Even in a rapidly changing global and Asia Pacific environment, the Australia-United States relationship and Alliance remain critically important to both countries’ national interests. This project, part of the Asia Matters for America initiative, is a collaboration between the United States Studies Centre at the University of Sydney and the East-West Center.

It comprises a publication and website that provide a one-stop, ongoing source of information, data, news and analysis on Australia-US relations. The website will host new information, reports and events in the Australia-US Alliance and bilateral relationship.

A collaborative project of:
About Us

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 foster greater understanding of the United States in Australia and around the world. Spanning the study of politics and policy, economics and business, and culture and society, the core activities of the Centre include postgraduate degrees and undergraduate teaching, academic research and research training, policy analysis and commentary, business leadership forums, and public education and community outreach.
AustraliaMattersforAmerica.org
part of the AsiaMattersforAmerica.org initiative

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Australia and the United States share much in common, from their similar cultures, histories and values to fighting side by side in every major war beginning with World War I. Both countries enjoy among the world’s highest standards of living and share long democratic traditions; in fact, Australia’s constitution was patterned, in part, on the US constitution. The heads of each government have conducted at least fifteen formal bilateral state visits over the last two decades. As a result of these myriad connections and similarities, Australia-US relations are among the closest in the world.

―Prime Minister Julia Gillard, 2011

“We have no stronger ally than Australia...Not only do we share a language, a commitment to democracy, a set of shared values, but I think there’s also a shared sense of open spaces and a pioneer spirit...It’s what makes us ‘great mates.’ ”

―President Barack Obama, 2010

Friends and Allies

Australia and US in Perspective

<table>
<thead>
<tr>
<th>Australia</th>
<th>US</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population, millions</td>
<td>22.7</td>
</tr>
<tr>
<td>GDP, US$ trillions</td>
<td>$1.4</td>
</tr>
<tr>
<td>GDP (PPP), per capita US$</td>
<td>$40,816</td>
</tr>
<tr>
<td>Trade, % of GDP</td>
<td>41%</td>
</tr>
<tr>
<td>Exports of goods and services, % of GDP</td>
<td>21%</td>
</tr>
<tr>
<td>Foreign Direct Investment net inflows, US$ billions</td>
<td>$31</td>
</tr>
<tr>
<td>Land area, square miles</td>
<td>3 million</td>
</tr>
<tr>
<td>Military expenditure % of GDP</td>
<td>1.9%</td>
</tr>
<tr>
<td>Education expenditure % of GDP</td>
<td>4.5%</td>
</tr>
<tr>
<td>Time required to start a business</td>
<td>2 days</td>
</tr>
<tr>
<td>Internet penetration rate</td>
<td>80%</td>
</tr>
</tbody>
</table>

Sources: CIA World Factbook, World Bank, Australian Bureau of Statistics, IMF, Internet World Stats, data year 2009 unless otherwise noted
Australia and the US are treaty allies through the ANZUS Treaty, which was signed in 1951 and remains Australia’s preeminent formal security treaty alliance. 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, and Iraq. The two countries conduct joint military exercises and have standardized much of their equipment and operational doctrine. The two share military intelligence at the highest level.

**Sixty Years of Alliance Partnership**

Australia and the US are treaty allies through the ANZUS Treaty, which was signed in 1951 and remains Australia’s preeminent formal security treaty alliance. 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, and Iraq. The two countries conduct joint military exercises and have standardized much of their equipment and operational doctrine. The two share military intelligence at the highest level.

### Deployed Forces in Afghanistan and Iraq

<table>
<thead>
<tr>
<th></th>
<th>personnel per million population</th>
<th>percentage of military forces deployed</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>716</td>
<td>14.4%</td>
</tr>
<tr>
<td>Australia</td>
<td>133</td>
<td>5.2%</td>
</tr>
<tr>
<td>Average for all other coalition partners</td>
<td>105</td>
<td>2.4%</td>
</tr>
</tbody>
</table>

Source: Lowy Institute

Over the last six decades, 54% of all of Australia’s arms imports have come from the US.

