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Department of Foreign Affairs and Trade



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## DATA

Unless otherwise specified, all data is for calendar year 2013, released by the Australian Bureau of Statistics in June 2014.

## CURRENCY

Unless otherwise specified, all amounts are in Australian dollars.

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## CONTENTS

Minister's Foreword	4
<b>TRADE PERFORMANCE AT A GLANCE</b>	
Profile of Australia's Trade in 2013	5
Australia's Trade Performance in 2013	8
Australia's Trade and Economic Statistics	10
The Australian Economy	26
Key Economic Indicators Australia	27
Australia's Industry Structure	28
Economic Diplomacy	30
Investment	32
Aid for Trade	35
Global Value Chains	37
<b>TRADE POLICY AT A GLANCE</b>	
Australia and the WTO	40
Trade Facilitation	40
Agriculture and Food Trade	41
Intellectual Property	52
Free Trade Agreements (FTAs)	52
Australia's Participation in Regional Economic Architecture	54
Australia and the G20	56
APEC	58

## TWO-WAY TRADE



**\$647.4b**

**▲ 3.7%**

### IMPORTS

**\$328.8b**

**▲ 1.5%**



### EXPORTS

**\$318.6b**

**▲ 6.1%**

In 2013, two-way trade grew by 3.7 per cent to \$647.4 billion, comprising imports totalling \$328.8 billion and exports totalling \$318.6 billion.

Nearly half of Australia's exports came from minerals and fuels, especially iron ore and coal.

**MINERALS  
& FUELS  
EXPORTS**  
49.3%



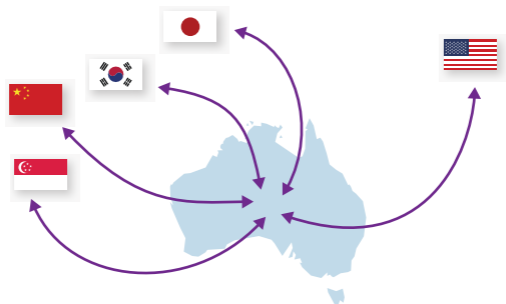
**ALL  
OTHER  
EXPORTS**  
50.7%



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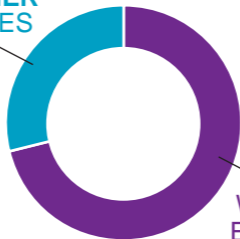
## TOP FIVE TRADING PARTNERS

In 2013 China, Japan, the United States, the Republic of Korea and Singapore were Australia's top five trading partners.



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**TRADE  
WITH OTHER  
ECONOMIES**  
28.8%



**TRADE  
WITH APEC  
ECONOMIES**  
71.2%

Over 70 per cent of Australia's trade was with member economies of the Asia-Pacific Economic Cooperation (APEC) group.

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## MINISTER'S FOREWORD



**Welcome to Trade at a Glance 2014, a summary of Australia's trade, investment and economic performance.**

Trade and investment are powerful drivers of our economy. When the economy prospers, so does the nation, with more jobs for Australians and greater prosperity.

Australia is open for business. In the 12 months since our last publication, we have signed Free Trade Agreements with two of our major trading partners, Japan and Korea. Once these agreements come into force, our FTAs will cover 42 per cent of our total trade. And we're working hard on agreements with China and other key economic partners.

Australia's trade in goods and services reached a new high in 2013, growing by 3.7 per cent to \$647.4 billion (up from \$624.5 billion in 2012).

Our trade activity is largely focused on the Asia-Pacific region, with over 70 per cent taking place with member economies of the Asia-Pacific Economic Cooperation APEC group.

Australia has a strong international reputation as a safe, reliable and profitable place to invest. For over 100 years foreign investment has been critical for the development of Australia's economy. Foreign investment stimulates economic activity, builds new industries and creates jobs. Research has found that a 10 per cent increase in foreign investment in Australia could lead to a more than one per cent increase in GDP by 2020.

Our government is prioritising economic diplomacy in our international engagement with a strong focus on trade, growth, investment and business across the work of my portfolio. Our economic diplomacy seeks to enhance both Australia's prosperity and global prosperity.

I trust that you will find **Trade at a Glance** a useful resource.

**The Hon Andrew Robb AO MP**  
Minister for Trade and Investment

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## PROFILE OF AUSTRALIA'S TRADE IN 2013

Australia's trade in goods and services reached a new high in 2013 playing an essential role in Australia's economic success. Two-way trade grew by 3.7 per cent to \$647.4 billion in 2013, up from \$624.5 billion in 2012. Nearly half of Australia's exports came from minerals and fuels, especially iron ore and coal.

China, Japan, the United States and the Republic of Korea were Australia's top four trading partners again in 2013. Over 70 per cent of Australia's trade was with member economies of the Asia-Pacific Economic Cooperation (APEC) group.

Australia has seven free trade agreements (FTAs) currently in force and signed an additional two agreements in 2014 — with the Republic of Korea and Japan.

Australia is the 2014 chair of the G20, a group which represents more than 75 per cent of global trade.

### AUSTRALIA'S TRADE WITH OUR AID PARTNERS

In 2013, Australia's two-way merchandise trade with countries with which Australia has an ongoing bilateral development partnership\* was valued at \$31.2 billion. In the last 10 years (since 2003) two-way trade has increased by 65.3 per cent. Australia's exports to our development partners have grown by 83.8 per cent while imports have grown by 50.5 per cent in the same period.

\* Cook Islands, Fiji, Kiribati, Nauru, Niue, Papua New Guinea, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, Vanuatu, Cambodia, Indonesia, Laos, Mongolia, Burma, Philippines, Timor-Leste, Vietnam, Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan, Sri Lanka, Somalia, Kenya, Tanzania, Mozambique, South Africa, Madagascar, Seychelles, Comoros, and Mauritius.

### MARKET ACCESS FOR LEAST DEVELOPED COUNTRIES<sup>‡</sup>

To assist Least Developed Countries (LDCs), since 2003, Australia has provided LDCs full duty-free and quota-free access to our markets. This has contributed to notable increases in LDC exports to Australia (averaging 13.1 per cent per year between 2003 and 2013).

<sup>‡</sup> Afghanistan, Angola, Bangladesh, Benin, Bhutan, Burkina Faso, Burundi, Cambodia, Central African Republic, Chad, Comoros, Democratic Republic of the Congo, Djibouti, Equatorial Guinea, Eritrea, Ethiopia, Former Sudan, Gambia, Guinea, Guinea-Bissau, Haiti, Kiribati, Laos, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Burma, Nepal, Niger, Rwanda, Samoa, Sao Tome & Principe, Senegal, Sierra Leone, Solomon Islands, Somalia, South Sudan, Sudan, Tanzania, Timor-Leste, Togo, Tuvalu, Uganda, Vanuatu, Yemen, Zambia.

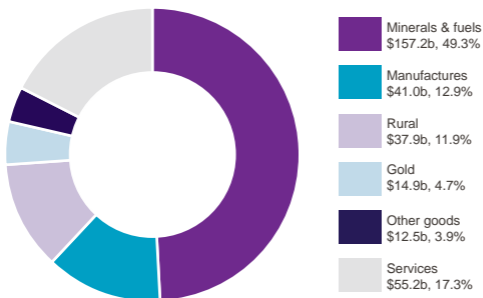
## BY SECTOR — AUSTRALIA'S EXPORTS

In 2013 Australia's total goods and services exports increased by 6.1 per cent to \$318.6 billion, after falling 4.0 per cent in 2012. Export volumes grew 6.6 per cent while export prices fell 0.6 per cent.

Australia's services exports grew by 7.8 per cent to \$55.2 billion making up 17.3 per cent of goods and services exports. Manufacturing exports increased by 1.4 per cent to \$41.0 billion and rural exports rose 8.9 per cent to \$37.9 billion.

### EXPORTS OF GOODS AND SERVICES 2013 (a)

Share by sector



(a) Balance of payments basis.

Based on ABS catalogue 5302.0.

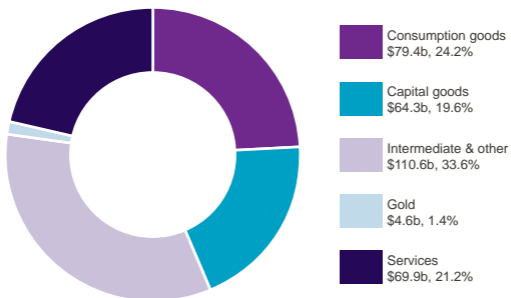
## BY SECTOR — AUSTRALIA'S IMPORTS

Imports are important to the success of the Australian economy, providing crucial inputs to domestic industries. Imports help maintain a robust, competitive economy and choice for consumers.

Australia's total goods and services imports rose 1.5 per cent to \$328.8 billion in 2013. Travel services and petroleum made up 20.6 per cent of goods and services imports in 2013. Import volumes fell 2.1 per cent while import prices rose 3.6 per cent.

### IMPORTS OF GOODS AND SERVICES 2013 (a)

Share by sector



(a) Balance of payments basis.

Based on ABS catalogue 5302.0.

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## AUSTRALIA'S TRADE PERFORMANCE IN 2013

Australia recorded a trade deficit of \$10.2 billion in 2013, a \$13.4 billion reduction on the deficit of \$23.6 billion in 2012.

