

signed on May 18, 2004. The Congress approved the Agreement in July 2004, and the President signed the measure into law on August 3, 2004.

The U.S.-Australia FTA is the first FTA between the United States and a developed country since the U.S.-Canada Free Trade Agreement in 1988. It is a 21st century agreement that reflects the modern globalized economy. The FTA will open markets and streamline mutual access in intellectual property, services, government procurement, e-commerce, and investment.

Australia is a large and growing trade and investment partner of the United States, and in 2003 was America's 14th largest export market for goods. Two-way goods and services trade is nearly \$29 billion, a 53-percent increase since 1994. Two-way foreign direct investment is about \$61 billion. Australia purchases more goods from the United States than they do from any other country, and the United States enjoys a bilateral goods and services trade surplus of \$9 billion. Australia is a key export market for important U.S. manufacturing sectors such as aircraft, autos and auto parts, machinery, computers and electronic products, chemicals, and wood and paper products. Each of the 50 U.S. states exports to Australia, and Australia is among the top 25 export destinations for 48 of the 50 states. The leading states exporting to Australia are Washington, California, Illinois, Texas, Michigan, New York, Ohio, Pennsylvania, and Florida.

The United States is working to open markets globally in the Doha World Trade Organization (WTO) negotiations; regionally through APEC and the Free Trade Area (FTAA) of the Americas negotiations; and bilaterally, via FTAs. New and pending FTA partners, taken together, would constitute America's third largest export market and the sixth largest economy in the world.

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