Source: Stockholm International Peace Research Institute

An M1 Abrams Tank and a Tiger Armed Reconnaissance Helicopter at Exercise Hamel, a 2010 military training activity in North Queensland involving over 6,000 Australian personnel and contingents from the US Marines and the New Zealand Army.

Source: Lowy Institute
Total trade between the two countries has increased 68% from 2000 to 2010. Trade in goods totals US$32 billion and trade in services totals US$14 billion. Australia is America’s 14th largest export destination and exports to Australia have increased by 84% since 2000. The country is America’s 32nd largest source of imports.

On January 1, 2005, Australia and the US entered into a Free Trade Agreement (AUSFTA), which eliminated 99% of duties on US manufactured goods exports to Australia. This was Australia’s first trade agreement with a major economy and America’s first with a developed economy since the US-Canada FTA in 1988.

# Australia-US Total Trade Reached US$46 Billion in 2010

**Composition of US Merchandise Exports to Australia, 2010**

- 49% Machinery & Transport Equipment
- 15% Chemicals and Related Products
- 13% Miscellaneous Manufactured Articles
- 10% Other
- 7% Manufactured Goods, classified chiefly by material
- 3% Food & Live Animals
- 1% Inedible Crude Materials, except fuels
- 1% Mineral Fuels; Lubricants & Related Materials
- 1% Beverages & Tobacco

**Composition of Australia’s Merchandise Exports to US, 2010**

- 17% Machinery & Transport Equipment
- 15% Food & Live Animals
- 12% Miscellaneous Manufactured Articles
- 10% Manufactured Goods, classified chiefly by material
- 9% Chemicals & Related Products
- 6% Beverages & Tobacco
- 5% Mineral Fuels; Lubricants & Related Materials
- 4% Inedible Crude Materials, except fuels
- 27% Other

*Source: US Department of Commerce.*

*Source: Australian Bureau of Statistics.*
Twenty percent of Hawai'i’s total exports are sent to Australia, by far the highest share in the country. The US average is two percent. Transportation equipment and electronics and computers make up 90% (US$126 million) of the state’s exports to Australia.
The United States is Australia’s second largest source of imports, after China, and is Australia’s fifth largest export destination. Australian exports to the US were $13 billion in 2010, up 57% from 2001. The United States is a top five export destination for five of Australia’s eight states and territories (New South Wales, Victoria, South Australia, Northern Territory, and Australian Capital Territory). It is a top five import source for every state and territory.
**Australia-US Total Investment Has Increased Nearly 300% Over the Past Decade**

Investment between the two countries has soared dramatically—in both directions—since 2001. Australian total investment in the US reached US$377 billion in 2010, up 196% from $114 billion in 2001. Similarly, US total investment in Australia reached US$506 billion in 2010, up 326% from US$119 billion in 2001. Multinationals in both countries contribute to this investment trend, as shown here.

The Westfield Group, co-founded by Frank Lowy in Sydney in 1960, is the largest shopping center operator in the world and the third largest in the US. Westfield acquired its first US-based retail center in Connecticut in 1977 and has more shopping malls in the United States (55) than in any other country, including Australia. In 1996, Westfield America Trust was launched to allow Australians to invest directly in the US retail property market. Six weeks prior to 9/11 in 2001, Westfield acquired The Mall at the World Trade Center. Since then, Westfield has consolidated its position as one of the largest retail property groups in the US.

**Oil & Gas Production in Australia**

US energy corporation Chevron joined with Ampol to form West Australian Petroleum in 1952. Chevron began piping gas to Perth via the Dampier to Bunbury Natural Gas Pipeline in 1984 and five years later exported its first liquefied natural gas (LNG) shipment from Australia to Japan. The ongoing Gorgon and Wheatstone projects are Chevron’s biggest ever and the largest foreign direct investments ever in Australia. Upon completion, the two projects will add almost 24 million tons of LNG natural gas per year to service the burgeoning Asia Pacific market.

![The Dampier to Bunbury Natural Gas Pipeline at Main Line Valve #7 near Dampier.](source: Glen Dillon (Licensed under Creative Commons 3.0)).

**Retail Malls in America**

The Westfield Group

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**Australia-US Total Investment Positions, 2001-10**

Australia-US Free Trade Agreement (AUSFTA) takes effect.