### BY VALUE — AUSTRALIA'S EXPORTS

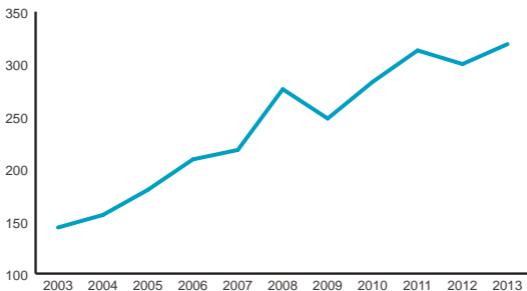
The growth in the value of Australia's goods and services exports over the past five years has slowed to 4.1 per cent per annum, driven by a drop in prices for Australia's metals ores, minerals and coal. This despite a growth in export volumes. The value of minerals and fuels exports has increased by 8.0 per cent to \$157.2 billion in 2013.

Australia's top three exports were iron ores and concentrates (\$69.5 billion), coal (\$39.8 billion) and education-related travel services (\$15.0 billion).

In financial year 2012-13 tourism industry exports rose 5.7 per cent to \$27.0 billion.

### EXPORTS OF GOODS AND SERVICES (a)

(\$ billion)



(a) Balance of payments basis.

Based on ABS catalogue 5302.0.

## BY VALUE — AUSTRALIA'S IMPORTS

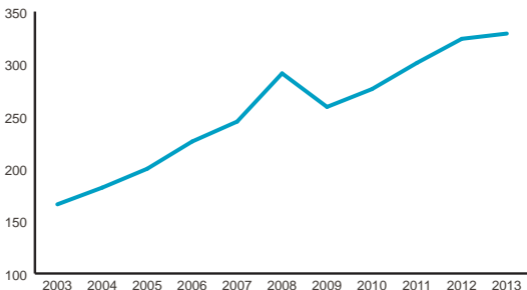
The value of Australia's goods and services imports grew on average 4.0 per cent per annum over the past five years.

Manufactured products accounted for 52.6 per cent of total imports. Since 2008, manufactured products have increased 2.4 per cent per annum.

Australia's top three imports in 2013 were personal travel excluding education services (\$24.7 billion), crude petroleum (\$20.2 billion) and passenger motor vehicles (\$18.3 billion).

### IMPORTS OF GOODS AND SERVICES (a)

(\$ billion)



(a) Balance of payments basis.

Based on ABS catalogue 5302.0.

## AUSTRALIA'S MAJOR GOODS AND SERVICES EXPORTS 2013 (a)

Rank	Commodity	\$ billion
1	Iron ores & concentrates	69.5
2	Coal	39.8
3	Education-related travel services (b)	15.0
4	Natural gas	14.6
5	Gold	13.9
6	Personal travel (excl education) services	13.1
7	Crude petroleum	9.0
8	Wheat	6.1
9	Aluminium ores & conc (incl alumina)	5.9
10	Beef	5.7
11	Copper ores & concentrates	5.2
12	Professional services	4.6
13	Other ores & concentrates (c)	4.5
14	Business travel services	4.0
15	Technical & other business services	3.9
16	Aluminium	3.7
17	Copper	3.4
18	Medicaments (incl veterinary)	3.1
19	Meat (excl beef)	2.9
20	Refined petroleum	2.7
<b>TOTAL EXPORTS (d)</b>		<b>318.6</b>

(a) Goods trade is on a recorded trade basis. Services trade is on a balance of payments basis.

(b) Includes student expenditure on tuition fees and living expenses.

(c) Mainly consists of Lead, Manganese and Zinc ores & concentrates.

(d) Total exports on a balance of payments basis.

Based on ABS trade data on DFAT STARS database and ABS catalogue 5302.0.

## AUSTRALIA'S MAJOR GOODS AND SERVICES IMPORTS 2013 (a) (b)

Rank	Commodity	\$ billion
1	Personal travel (excl education) services	24.7
2	Crude petroleum	20.2
3	Passenger motor vehicles	18.3
4	Refined petroleum	18.2
5	Freight transport services	9.3
6	Telecom equipment & parts	9.1
7	Medicaments (incl veterinary)	7.8
8	Computers	6.9
9	Passenger transport services (c)	6.8
10	Goods vehicles	6.4
11	Technical & other business services	6.2
12	Professional services	5.1
13	Gold	4.8
14	Charges for intellectual property	4.0
15	Business travel services	3.6
16	Civil engineering equipment & parts	3.5
17	Heating & cooling equipment & parts	3.2
18	Furniture, mattresses & cushions	3.2
19	Pumps (excl liquid pumps) & parts	3.2
20	Vehicle parts & accessories	2.8
<b>TOTAL IMPORTS (d)</b>		<b>328.8</b>

(a) Goods trade is on a recorded trade basis. Services trade is on a balance of payments basis.

(b) Please note—imports of aircraft were made confidential by the ABS from Sept 2008 onwards. Imports of aircraft would rank in Australia's top 20 imports. DFAT estimates that aircraft imports were valued at around \$3.8 billion in 2013.

(c) Includes Related agency fees & commissions.

(d) Total imports on a balance of payments basis.

Based on ABS trade data on DFAT STARS database and ABS catalogue 5302.0.

## AUSTRALIA'S MAJOR GOODS EXPORTS 2013

(a) (b)

Rank	Commodity	\$ million	% share
1	Iron ores & concentrates	69,494	26.4
2	Coal	39,805	15.1
3	Natural gas	14,602	5.5
4	Gold	13,898	5.3
5	Crude petroleum	9,016	3.4
6	Wheat	6,085	2.3
7	Aluminium ores & conc (incl alumina)	5,904	2.2
8	Beef	5,695	2.2
9	Copper ores & concentrates	5,192	2.0
10	Other ores & concentrates (c)	4,486	1.7
11	Aluminium	3,675	1.4
12	Copper	3,373	1.3
13	Medicaments (incl veterinary)	3,085	1.2
14	Meat (excl beef)	2,884	1.1
15	Refined petroleum	2,743	1.0
16	Wool & other animal hair (incl tops)	2,608	1.0
17	Cotton	2,604	1.0
18	Oil-seeds & oleaginous fruits, soft	2,516	1.0
19	Alcoholic beverages	1,997	0.8
20	Passenger motor vehicles	1,975	0.7
<b>TOTAL GOODS EXPORTS (d)</b>		<b>263,467</b>	<b>100.0</b>

(a) Recorded trade basis.

(b) Excludes confidential items of trade.

(c) Mainly includes Zinc ores & concentrates, Manganese ores & concentrates and Lead ores & concentrates.

(d) Total goods exports on a balance of payments basis.

Based on ABS trade data on DFAT STARS database and ABS catalogue 5302.0.

## AUSTRALIA'S MAJOR GOODS IMPORTS 2013 (a) (b)

Rank	Commodity	\$ million	% share
1	Crude petroleum	20,227	7.8
2	Passenger motor vehicles	18,290	7.1
3	Refined petroleum	18,229	7.0
4	Telecom equipment & parts	9,068	3.5
5	Medicaments (incl veterinary)	7,831	3.0
6	Computers	6,943	2.7
7	Goods vehicles	6,436	2.5
8	Gold	4,796	1.9
9	Civil engineering equipment & parts	3,464	1.3
10	Heating & cooling equipment & parts	3,212	1.2
11	Furniture, mattresses & cushions	3,176	1.2
12	Pumps (excl liquid pumps) & parts	3,172	1.2
13	Vehicle parts & accessories	2,797	1.1
14	Measuring & analysing instruments	2,774	1.1
15	Rubber tyres, treads & tubes	2,748	1.1
16	Electrical machinery & parts	2,725	1.1
17	Iron, steel, aluminium structures	2,647	1.0
18	Mechanical handling equipment & parts	2,579	1.0
19	Pharmaceutical products (excl medicaments)	2,513	1.0
20	Household-type equipment	2,458	0.9
<b>TOTAL GOODS IMPORTS (c)</b>		<b>258,936</b>	<b>100.0</b>

(a) Recorded trade basis.

(b) Excludes confidential items of trade.

(c) Total goods imports on a balance of payments basis.

Based on ABS trade data on DFAT STARS database and ABS catalogue 5302.0.

## AUSTRALIA'S SERVICES EXPORTS 2013 (a)

Services	\$ million	% share
Manufactured services on physical inputs owned by others	14	0.0
Maintenance & repair	88	0.2
Transport	6,253	11.3
Passenger (b)	2,340	4.2
Freight	349	0.6
Other	2,348	4.3
Postal & courier services	1,216	2.2
Travel	32,171	58.3
Business	4,015	7.3
Personal	28,156	51.0
Education-related	15,020	27.2
Other personal (c)	13,136	23.8
Other	16,649	30.2
Construction	84	0.2
Insurance & pension	506	0.9
Financial	2,632	4.8
Intellectual property charges	825	1.5
Telecommunications, computer & information	1,899	3.4
Other business services	8,980	16.3
Personal, cultural and recreational	806	1.5
Government services	917	1.7
<b>TOTAL SERVICES EXPORTS</b>	<b>55,175</b>	<b>100.0</b>

(a) Balance of payments basis.

(b) Passenger services include air transport-related agency fees & commissions.

(c) Inbound tourism for mainly recreational purposes.

Based on ABS catalogue 5302.0.

