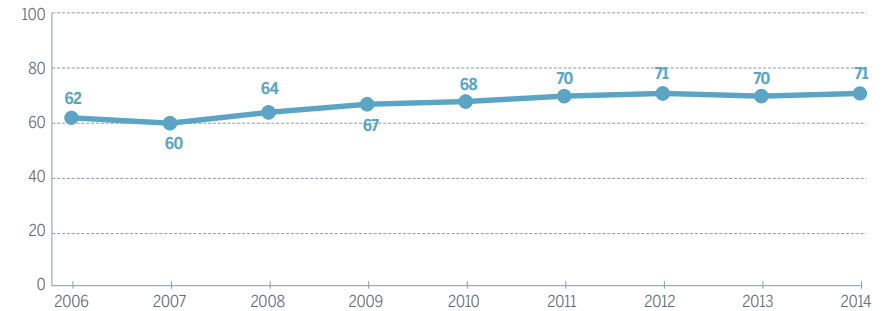
The majority of Australians hold a favorable view of the US. Australian public attitudes regarding the United States are at the highest level of any time in the last decade.

SELECTED COUNTRIES AND MISSIONS AROUND THE WORLD WHERE THE US AND AUSTRALIA HAVE PROVIDED AID AND ASSISTANCE



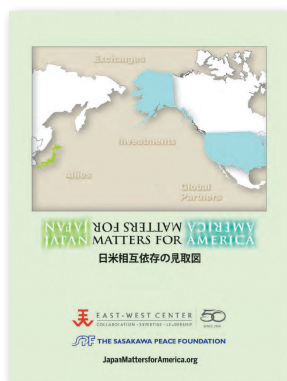
Sources: Lowy Institute, US Department of State.

AUSTRALIAN PUBLIC ATTITUDES TOWARDS THE US, "TEMPERATURE" OF FAVORABILITY OUT OF 100



AUSTRALIA'S HIGH VOTING COINCIDENCE WITH THE US AT THE UN GENERAL ASSEMBLY SHOWS SHARED VALUES BETWEEN THE TWO NATIONS





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THE ASIA MATTERS FOR AMERICA INITIATIVE

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AsiaMattersforAmerica.org

Australia Matters for America/ America Matters for Australia

This project explores the important relationship between the United States and Australia. Part of the *Asia Matters for America* initiative, this publication and its corresponding website AsiaMattersforAmerica.org/Australia provide tools for a global audience to explore the enduring significance of the US-Australia relationship in the 21st century.

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