![Australia-US Total Investment Positions, 2001-10](source: Australian Bureau of Statistics).
US is the Largest Source of Foreign Direct Investment in Australia

Top Sources of Foreign Direct Investment (Stock) in Australia, 2009

Spain $14 billion/2%
Luxembourg $12.8 billion/6%
Switzerland $18.9 billion/8%
Canada $22.6 billion/12%
France $18.9 billion/8%
Germany $21.8 billion/9%

Australia is the Ninth Largest Source of Foreign Direct Investment in US

Top Sources of Foreign Direct Investment (Stock) in the US, 2009

Spain $44 billion/2%
Luxembourg $12.8 billion/6%
Australia $46 billion/2%
France $18.9 billion/8%
Switzerland $18.9 billion/8%
Canada $22.6 billion/12%

Source: US Bureau of Economic Analysis


Australia’s top investment industries in the US were in finance, manufacturing, and real estate. Top industries for US investment in Australia include finance, mining and energy, information, and manufacturing.

Source: US Bureau of Economic Analysis
Over 72,000 American residents were originally born in Australia and over 95,000 claim Australia as their ancestral home. In 2009, about 4,000 Australians obtained permanent residency status or became naturalized US citizens. Over 81,100 Australian residents were originally born in the US.

In 2005, Australia was selected as one of only a few countries to be eligible for the US immigration E-3 visa, which allows up to about 10,500 Australians and their families to live and work in the US. Australia has a similar type of business visa that provides reciprocal benefits to Americans.
More than 900,000 Australians visited the US and nearly 500,000 Americans visited Australia in 2010. Americans make up the third largest source of foreign visitors to Australia, after New Zealand and the United Kingdom. Australians are the ninth largest source of visitors to the United States. Australian visitor spending on travel and tourism in the US, which totaled US$4.0 billion in 2010, accounts for 30% of all US services exports to Australia.

![Australia-US Tourism at 1.4 Million People per Year](image)

**Visitors to Australia, 2010**

<table>
<thead>
<tr>
<th>RANK</th>
<th>SHARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>New Zealand</td>
</tr>
<tr>
<td>2</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>3</td>
<td>United States</td>
</tr>
<tr>
<td>4</td>
<td>China, PRC</td>
</tr>
<tr>
<td>5</td>
<td>Japan</td>
</tr>
<tr>
<td>6</td>
<td>Singapore</td>
</tr>
<tr>
<td>7</td>
<td>Malaysia</td>
</tr>
<tr>
<td>8</td>
<td>Korea</td>
</tr>
<tr>
<td>9</td>
<td>Hong Kong, SAR</td>
</tr>
<tr>
<td>10</td>
<td>Germany</td>
</tr>
<tr>
<td><strong>Total Arrivals</strong></td>
<td><strong>5,885,100</strong></td>
</tr>
</tbody>
</table>

**Source:** Australian Bureau of Statistics

![US-Australia Nonstop Flights](image)

**Visitors to US, 2010**

| RANK | SHARE | |
|------|-------|
| 1    | Canada | 19,959,000 | .33% |
| 2    | Mexico | 13,423,000 | .22% |
| 3    | United Kingdom | 3,850,864 | .06% |
| 4    | Japan | 3,386,076 | .06% |
| 5    | Germany | 1,726,193 | .03% |
| 6    | France | 1,342,207 | .02% |
| 7    | Brazil | 1,197,866 | .02% |
| 8    | South Korea | 1,107,518 | .02% |
| 9    | Australia | 904,247 | .02% |
| 10   | Italy | 818,225 | .01% |
| **Total Arrivals** | **59,744,616** | |

**Source:** Office of Travel and Tourism Industries, US Department of Commerce. Note: United Kingdom includes Channel Islands and Isle of Man.