## AUSTRALIA'S SERVICES IMPORTS 2013 (a)

Services	\$ million	% share
Manufactured services on physical inputs owned by others	0	0.0
Maintenance & repair	726	1.0
Transport	17,117	24.5
Passenger (b)	6,839	9.8
Freight	9,346	13.4
Other	826	1.2
Postal & courier services	106	0.2
Travel	29,455	42.2
Business	3,546	5.1
Personal	25,909	37.1
Education-related	1,099	1.6
Other personal (c)	24,810	35.5
Other	22,572	32.3
Construction	0	0.0
Insurance & pension	825	1.2
Financial	1,254	1.8
Intellectual property charges	4,060	5.8
Telecommunications, computer & information	2,358	3.4
Other business services	11,387	16.3
Personal, cultural and recreational	1,685	2.4
Government services	1,003	1.4
<b>TOTAL SERVICES IMPORTS</b>	<b>69,870</b>	<b>100.0</b>

(a) Balance of payments basis.

(b) Passenger services include air transport-related agency fees & commissions.

(c) Outbound tourism for mainly recreational purposes.

Based on ABS catalogue 5302.0.

## AUSTRALIA'S GLOBAL EXPORT POSITION

### HOW WE COMPARE TO THE REST OF THE WORLD 2013

(US\$ billion)

Rank	Country	Goods (a)	Services (b)	Total exports	% share
1	China	2,209	206	2,415	10.3
2	United States	1,580	683	2,263	9.6
3	Germany	1,453	291	1,744	7.4
4	Japan	715	148	863	3.7
5	United Kingdom	542	297	838	3.6
6	Netherlands	672	149	821	3.5
7	France	580	237	817	3.4
8	Republic of Korea	560	113	673	2.9
9	Hong Kong (c)	536	133	669	2.8
10	Italy	518	111	629	2.7
11	Russian Federation	523	66	589	2.5
12	Belgium	469	108	578	2.5
13	Canada	458	80	538	2.3
14	Singapore	410	122	533	2.3
15	India	313	151	465	2.0
16	Spain	317	146	463	2.0
17	Mexico	380	20	400	1.7
18	United Arab Emirates	379	17	396	1.7
19	Saudi Arabia	376	12	388	1.7
20	Taiwan	305	52	357	1.5
21	Switzerland	229	95	325	1.4
22	Australia	255	53	309	1.3
23	Thailand	229	59	288	1.2

Rank	Country	Goods (a)	Services (b)	Total exports	% share
24	Brazil	242	39	281	1.2
25	Malaysia	228	40	268	1.1
26	Sweden	168	75	243	1.0
27	Poland	202	40	242	1.0
28	Ireland	114	126	240	1.0
29	Austria	175	65	240	1.0
30	Indonesia	183	22	206	0.9
<b>TOTAL EXPORTS</b>		<b>18,816</b>	<b>4,720</b>	<b>23,536</b>	<b>100.0</b>

(a) Goods on recorded trade basis.

(b) Services on balance of payments basis.

(c) Special Administrative Region of China.

Source: WTO online database.

“The performance of Australia’s economy has been remarkable — 23 years of continued growth. Our primary industries — agriculture, mining and energy — remain fundamental to our nation’s future growth. But make no mistake — Australia’s is an unabashedly and undeniably modern and future-facing economy.”

*Andrew Robb, Minister for Trade and Investment*

## AUSTRALIA'S TOP 10 EXPORT MARKETS 2013 (a) (b)

(\$ billion)

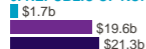
### 1. CHINA (c) - 31.9%



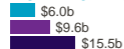
### 2. JAPAN (c) - 15.5%



### 3. REPUBLIC OF KOREA (c) - 6.7%



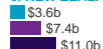
### 4. UNITED STATES (c) - 4.9%



### 5. INDIA (c) - 3.6%



### 6. NEW ZEALAND (c) - 3.5%



### 7. SINGAPORE - 2.9%



### 8. TAIWAN (c) - 2.5%



### 9. UNITED KINGDOM (c) - 2.5%



### 10. MALAYSIA (c) - 2.3%

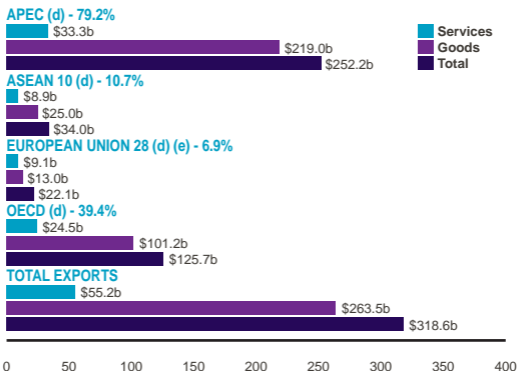


Services  
Goods  
Total

0 10 20 30 40 50 60 70 80 90 100 110 120

## TOTAL EXPORTS

(\$ billion)



(a) All data is on a balance of payments basis, except for goods by country which are on a recorded trade basis.

(b) Excludes selected confidential export commodities from June 2013 onwards for Singapore as well as for the country groups.

(c) Actual export total based on unpublished ABS data.

(d) Totals (where relevant) include actual export totals for Belgium, Canada, China, France, Germany, Indonesia, Italy, Japan, Malaysia, Netherlands, New Zealand, Republic of Korea, Taiwan, Thailand, United Kingdom and United States.

(e) Services data is EU28 from Sept 2013.

\* Totals may not add due to rounding.

**Based on ABS trade data on DFAT STARS database, ABS catalogue 5368.0.55.004 and unpublished ABS data.**

## AUSTRALIA'S GLOBAL IMPORT POSITION

### HOW WE COMPARE TO THE REST OF THE WORLD 2013

(US\$ billion)

Rank	Country	Goods (a)	Services (b)	Total imports	% share
1	United States	2,329	457	2,786	11.9
2	China	1,950	331	2,281	9.8
3	Germany	1,189	318	1,507	6.4
4	Japan	833	164	997	4.3
5	France	681	189	870	3.7
6	United Kingdom	655	180	836	3.6
7	Netherlands	590	128	718	3.1
8	Hong Kong (c)	622	60	682	2.9
9	Republic of Korea	516	107	623	2.7
10	India	466	126	592	2.5
11	Italy	477	109	587	2.5
12	Canada	474	106	580	2.5
13	Belgium	451	98	548	2.3
14	Singapore	373	126	502	2.1
15	Russian Federation	343	126	469	2.0
16	Spain	339	93	432	1.8
17	Mexico	391	32	423	1.8
18	Brazil	250	86	337	1.4
19	United Arab Emirates	251	71	322	1.4
20	Australia	251	68	318	1.4
21	Taiwan	270	42	312	1.3
22	Thailand	251	55	306	1.3
23	Turkey	252	24	276	1.2

Rank	Country	Goods (a)	Services (b)	Total imports	% share
24	Switzerland	201	53	254	1.1
25	Malaysia	206	45	251	1.1
26	Saudi Arabia	168	77	245	1.0
27	Poland	205	33	238	1.0
28	Austria	182	45	227	1.0
29	Indonesia	187	35	222	0.9
30	Sweden	160	58	217	0.9
<b>TOTAL IMPORTS</b>		<b>18,890</b>	<b>4,499</b>	<b>23,389</b>	<b>100.0</b>

(a) Goods on recorded trade basis.

(b) Services on balance of payments basis.

(c) Special Administrative Region of China.

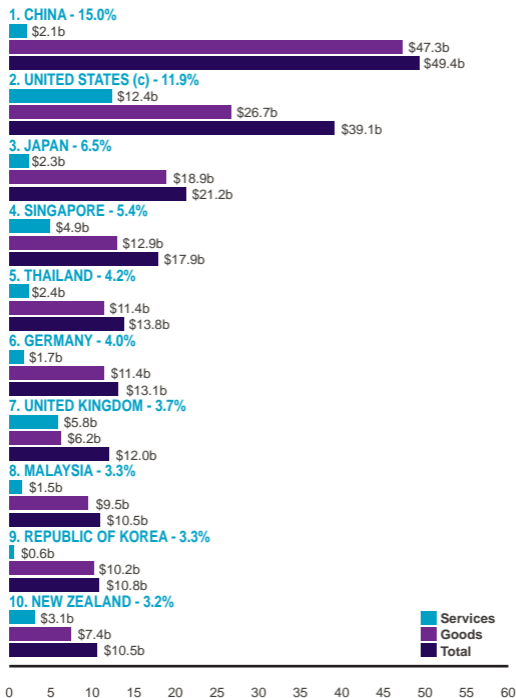
Source: WTO online database.

“In many ways we have always had a focus on exports — a preoccupation with exports — but what it now means is that imports are as important. It is a far more interconnected and far more globalised world that we are dealing with and many of the 40,000 SMEs that are exporting from Australia are also importing goods and services.”

*Andrew Robb, Minister for Trade and Investment*

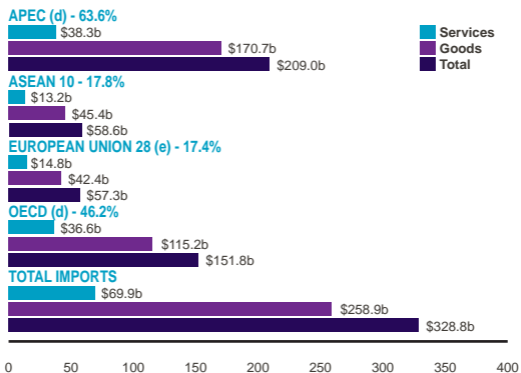
## AUSTRALIA'S TOP 10 IMPORT SOURCES 2013 (a) (b)

(\$ billion)



## TOTAL IMPORTS

(\$ billion)



(a) All data is on a balance of payments basis, except for goods by country which are on a recorded trade basis.

