

Press Releases: AUSMIN 2017 Fact Sheet on the U.S. – Australia Relationship

Fact Sheet
Office of the Spokesperson

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President Donald J. Trump and Prime Minister Malcolm Turnbull affirmed the enduring bonds, deep friendship, and close alliance between the United States and Australia during their May 4, 2017 meeting. Together, the United States and Australia are building a more secure and stable world. The ANZUS Treaty has been in place for 65 years, during which it has provided for our mutual defense and anchored the rules-based international system that has been central to peace and prosperity in the Indo-Asia-Pacific and beyond.

The U.S.-Australia alliance is, however, more than a treaty: it's a bond of friendship between our nations and peoples that has fueled mutual economic growth through expanded trade and investment, supported scientific inquiry and technological innovation, and promoted cultural and educational connections that enrich our societies.

- **Investment:** Significant two-way investment benefits both of our countries and workforces. The United States is Australia's largest foreign investor and the number one destination for Australian investment. In 2016, the stock of inward foreign direct investment (FDI) by the United States was \$146 billion (A\$195 billion), accounting for 24.5% of total Australian FDI. At \$646 billion (A\$860.9 billion), the total stock of U.S. foreign investment in Australia represents 27% of all foreign investment in Australia. By the end of 2016, two-way direct and indirect investment between the United States and Australia was worth \$1.11 trillion (A\$1.48 trillion). As of 2013-2014, the United States had 842 majority-owned foreign affiliates in Australia, with assets totaling \$482.8 billion (A\$652.6 billion), sales of \$181.6 billion (A\$245.27 billion), and 335,000 employees. These affiliates added value worth \$36.3 billion (A\$48.3 billion) to the Australian economy. U.S.-based majority-owned affiliates of Australian companies employed 94,800 people in 2014 with sales of \$60.7 billion.
- **Engagement:** U.S.-Australia engagement has never been more robust. Since the start of 2017, President Trump and Prime Minister Turnbull met in New York; Vice President Pence visited Australia; Australia's Minister

for Foreign Affairs visited the United States several times; and ministers, cabinet secretaries, and senior defense officials pursue regular visits and exchanges. Australia's active U.S. Parliamentary Friendship Group has a broad and growing membership, the U.S. Senate re-established its Friends of Australia Caucus, and the U.S. House of Representatives is forming a Friends of Australia Caucus. Frequent exchanges and visits between Congressional and Parliamentary delegations continue, as well as between senior state/territory and local officials.

- **Education/Travel:** Travel between the two countries is increasing, as more Americans and more Australians are crossing the Pacific to study, to work, and to play. The United States is the top destination for Australian students studying abroad, and the number two destination for American students in Asia. Since 1949, five thousand Fulbright students and scholars have studied, taught, and lectured at university campuses across the United States and Australia. Over one million Australians visited the United States in 2016, an increase of 4.7 per cent on the previous year, with over 690,400 visitors arriving in Australia from the United States in 2016.
- **Intelligence/Law Enforcement:** Information sharing and coordination are at all-time highs, allowing us to foil terrorist attacks, break up transnational crime networks, and put a stop to money laundering and illicit trafficking of drugs, weapons, and people. This cooperation grows stronger each day. As just one example, Australia has disrupted twelve domestic terrorist plots since 2014. U.S.-Australia law enforcement and intelligence cooperation supported many of these efforts. Australia and the United States are also working closely to address the growing threat of cybercrime, including through increased exchanges of law enforcement and cybercrime experts.
- **Security Cooperation:** The ANZUS Treaty underpins Australia and the United States' close security relationship. The U.S.-Australia Force Posture Initiatives, announced in 2011, have enhanced the readiness and interoperability of our militaries. The 2017 rotation of the Marine Rotational Force in Darwin will be the largest to date. Enhanced Aircraft Cooperation began in February 2017 with the arrival of a squadron of F-22 Raptors at Royal Australian Air Force Base Tindal. An Australian general serves as the Deputy Commanding General of U.S. Army Pacific (USARPAC) in Hawaii. The 2017 Talisman Saber joint and combined military training exercise will involve more than 30,000 Australian and U.S. troops. We work closely together to lead global efforts to defeat ISIS and address the broad range of transnational crimes throughout the Asia-Pacific region.
- **Defense Industry:** Australia is a major development partner for critical U.S. defense programs, including the F-35 Lighting II/Joint Strike Fighter, the P-8, the NextGen jammer, and the Triton UAS. U.S. defense firms such as Lockheed Martin, Raytheon, and Northrop Grumman invest millions of U.S. dollars in Australian communities, contribute to Australian exports, and create thousands of high-paying jobs. The 2007 U.S.-Australia Defense Trade Treaty underpins this trade, permitting the

license-free export of most defense articles between the countries in support of combined military operations, cooperative defense research, and other projects for government end-use. Australia is also one of America's largest defense customers, supporting thousands of jobs in the United States and maximizing our joint defense capability.