**US-Australia Nonstop Flights**

- **Los Angeles-Sydney:** 7,490 miles / 12,100 kilometers
- **Los Angeles-Brisbane:** 7,160 miles / 11,500 kilometers
- **Los Angeles-Melbourne:** 7,920 miles / 12,700 kilometers
- **Dallas/Fort Worth-Sydney:** 8,530 miles / 13,800 kilometers
- **Dallas/Fort Worth-Brisbane:** 8,300 miles / 13,400 kilometers
- **San Francisco-Sydney:** 7,420 miles / 11,900 kilometers
- **Honolulu-Sydney:** 5,070 miles / 8,160 kilometers
There were nearly 3,300 Australian students in the US in the 2009-10 academic year, making Australia the 32nd most common country of origin. There were over 11,100 American students in Australia, the 6th most common destination for American students studying abroad in 2008.

Source: Institute of International Education
Annually, six high school students each, from Hawkesbury Shire and Temple City, spend approximately five weeks on exchange, where they live with a host family and attend classes.

The Darwin and Anchorage sister city relationship connects two rugged and isolated communities. Their geographical and historic similarities have spawned community and educational exchanges.

Sister cities are local level municipal partnerships between US cities, countries and states with similar jurisdictions in Australia. America and Australia have 23 sister city relationships, including eight in California and twelve in New South Wales.

Source: Sister Cities International and individual sister city associations.
Australia and the US share common interests and similar views on most major global issues. The two work together on global environmental issues, to control weapons of mass destruction, and in international organizations such as the World Trade Organization (WTO) and the Asia-Pacific Economic Cooperation (APEC) forum. In the 2000s, only the United Kingdom voted more often than Australia the same way as the United States in the United Nations General Assembly.

The two countries have close cooperation in a wide variety of fields. The NASA space program maintains in Australia its largest program outside of the US. One Australian tracking station was vital for receiving signals from the Apollo 11 moon landing for international TV broadcast. A formal agreement strengthens emergency management cooperation during severe natural disasters in both countries.

Source: Organization for Economic Co-operation and Development
The Asia Matters for America Initiative

The brochures and AsiaMattersforAmerica.org website of the Asia Matters for America initiative provide a hub for a global audience to explore the importance of Asia to the United States and the United States to Asia at the national, state, and local levels. The graphical project, including an interactive website, reveals surprising findings through the use of maps, charts, graphs, and raw data, allowing comparison across countries and states.
Part of the East-West Center’s Asia Matters for America initiative, this project is a collaboration of the East-West Center and the United States Studies Centre.
July 1985
President Theodore Roosevelt’s Great White Fleet stops in three Australian cities at the invitation of Prime Minister Deakin.

February 1960
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.

'10'90'10' 30 '50' 70

United Artists Or. The Rock is based on an location in Melbourne, starring Craig Roy, Aku Gakuru, Fred Astaire, and Anthony Perkins.

'50' 70

Australia joins America in the Pacific War. Later, US General Douglas MacArthur places the Allied Pacific headquarters in Australia.

December 1941
US President Lyndon Baines Johnson visits Australia, the first US president to visit while in office.

January 1959
The US and Australia establish formal diplomatic relations.

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

December 1966
Australia-US announce a joint facility for intelligence and surveillance to be located at Pine Gap, NT.

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

September 2001
Prime Minister John Howard invokes the ANZUS Treaty for the first time to support Operation Enduring Freedom in Afghanistan.

November 2011
US President Barack Obama visits Australia and addresses Parliament to commemorate the 60th anniversary of the Australia-US alliance.

May 2004
The US-Australia Free Trade Agreement is signed.

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

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.

1962 -1975
60,000 Australian troops serve for more than a decade in the Vietnam War, Australia’s longest-lasting commitment to any war.

1942 -45
Almost one million US troops visit Australia as part of Pacific War.

The Australia-United States Ministerial Consultations commence and become the principal annual forum for bilateral 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.

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

1996
Australian Geoffrey Rush wins an Academy Award in Best Actor category for his role in Shine.

2011
Australian Heath Ledger receives a posthumous Academy Award in Best Supporting Actor category for his role in The Dark Knight.

2001
Prime Minister John Howard invites the US and its allies to Congress to mark the 10th anniversary of the celebrations of the ANZUS alliance.

2010
US President Barack Obama visits Australia and addresses Parliament to commemorate the 60th anniversary of the Australia-US alliance.

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