(b) Excludes selected confidential import commodities (mainly aircraft imports) except for the United States. This affects import totals for the EU28.

(c) Actual import total based on unpublished ABS data.

(d) Totals include actual import totals for the United States.

(e) Services data is EU28 from Sept 2013.

\* Totals may not add due to rounding.

Based on ABS trade data on DFAT STARS database, ABS catalogue 5368.0.05.004 and unpublished ABS data.

## TOP 10 TWO-WAY TRADING PARTNERS 2013 (a) (b) (c)

(\$ billion)

Rank	Country	Goods	Services	Total	% share
1	China	141.9	9.0	150.9	23.3
2	Japan	66.4	4.3	70.7	10.9
3	United States (USA)	36.3	18.4	54.6	8.4
4	Republic of Korea	29.8	2.3	32.1	5.0
5	Singapore	18.6	8.5	27.1	4.2
6	New Zealand	14.8	6.8	21.6	3.3
7	United Kingdom (UK)	10.1	9.8	19.9	3.1
8	Thailand	16.3	3.2	19.5	3.0
9	Malaysia	15.0	3.1	18.2	2.8
10	Germany	13.4	2.8	16.1	2.5
<b>TOTAL TOP 10 TRADING PARTNERS</b>		<b>362.5</b>	<b>68.2</b>	<b>430.7</b>	<b>66.5</b>
<b>TOTAL TWO-WAY TRADE</b>		<b>522.4</b>	<b>125.0</b>	<b>647.4</b>	<b>100.0</b>
of which: APEC (d)		389.6	71.6	461.2	71.2
ASEAN10 (d)		70.4	22.1	92.6	14.3
EU28 (d) (e)		55.4	23.9	79.3	12.3
OECD (d)		216.3	61.1	277.4	42.9

(a) All data is on a balance of payments basis, except for goods by country which are on a recorded trade basis.

(b) Excludes selected confidential export commodities from June 2013 onwards for Singapore as well as for the country groups.

(c) Excludes selected confidential import commodities except for the USA. This affects import totals for the EU28.

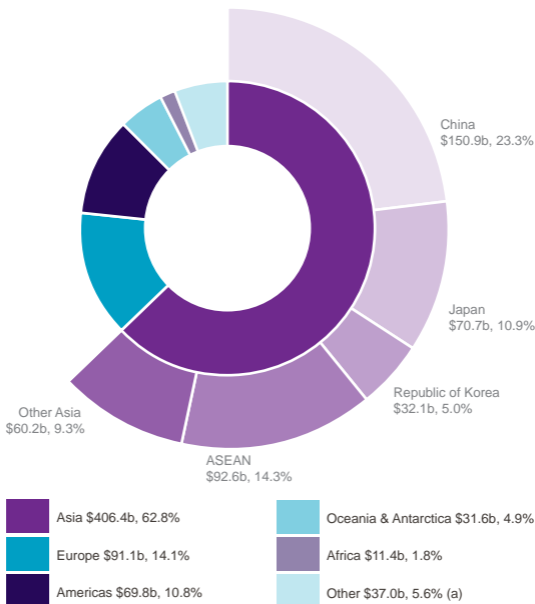
(d) Totals (where relevant) include actual export totals for Belgium, Canada, China, France, Germany, Indonesia, Italy, Japan, Malaysia, Netherlands, New Zealand, Republic of Korea, Taiwan, Thailand, UK and USA and includes actual import totals for the USA.

(e) Services data is EU28 from Sept 2013.

\* Totals may not add due to rounding.

**Based on ABS trade data on DFAT STARS database, ABS catalogue 5368.0.05.004 and unpublished ABS data.**

## TOTAL TWO-WAY TRADE BY REGION 2013



### Regional breakdowns:

Asia includes Central Asia; Middle East; North Asia; South East Asia and Southern Asia.

Europe includes Eastern Europe; Northern Europe; South Eastern Europe, Southern Europe and Western Europe.

Americas includes North America; Caribbean; Central America and South America.

Oceania & Antarctica includes Antarctica; Pacific Islands and Other Oceania.

Africa includes Central & West Africa; North Africa and Southern & East Africa.

(a) Includes confidential items of trade.

Based on ABS trade data on DFAT STARS database, ABS catalogue 5368.0.55.004 and unpublished ABS data.

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## THE AUSTRALIAN ECONOMY

In 2013 the Australian economy experienced:

- » 2.4 per cent GDP growth;
- » 6.7 per cent growth in goods and services export volume;
- » inflation was 2.7 per cent; and
- » an average unemployment rate of 5.7 per cent.

In comparison, OECD (Organization for Economic Development) counterparts recorded:

- » 1.3 per cent GDP growth;
- » 1.9 per cent growth in goods and services export volume;
- » inflation was 1.6 per cent; and
- » an average unemployment rate of 7.9 per cent.

Underpinning Australia's economy is an open and transparent trade and investment environment, a business-friendly regulatory approach and trade and economic links with emerging economies, particularly in Asia.

The Australian economy is moving from growth led by significant investment in resources projects to broadbased drivers of activity in the non-resources sectors.

## KEY ECONOMIC INDICATORS AUSTRALIA

		2003	2011	2012	2013
<b>DEMAND AND PRODUCTION</b>					
<b>— CHAIN VOLUME MEASURES, REFERENCE YEAR 2011-12</b>					
Gross domestic product (a)	% change	3.3	2.6	3.6	2.4
Exports of goods & services (a)	% change	-1.7	-0.5	6.3	6.7
Imports of goods & services (a)	% change	10.9	10.6	6.5	-2.1
<b>LABOUR FORCE</b>					
Population (b)	'000	19,827	22,520	22,923	23,319
Labour force (c)	'000	9,989	11,815	11,972	12,152
Employed persons (c)	'000	9,397	11,215	11,347	11,465
Annual growth	%	2.2	1.7	1.2	1.0
Unemployment rate (c)	%	5.9	5.1	5.2	5.7
<b>PRICES AND INTEREST RATES</b>					
Consumer prices	% change	2.4	3.0	2.2	2.7
Interest rates — 90 day bills (c)	% pa	4.9	4.8	3.7	2.8

(a) Derived from annual movements in original data.

(b) At end of period.

(c) Annual average.

Based on ABS and Reserve Bank, various catalogues.

## AUSTRALIA'S INDUSTRY STRUCTURE 2013

	Gross value added (a)		Employed persons (b)	
	A\$m	% share (c)	'000	% share
Agriculture, forestry & fishing	34,164	2.4	300.1	2.6
Mining	154,926	10.7	266.8	2.3
Manufacturing	102,683	7.1	922.0	8.0
Services	1,032,196	71.3	9,951.4	86.8
Electricity, gas, water & waste	36,929	2.5	147.1	1.3
Construction	115,884	8.0	1,010.3	8.8
Wholesale trade	63,750	4.4	422.9	3.7
Retail trade	69,202	4.8	1,218.5	10.6
Accommodation & food services	34,310	2.4	777.8	6.8
Transport, postal & warehousing	73,415	5.1	593.1	5.2
Information, media & telecommunications	41,302	2.9	203.9	1.8
Finance & insurance	125,006	8.6	416.2	3.6
Rental, hiring & real estate	39,728	2.7	193.7	1.7
Professional, scientific & technical	99,998	6.9	901.6	7.9
Administrative & support	45,297	3.1	387.9	3.4
Public administration & safety	80,245	5.5	743.6	6.5
Education & training	68,691	4.7	891.1	7.8
Health care & social assistance	99,111	6.8	1,377.2	12.0

	Gross value added (a)		Employed persons (b)	
	A\$m	% share (c)	'000	% share
Services (continued)				
Arts & recreation	12,373	0.9	207.5	1.8
Other services	26,955	1.9	459.2	4.0
Ownership of dwellings	124,720	8.6		
Gross value added at basic prices (d)	1,448,684	100.0		
Taxes less subsidies on products	94,107			
Statistical discrepancy (e)	2,217			
<b>TOTAL (d)</b>	<b>1,545,007</b>		<b>11,466</b>	<b>100.0</b>

(a) The term is used to describe gross product by industry and by sector (Chain Volume Measures reference year 2011-12). Industry breakdown based on ANZSIC 2006.

(b) Derived from seasonally adjusted data on an annual average.

(c) As a share of GDP at basic prices.

(d) Basic prices are amounts received by producers, including the value of any subsidies on products, but before any taxes on products. GDP at purchasers' (market) prices is derived by adding taxes less subsidies on products to gross value added at basic prices.

(e) Production approach.

**Based on ABS catalogues 5206.0, 6202.0 and 6203.0.**

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## ECONOMIC DIPLOMACY

Economic diplomacy is at the core of the Australian Government's international engagement. It aims to enhance both Australia's prosperity and global prosperity.

Australia's economic diplomacy agenda is guided by four pillars:

**TRADE — Pursue trade liberalisation through bilateral, regional and global trade agreements that open up new markets for Australian exporters and sustain a strong, rules-based architecture for global trade.**

- » The Government has established an ambitious trade agenda, pushing for greater trade liberalisation — both multilateral and through free trade agreements, and has increased aid for trade assistance in the aid program.

**GROWTH — Support global growth, including by using Australia's aid program and other measures to promote economic reform and infrastructure, and through regional and global economic cooperation fora.**

- » As G20 president, Australia is leading efforts to increase GDP growth across the developed and developing world. Our development activities will prioritise programs that support economic growth as a path to development.