- **Energy:** U.S. energy companies have invested approximately \$100 billion (A\$135.2 billion) in Australia's liquefied natural gas (LNG) sector, which will help Australia remain one of the world's largest LNG exporters. Chevron's Gorgon and Wheatstone LNG projects represent the largest single investment by a company in Australia.
- **Trade:** The Australia-United States Free Trade Agreement (AUSFTA) has expanded fair, free, and high-standard bilateral trade for 12 years, and continues to strengthen commercial ties between the two markets. Two-way trade totaled \$62 billion (A\$83 billion) in 2016. The United States is the second largest two-way trade partner for Australia, and is a top destination for Australian beef, aircraft parts, and boats. Aircraft and farm machinery, meanwhile, are among the biggest exports from the United States to Australia.
- **Science:** In November 2016, the United States and Australia renewed a broad science and technology cooperation agreement in place since 1968. The agreement supports near limitless scientific endeavors, including projects related to fisheries, biometrics, quantum computing, and nuclear threat reduction. In 2017, Australia announced the opening of a new Australian Commonwealth Scientific and Industrial Research Organisation (CSIRO) office in Silicon Valley, further driving opportunities for scientific cooperation.
- **Space:** U.S.-Australia cooperation in space exploration began with the establishment of the U.S. National Aeronautics and Space Administration (NASA) in the 1950s and continues to grow today. Scientists and engineers from Australia's CSIRO and NASA, working together at the Canberra Deep Space Communication Complex (CDSCC) in the Australian Capital Territory, have supported communications for the landing of rovers on Mars, the arrival of New Horizons to Pluto, and the entry of Juno into orbit around Jupiter. CDSCC is one of the largest NASA tracking and communication facilities outside the United States, and thanks to \$120 million in investments from NASA, the complex inaugurated two new satellite dishes in 2014 and 2016 that are critical to Mars and other deep space mission communications. In 2017, the United States and Australia will renew the agreement that underpins cooperation between NASA and CSIRO on space exploration, a relationship critical to the Journey to Mars and other major advancements in the world's understanding of the cosmos.
- **Innovation:** Innovation links our economies as never before. Cutting-edge U.S. companies have established research and development centers in Australia. As part of the Australian National Innovation and Science Agenda, the Australian government has established a "Landing Pad" in San Francisco to facilitate cooperation by U.S. and Australian entrepreneurs. Australian scientists, researchers, and innovators enjoy

maximum access to America's world-class innovation ecosystem, and U.S. academics and researchers travel extensively to Australia to share their findings and learn further from their Australian counterparts.

- **Conservation:** U.S. and Australian government agencies are working together to advance global goals in food security, weather forecasting, and biodiversity. Both countries are members of the U.S.-led Safe Ocean Network and the Australia-led International Partnership for Blue Carbon, and are parties to the Convention on the Conservation of Antarctic Marine Living Resources (CCAMLR), which promotes conservation of marine living resources and limits fishing in the Southern Ocean. Zoos and universities in the United States and Australia are working collaboratively to save threatened species, such as the iconic Tasmanian devil. The two countries share best practices, personnel, and technology and equipment to combat wildland fires under the 2017 Wildland Fire Management Agreement.
- **Health:** The U.S. National Institutes of Health (NIH) and the Australian National Health and Medical Research Council (NHMRC) cooperate on a wide range of diseases, research, and patient care. They are working together on new ways to understand, treat, prevent, and cure brain disorders such as Alzheimer's, autism, and epilepsy through the Brain Research through Advancing Neuroethologies (BRAIN) Initiative. The NIH, the NHRMC, and top U.S. and Australian research institutes are also exploring precision medicine, biomedical big data, and small molecule discovery. Similarly, the NIH and Macquarie University, Children's Medical Research Institute, the Garvan Institute of Medical Research, and Bioplatforms Australia are collaborating in clinical proteogenomic studies and their translation to cancer care. The United States and Australia cooperate on HIV/AIDS research, prevention, and treatment, including through the Global Fund to Fight AIDS, Tuberculosis and Malaria. The two countries work together to build and strengthen health system capacities, including addressing antimicrobial resistance, human resources for health, and infrastructure within the Asia Pacific region. Both countries are strongly committed to the Global Health Security Agenda and supporting partner countries to implement the International Health Regulations.
- **Agriculture:** U.S.-Australia trade, investment, and cooperation occur across the agricultural sector, including significant two-way trade in counter-seasonal agricultural commodities. Meetings and research cooperation between Australian and U.S. experts on grains, livestock, meat, fruit, cotton, biofuels, and sugar research occur regularly.

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