**INVESTMENT — Promote investment into Australia and Australian investment internationally.**

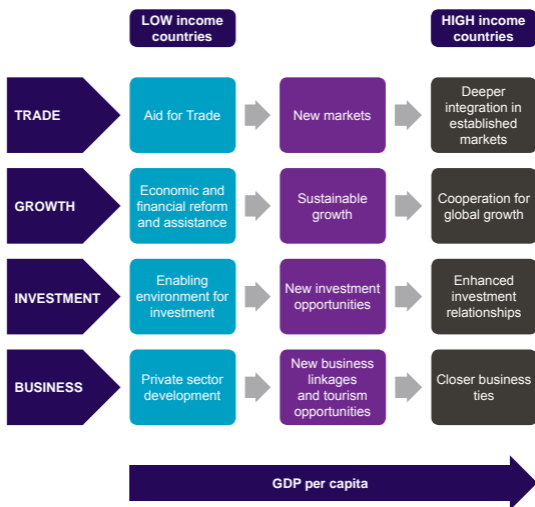
- » Australia's prosperity has been built on two centuries of international investment. Attracting international investment will create new jobs and new industries to support our future prosperity. Our development activities help developing countries attract international investment to support economic growth.

**BUSINESS — Advance the interests of Australian business overseas, the development of a stronger private sector in our region, and promote Australian tourism.**

- » The Government is enhancing the support we provide to Australian businesses in Australia and overseas. Our development activities promote sustainable growth in the private sector in developing countries.

Agencies across the Foreign Affairs and Trade portfolio make significant contributions to economic diplomacy by negotiating trade agreements, supporting business overseas, encouraging economic growth and job-creating reforms in developing countries, finding new investors into Australia, promoting tourism, and building linkages in agricultural research. Other agencies in the Australian Government which interact with the international economy also play an important role in this whole of government effort.

## ECONOMIC DIPLOMACY ACTIVITIES ACROSS AUSTRALIA'S INTERNATIONAL RELATIONSHIPS



## INVESTMENT

### AUSTRALIAN INVESTMENT ABROAD 2013 (a)

(\$ million)

Rank (b)	Country	Level of direct investment abroad	Total Australian investment abroad (c)
1	United States	121,691	471,672
2	United Kingdom	50,558	255,672
3	New Zealand	45,871	81,138
4	Germany	12,249	56,518
5	Canada	28,814	53,716
6	Japan	477	50,225
7	Switzerland	np	38,301
8	Singapore	8,951	35,409
9	France	1,087	33,931
10	Netherlands	7,018	33,461
<b>TOTAL ALL COUNTRIES</b>		<b>494,844</b>	<b>1,632,201</b>
of which:			
	APEC	259,156	834,981
	ASEAN10	28,240	69,373
	EU28	73,478	455,752
	OECD	294,038	1,153,154

(a) Australian investment abroad: level of investment (stocks) as at 31 December 2013, by selected country and country group.

(b) Ranked on total Australian investment abroad.

(c) Includes portfolio investment.

Source: ABS catalogue 5352.0.

## FOREIGN INVESTMENT IN AUSTRALIA 2013 (a)

(\$ million)

Rank (b)	Country	Level of direct investment in Australia	Level of total investment in Australia (c)
1	United States	149,479	657,888
2	United Kingdom	86,663	562,881
3	Japan	63,257	130,982
4	Singapore	25,177	60,544
5	Hong Kong (SAR of China)	7,378	51,337
6	Switzerland	19,096	47,145
7	Netherlands	29,371	36,965
8	China	20,832	31,899
9	New Zealand	5,068	30,124
10	Canada	16,576	26,882
<b>TOTAL ALL COUNTRIES</b>		<b>629,941</b>	<b>2,461,998</b>
of which:			
APEC		301,528	1,041,280
ASEAN10		37,505	85,842
EU28		156,110	716,032
OECD		411,453	1,609,031

(a) Foreign investment in Australia: level of investment (stocks) as at 31 December 2013, by selected country and country group.

(b) Ranked on level of total investment in Australia.

(c) Includes portfolio investment.

Source: ABS catalogue 5352.0.

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## FOREIGN INVESTMENT

Australia has traditionally drawn international capital to supplement our domestic savings. This investment has allowed Australians to enjoy higher rates of economic growth, employment and living standards than could have been achieved from domestic savings alone. Australia accesses foreign capital through either foreign investment (equity) or borrowing (debt). Foreign direct investment (FDI) is one form of foreign equity investment.

The ways in which FDI benefits Australia are that it:

- » creates new employment opportunities — foreign companies setting up subsidiaries and creating new businesses in Australia create jobs and build economic growth;
- » allows access to new technologies — foreign companies often transfer technology to Australia when they invest, making us more internationally competitive;
- » provides revenue to the government — profits of foreign-owned companies are taxed, spreading the benefits of these investments to all Australians;
- » helps drive productivity growth — it increases the level of competition in the market.

A number of studies have examined the impact of foreign investment. In 2010 a study by Access Economics found that a 10 per cent increase in foreign investment in Australia would lead to a more than one per cent increase in GDP by 2020. An OECD study found that increasing foreign investment as a share of GDP is significantly and positively associated with productivity growth.

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## AID FOR TRADE

Aid for trade addresses developing countries' internal constraints to trade, such as cumbersome regulations, poor infrastructure and lack of workforce skills.

The OECD categorises aid for trade as development assistance that supports:

- » trade policy
- » economic infrastructure
- » building productive capacity, and
- » trade-related adjustment.

On average, every dollar invested in aid for trade increases recipient country exports by an additional US\$8.

The global Aid for Trade Initiative was launched at the 2005 Hong Kong World Trade Organization (WTO) Ministerial Conference, recognising the importance of trade in driving economic growth and the need to assist developing countries in improving their capacity to trade.

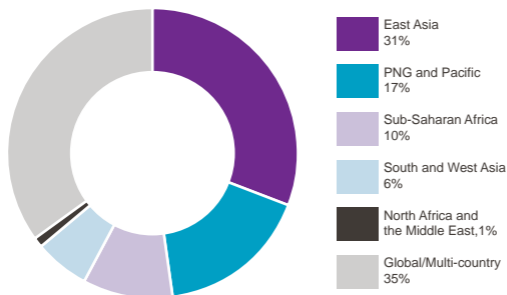
### AUSTRALIA'S AID FOR TRADE

Australia's aid for trade activities focus on helping developing countries create opportunities for job creation and to build livelihoods through increased trade. As a key part of Australia's new development policy, aid for trade investment will increase to 20 per cent of Australia's total aid budget by 2020.

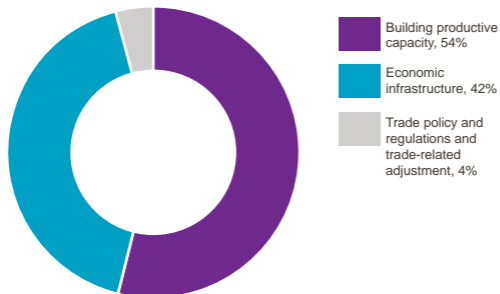
In 2013-14 the majority of Australia's estimated \$630 million in aid for trade expenditure was directed towards global or multi-country initiatives (35 per cent), projects in East Asia (31 per cent), and projects in the Pacific — including in Papua New Guinea (17 per cent). Approximately 54 per cent was directed towards building productive capacity — including in agriculture, 42 per cent towards improving economic infrastructure — including transport and storage, and 4 per cent towards streamlining trade policy and regulation.

In July 2014 the Australian Government announced the creation of a new Global Trade Integration Facility, committing \$60 million over four years to help developing countries participate in international trade and boost global economic growth.

## AID FOR TRADE BY REGION



## AID FOR TRADE BY KEY SECTOR



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## GLOBAL VALUE CHAINS

The Boeing 787 Dreamliner (see overleaf) is assembled in the United States from components built around the world. The centre fuselage is from Italy, the mid-forward fuselage is from Japan, the Rolls Royce engines are from the UK and a vital wing component — the moveable trailing edge — is designed and produced in Melbourne at Boeing Aerostructures Australia. Bringing all these parts together to build a Dreamliner is an example of a global value chain (GVC) in action.

A 'value chain' is the full range of activities involved in designing, producing and delivering a good or service. The nature of trade is changing, with value chains becoming 'global' and crossing more borders than ever. The OECD estimates that more than half of the value of world exports is attributable to trade within GVCs.

Value chains have become 'global' for a number of reasons, including:

- » increasing information and communication technology capabilities;
- » changing production costs (e.g. Asia's manufacturing cost advantage);
- » lower trade and transport costs and improved international logistics;
- » fewer barriers to trade (e.g. tariff and quota reduction).

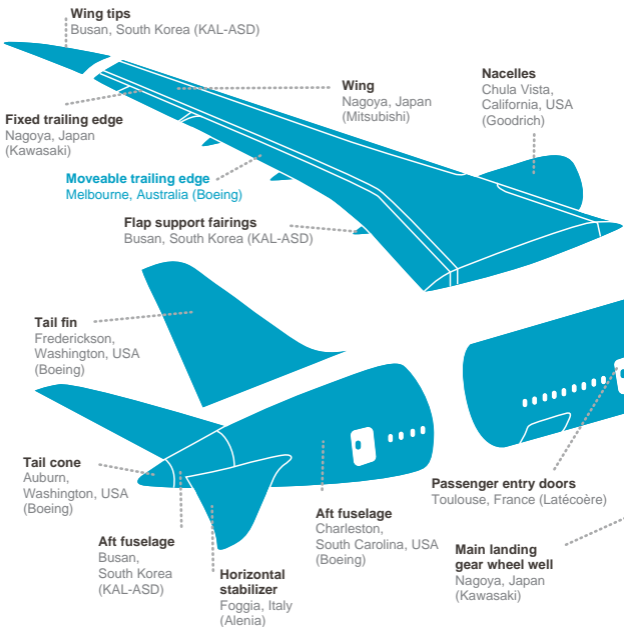
### THE IMPORTANCE OF GVCs IN TRADE TODAY

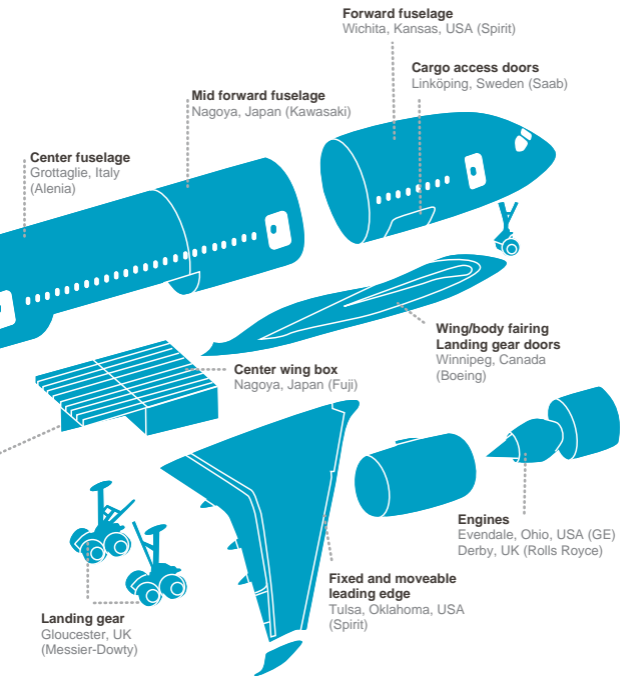
The growing importance of GVCs has further increased the incentive for countries to cut barriers to trade. Many industries now source inputs to production from every corner of the globe as part of GVCs. This means that tariffs and import restrictions decrease the competitiveness of a country's local industries, as they make imported inputs more expensive.

Countries increasingly rely on foreign inputs for their own firm exports, which may then be further processed in partner countries. Between 30 per cent and 60 per cent of G20 countries' exports consist of intermediate inputs traded within GVCs.

Active involvement in GVCs brings great benefits to Australia, as seen in the example of the Boeing 787 Dreamliner. This contract is worth approximately \$4bn over 20 years.

## PARTNERS ACROSS THE GLOBE ARE BRINGING THE BOEING 787 TOGETHER





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## AUSTRALIA AND THE WTO

As a founding member of both the WTO in 1995 and its predecessor, the General Agreement on Tariffs and Trade in 1947, Australia has a longstanding commitment to the multilateral trading system operated by the WTO. This system provides the framework governing world trade. Members agree on legally binding rules that provide important certainty for their exporters. Members can use the WTO's dispute settlement system to uphold these rules.

Australia also works actively to maintain these rules through participation in WTO committees. The committees provide the opportunity to discuss trade issues amongst WTO members. They also enhance transparency by requiring WTO members to notify them of measures they intend introducing that could affect trade.

Australia is committed to opening markets through multilateral trade negotiations in the WTO. In December 2013, a package was agreed at the 9<sup>th</sup> Ministerial Conference (MC9) in Bali, including trade facilitation, agriculture and development issues. Whilst WTO Members failed to meet the prescribed deadline to adopt the Trade Facilitation Protocol by July 31 2014, the benefits from implementation of the Trade Facilitation Agreement are too important to be lost. Australia is continuing to work with the WTO and its Members to realise these benefits. Australia is taking a leading role in discussions with other WTO Members on the post-Bali agenda, where we will seek market access for Australian exports across various negotiating sectors, including agriculture, industrial goods and services.

Australia is one of 14 WTO members negotiating an agreement to remove tariffs on a range of environmental goods.

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## AGRICULTURE AND FOOD TRADE

On average, 65 per cent of the value of Australian agriculture production is exported to overseas markets. In 2013, Australian agriculture and food exports totalled \$41.5 billion. This equated to 13.0 per cent of the total value of Australia's goods and services exports that same year. A core part of Australia's international trade policy agenda is the commitment to continuing efforts to remove distortions in global agricultural markets and seeking improved market access conditions for Australian exporters. This includes addressing non-tariff barriers in international markets.

Australia pursues agricultural trade policy through bilateral, regional and multilateral engagement with overseas markets. An open and transparent global food trading system is critical not only for Australia's agricultural and food industries, but it also helps strengthen global food security. Open and transparent markets allow agriculture and food to move from where it can be produced to where there is demand.

The Korea-Australia Free Trade Agreement (KAFTA) and the Australia-Japan Economic Partnership Agreement (JAEPA) are historic outcomes that will provide significantly improved market access and strengthen the food-trade relationship with two of Australia's most important agriculture and food export markets. These two markets were the destination for approximately 15.8 per cent of Australia's total food and agricultural exports in 2013.

## AUSTRALIA'S TOP AGRICULTURE, FISHERIES AND FORESTRY (a) EXPORTS 2013

Rank	Commodity (b) (c)	\$ million	% share
1	Wheat	6,085	14.7
2	Beef	5,695	13.7
3	Meat (excl beef)	2,884	6.9
4	Wool & other animal hair (incl tops)	2,608	6.3
5	Cotton	2,604	6.3
6	Oil-seeds & oleaginous fruits, soft	2,516	6.1
7	Wine	1,844	4.4
8	Barley	1,530	3.7
9	Sugars, molasses & honey	1,485	3.6
10	Milk, cream, whey & yoghurt	1,306	3.1
11	Animal feed	1,164	2.8
12	Live animals (excl seafood)	1,036	2.5
13	Hides & skins, raw (excl furskins)	1,029	2.5
14	Fruit & nuts	1,025	2.5
15	Vegetables	1,019	2.5
16	Edible products & preparations	992	2.4
17	Cheese & curd	781	1.9
18	Crustaceans	740	1.8
19	Cereal preparations	704	1.7
20	Wood in chips or particles	656	1.6
<b>TOTAL AGRICULTURE, FISHERIES &amp; FORESTRY EXPORTS</b>		<b>41,502</b>	<b>100.0</b>

(a) Based on the WTO definition of agriculture, fisheries & forestry as set out in the definitions & methodology section of the WTO International Trade Statistics publication, which includes alcoholic beverages.

(b) Recorded trade basis.

(c) Excludes confidential items of trade except sugar.

**Based on ABS trade data on DFAT STARS database and ABS special data services.**

## AGRICULTURE, FISHERIES AND FORESTRY EXPORTS

(\$ billion)



Based on ABS trade data on DFAT STARS database and ABS special data services.

“We currently feed 60 million people directly and 400 million indirectly through our technology and innovation. With the right support, investment and further innovation we can double those numbers.”

*Andrew Robb, Minister for Trade and Investment*

## AUSTRALIA'S TOP MANUFACTURES EXPORTS 2013

Rank	Commodity (a) (b)	\$ million	% share
1	Aluminium	3,675	9.0
2	Copper	3,373	8.2
3	Medicaments (incl veterinary)	3,085	7.5
4	Passenger motor vehicles	1,975	4.8
5	Aircraft, spacecraft & parts	1,384	3.4
6	Telecom equipment & parts	1,055	2.6
7	Medical instruments (incl veterinary)	1,020	2.5
8	Lead	923	2.3
9	Zinc	865	2.1
10	Civil engineering equipment & parts	857	2.1
11	Specialised machinery & parts	800	2.0
12	Measuring & analysing instruments	794	1.9
13	Paper & paperboard	780	1.9
14	Inorganic chemical elements	772	1.9
15	Vehicle parts & accessories	711	1.7
16	Miscellaneous manufactured articles	679	1.7
17	Pigments, paints & varnishes	656	1.6
18	Nickel	653	1.6
19	Computer parts & accessories	601	1.5
20	Silver & platinum	590	1.4
<b>TOTAL MANUFACTURES EXPORTS (c)</b>		<b>40,961</b>	<b>100.0</b>

(a) Recorded trade basis.

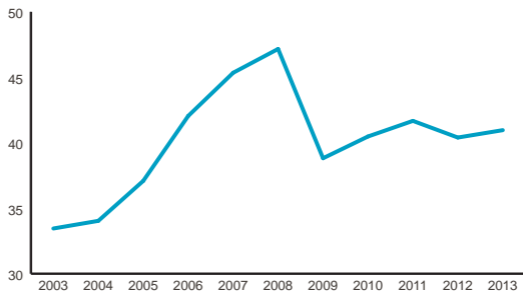
(b) Excludes confidential items of trade.

(c) Total manufactures exports on a balance of payments basis.

Based on ABS trade data on DFAT STARS database and ABS catalogues 5302.0 and 5368.0.

## AUSTRALIA'S MANUFACTURES EXPORTS

(\$ billion)



Based on ABS catalogue 5302.0.

“Global Value Chains are now integral parts of the global economy and will only grow in importance over time and Australia needs to be an increasingly active participant.”

*Andrew Robb, Minister for Trade and Investment*

## AUSTRALIA'S TOP MINERALS AND FUELS EXPORTS 2013

Rank	Commodity (a) (b)	\$ million	% share
1	Iron ores & concentrates	69,494	44.2
2	Coal	39,805	25.3
3	Natural gas	14,602	9.3
4	Crude petroleum	9,016	5.7
5	Aluminium ores & concentrates (incl alumina)	5,904	3.8
6	Copper ores & concentrates	5,172	3.3
7	Other ores & concentrates (c)	4,486	2.9
8	Refined petroleum	2,743	1.7
9	Liquefied propane & butane	1,115	0.7
10	Nickel ores & concentrates	1,099	0.7
11	Precious metal ores & concentrates (excl gold)	1,094	0.7
12	Non-ferrous waste & scrap	1,002	0.6
13	Ferrous waste & scrap	887	0.6
14	Crude minerals	220	0.1
15	Coke & semi-coke	202	0.1
16	Natural abrasives	70	0.0
17	Stone, sand & gravel	29	0.0
18	Residual petroleum products	24	0.0
19	Crude fertilisers	6	0.0
20	Petroleum gases	3	0.0
<b>TOTAL MINERALS &amp; FUELS EXPORTS (d)</b>		<b>157,174</b>	<b>100.0</b>

(a) Recorded trade basis.

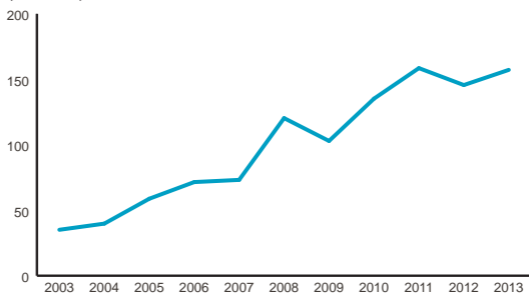
(b) Excludes confidential items of trade.

(c) Mainly Zinc ores & concentrates, Manganese ores & concentrates and Lead ores & concentrates. (d) Total minerals and fuels exports on a balance of payments basis.

**Based on ABS trade data on DFAT STARS database and ABS catalogues 5302.0 and 5368.0.**

## AUSTRALIA'S MINERALS AND FUELS EXPORTS

(\$ billion)



Based on ABS catalogue 5302.0.

“The prospects for Australian resources and energy, including gas, remain very bright indeed.”

*Andrew Robb, Minister for Trade and Investment*

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## SERVICES TRADE

Australia is jointly leading negotiations in Geneva on a Trade in Services Agreement. The agreement is between a subset of WTO Members, currently including 23 parties which collectively account for over 70 per cent of global services trade. Australia is also seeking to expand market access for our services exports through free trade agreements. Australia continues to look for ways to broaden existing liberalisation efforts and build on those efforts in a multilateral setting.

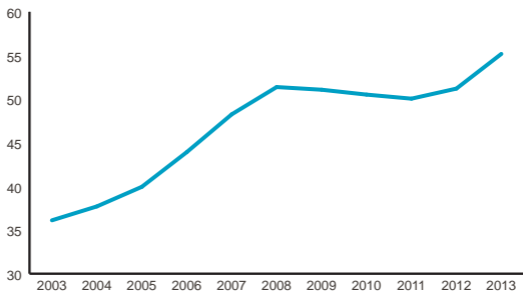
In particular, Australia is aiming to reduce foreign equity limitations on overseas investments, reduce requirements for services to be supplied through a commercial presence or specific forms of legal entity or joint venture, limit restrictions on international transfers and payments, improve regulatory transparency, and make it easier for business people to pursue opportunities in foreign markets through improved business mobility.

Priority sectors include financial services, legal and professional services, education, telecommunications and electronic commerce. We are also seeking to expand opportunities for Australian businesses in areas such as mining and energy services, environmental services and construction.

Australia is also active in promoting regulatory reform and services market access through APEC. In APEC, Australia is leading efforts to highlight regulatory reform and best practice in several services trade sectors, including transport and logistics, information technology and mining services. Australia also sponsors the APEC Services Trade Access Requirements (STAR) Database. This business friendly online resource has become a vital tool for services exporters in Australia and across the APEC region.

## AUSTRALIA'S SERVICES EXPORTS

(\$ billion)



Based on ABS catalogue 5302.0.

“Our engineers and architects, bankers and accountants, our ICT experts, lawyers, educators, project managers, medical technicians and pharmacists — to name just a few — are among the best in the world.”

*Andrew Robb, Minister for Trade and Investment*

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## TOURISM

In late 2013 Tourism joined the Foreign Affairs and Trade Portfolio. Tourism is Australia's number one services export industry valued at \$27.0 billion.

As part of the economic diplomacy agenda and priorities under Tourism 2020, we are strengthening bilateral tourism relationships with major source countries. We are also increasing our engagement in key multilateral tourism forums such as the APEC Tourism Working Group and the OECD Tourism Committee.

In 2012-13:

- » tourism GDP rose 3.7 per cent to \$42 billion (around 2.8 per cent of total GDP);
- » tourism industry exports rose 5.7 per cent to \$27 billion (8.9 per cent of total exports);
- » tourism industry imports contracted 0.1 per cent; and
- » tourism employment rose 2.2 per cent to 543,600 — almost double the 1.2 per cent growth rate of national employment — bringing tourism's share of employment to 4.7 per cent.

In 2013:

- » the number of international visitors to Australia aged 15 years and over increased 5.6 per cent to 5.9 million;
- » total trip expenditure grew 6 per cent to \$28.9 billion.

Australia's top trading partner, China, accounted for the greatest total trip expenditure and saw the greatest increase in visitor numbers of any country between 2012 and 2013.

## INTERNATIONAL VISITORS TO AUSTRALIA 2013 BY VISITOR NUMBERS

Rank	Country	Number of visitors ('000)	% change on 2012
1	New Zealand	1,086	1
2	China	665	14
3	United Kingdom	621	8
4	United States	473	6
5	Singapore	297	14
6	Japan	297	-7
7	Malaysia	248	12
8	Republic of Korea	184	-3
9	Hong Kong (SAR of China)	168	13
10	Germany	163	6

## INTERNATIONAL VISITORS TO AUSTRALIA 2013 BY TOTAL TRIP EXPENDITURE

Rank	Country	Total trip expenditure (\$ million)	% change on 2012
1	China	4,782	16
2	United Kingdom	3,395	12
3	United States	2,555	9
4	New Zealand	2,309	2
5	Japan	1,313	-15
6	Republic of Korea	1,140	-14
7	Singapore	1,055	3
8	Germany	958	7
9	Malaysia	938	-5
10	Hong Kong (SAR of China)	898	24

Source: Tourism Research Australia International visitors in Australia, December 2013.

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## INTELLECTUAL PROPERTY

Australia is a trading nation with a strong research tradition and a need for access to new technologies. Trade in royalties for intellectual property for Australia in 2013 was \$974 million (exports) and \$5.4 billion (imports). Australia supports international arrangements for the protection and use of intellectual property.

## FREE TRADE AGREEMENTS (FTAs)

Australia has concluded seven bilateral and regional trade agreements:

- » Malaysia-Australia Free Trade Agreement (MAFTA) 2013
- » Australia-Chile Free Trade Agreement (ACIFTA) 2009
- » Australia-United States Free Trade Agreement (AUSFTA) 2005
- » Thailand-Australia Free Trade Agreement (TAFTA) 2005
- » Singapore-Australia Free Trade Agreement (SAFTA) 2003
- » Australia-New Zealand Closer Economic Relations Trade Agreement (ANZCERTA) 1983
- » ASEAN-Australia-New Zealand Free Trade Agreement (AANZFTA) 2010

Australia has signed two agreements which will enter into force once domestic processes for both parties are complete:

- » Korea-Australia Free Trade Agreement (signed April 2014)
- » Japan-Australia Economic Partnership Agreement (signed July 2014)

Australia is undertaking FTA negotiations with:

- » China
- » India
- » Indonesia
- » Trans-Pacific Partnership members (Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, USA, Vietnam)
- » Regional Comprehensive Economic Partnership members (ASEAN, China, India, Japan, Republic of Korea and New Zealand)
- » Pacific Agreement on Closer Economic Relations members (Cook Islands, Micronesia, Kiribati, Nauru, New Zealand, Niue, Palau, Papua New Guinea, Republic of Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu)
- » The Gulf Cooperation Council (Saudi Arabia, Qatar, Bahrain, Oman, Kuwait, United Arab Emirates)

More information on Australia's FTAs can be found at:

[www.dfat.gov.au/publications/trade/](http://www.dfat.gov.au/publications/trade/)

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## FREE TRADE AGREEMENT NEGOTIATIONS

Across the globe, there is an expanding network of FTAs. High-quality, comprehensive FTAs can play an important role in supporting global trade liberalisation and are explicitly allowed for under the WTO rules.

FTAs can cover entire regions with multiple participants or link just two economies. Under these agreements, parties enter into legally binding commitments to liberalise access to each others' markets for goods and services, and investment. FTAs also typically address a range of other issues such as intellectual property rights, government procurement and competition policy.

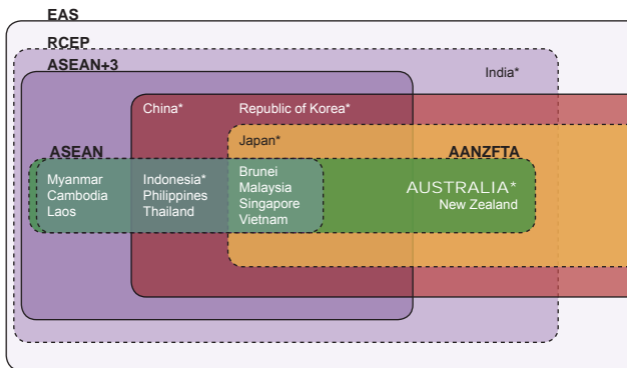
The Government will not enter into any trade agreement that falls short of the benchmarks set by the WTO or the benchmarks we set ourselves of high-quality, truly liberalising trade deals that support global trade liberalisation.

The countries covered by the FTAs that Australia currently has in force, including the recently concluded agreements with Japan and Korea, account for 42.2 per cent of our total trade. An additional 30.9 per cent of Australia's total trade occurs with countries with which we are currently negotiating FTAs.

FTAs are helping Australian exporters access new markets and expand trade in existing markets.

For more information visit: [www.fta.gov.au](http://www.fta.gov.au)

## AUSTRALIA'S PARTICIPATION IN REGIONAL ECONOMIC ARCHITECTURE



**ASEAN** ASEAN (the Association of Southeast Asian Nations) was established in 1967 to accelerate economic growth and social progress in South-East Asia and to promote regional peace and stability. The ten ASEAN Member States are Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

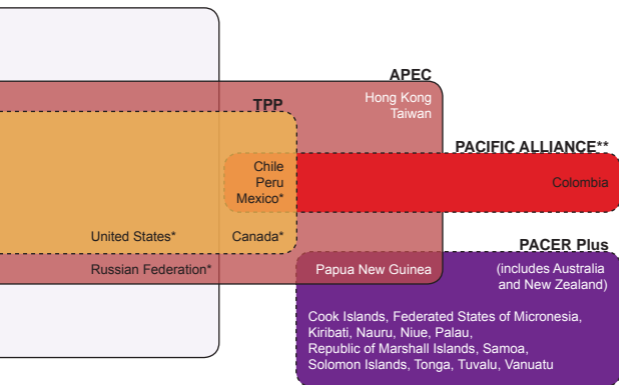
**AANZFTA** The Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) is a comprehensive FTA between the 10 ASEAN Member States, Australia and New Zealand. The agreement entered into force in 2010.

**ASEAN+3** ASEAN+3 (ASEAN Plus Three) is a forum that functions as a coordinator of cooperation between ASEAN and China, Japan and the Republic of Korea. The first ASEAN+3 Leaders' meeting was held in 1997.

**RCEP** Regional Comprehensive Economic Partnership (RCEP) negotiations involve the ten ASEAN Member States and ASEAN's six FTA partners — Australia, China, India, Japan, Republic of Korea and New Zealand. The RCEP negotiations were launched by Leaders on 20 November 2012.

**EAS** The East Asia Summit (EAS) is a regional leaders' forum for strategic dialogue and cooperation on key challenges facing the East Asian region. Membership comprises the ten ASEAN Member States, Australia, China, India, Japan, the Republic of Korea, New Zealand, the United States and the Russian Federation.

- \*Denotes G20 membership
- \*\*Australia was granted observer status in 2012
- ..... Denotes trade agreement/negotiation
- Denotes regional grouping



<b>TPP</b>	The Trans-Pacific Partnership Agreement (TPP) negotiations are building on the Trans-Pacific Strategic Economic Partnership Agreement (P4) between Brunei Darussalam, Chile, New Zealand and Singapore, which entered into force in 2006. TPP negotiations commenced in March 2010, and now include the P4 Parties and Australia, Canada, Japan, Malaysia, Mexico, Peru, the United States and Vietnam.
<b>APEC</b>	The Asia-Pacific Economic Cooperation (APEC) forum was established in 1989. Its primary purpose is to facilitate economic growth and prosperity in the region. APEC currently encompasses 21 member economies.
<b>PACER PLUS</b>	The Pacific Agreement on Closer Economic Relations (PACER) Plus negotiations were launched by Pacific Islands Forum Leaders in mid-2009.
<b>PACIFIC ALLIANCE</b>	The Pacific Alliance was formed in 2011, and aims to deepen integration between Peru, Chile, Mexico and Colombia, including in the free movement of goods, services, capital and people. Australia was granted observer status to the group in November 2012.
<b>G20</b>	The Group of Twenty (G20) is the premier forum for international economic cooperation and decision-making, with members from 19 countries plus the European Union.

## AUSTRALIA AND THE G20

Australia is the 2014 president of the Group of Twenty (G20), a key forum for international economic cooperation. The G20 consists of 19 countries and the European Union, representing around 86 per cent of global GDP, more than 75 per cent of global trade and two-thirds of the world's population. Since 2008, the G20 has worked to manage global economic and financial risks. The G20 continues to focus on measures to support global economic growth, with a strong emphasis on promoting job creation and open trade.

Hosting the G20 in 2014 gives Australia a valuable opportunity to influence the economic policies of the major economies of the world and contribute to a healthy global economy. In 2014, the G20 is moving to address the global growth challenge in an ambitious and meaningful way. The G20 Leaders' Summit in 2014 will be held on 15 and 16 November in Brisbane, Queensland. Australia took over the presidency of the G20 on 1 December 2013 from Russian Federation, and Turkey will succeed Australia in 2015.

### G20 MEMBERS

	Argentina		Australia
	Brazil		Canada
	China		France
	Germany		India
	Indonesia		Italy
	Japan		Republic of Korea
	Mexico		Russian Federation
	Saudi Arabia		South Africa
	Turkey		United Kingdom
	United States		European Union

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THE G20 IS:



85.9% of global GDP

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76.3% of world trade

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64.4% of world population

## APEC

As the leading economic forum in the Asia-Pacific, APEC has delivered substantial gains for businesses and consumers alike in Australia and throughout the region. APEC is pursuing an ambitious agenda of trade liberalisation, business facilitation, economic cooperation and technical assistance. The private sector engages closely with the APEC process, particularly through the APEC Business Advisory Council.

China is the current APEC host, with the Philippines to take over the role in 2015 and Peru in 2016.

- » APEC's goal is to achieve free and open trade and investment in the region by 2020.
- » Since 1989, average applied tariffs in the APEC region have fallen from 16.9 to 5.7 per cent.
- » Eight of Australia's 10 largest export markets are within APEC, including our top three export markets — China, Japan and Korea.
- » APEC has 21 member economies which account for 47 per cent of world trade and 71 per cent of Australia's total trade.

Australia is advancing several initiatives to promote more open and transparent markets for Australian business in the APEC region. These include activities to promote services liberalisation, supply-chain efficiency, structural reform, infrastructure investment, cross-border education cooperation, women's economic empowerment, good regulatory practices and financial market integration.

### APEC MEMBERS



Australia



Brunei Darussalam



Canada



Chile



China



Hong Kong (SAR China)



Indonesia



Japan



Republic of Korea



Malaysia



Mexico



New Zealand



Papua New Guinea



The Philippines



Singapore



Thailand



Vietnam



Peru



Russian Federation



Chinese Taipei



United States

For more information on APEC: [www.apec.org](http://www.apec.org)

“APEC is — and has been — such an integral part of Australia’s economic story over the past 25 years.”

*Andrew Robb, Minister for Trade and Investment*

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## NOTES

# DEPARTMENT OF FOREIGN AFFAIRS AND TRADE AUSTRALIAN OFFICE NETWORK

## CANBERRA OFFICE

Canberra 02 6261 1111

## STATE OFFICES

New South Wales Office  
Sydney 02 9356 6222

Northern Territory Office  
Darwin 08 8982 4199

Queensland Office  
Brisbane 07 3405 4799

South Australia Office  
Adelaide 08 8403 4899

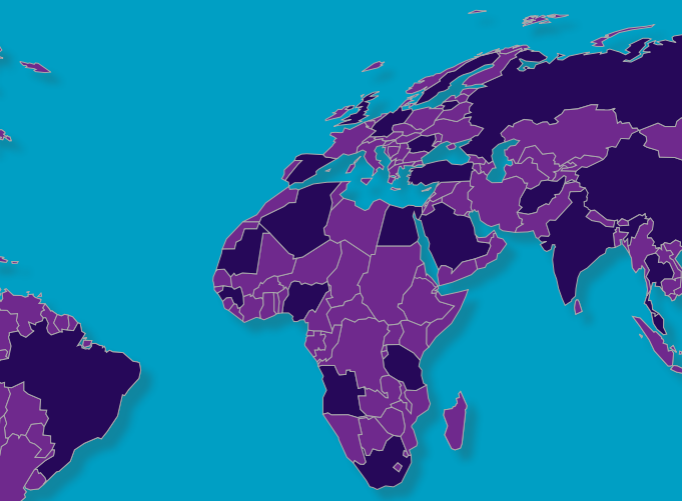
Tasmania Office  
Hobart 03 6238 4099

Victoria Office  
Melbourne 03 9221 5555

Western Australia Office  
Perth 08 9231 4499

Enquiries regarding the statistics presented in the booklet are welcome at:  
[statssection@dfat.gov.au](mailto:statssection@dfat.gov.au)

[WWW.DFAT.GOV.AU/TRADE](http://WWW.DFAT.GOV.AU/TRADE)



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