This is your quick guide to help you connect with customers and businesses across Australia. It's here to help you understand the local culture, shipping requirements, regulations and key commercial opportunities to expand your business.
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CONNECT Australia
Visit UPS.com
Open your new trade route to Australia.

Australia is the 21st largest export destination in the world. Australia has experienced the longest period of economic growth in the developed world. Australia and New Zealand are expected to grow at a compound annual growth rate (CAGR) of 4.4% during 2017 - 2023.

Australia has particularly strong trade with China accounting for 23% of total imports.
Other top import trading partners: U.S. 11.2%, Japan 7.4%, South Korea 5.5%, Thailand 5.1%, Germany 4.6%.
Australia accounts for 17.4% of New Zealand’s exports and supplies 12.3% of imports.

Australia is ranked 15th in the world for 'ease of doing business'. This is helped by the nation’s ‘single window’ digital trade portal, which seamlessly connects the various international trade agencies.

Five areas identified by the Australian trade Commission as being growth opportunities for foreign investment:
1) Advanced manufacturing
2) Services and technology
3) Agribusiness and food
4) Major infrastructure
5) Tourism infrastructure
6) Resources and energy

National facts and figures

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Language

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<td>76.8%</td>
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Unlocking your potential.

Australia has had one of the best-performing advanced economies in recent decades. This success is due to several factors that include close ties to the fast-growing Asia region, strong population growth, sound fiscal management and access to natural resources. Australia has a service-lead economy. Annual economic growth performance: 2.7% (2014), 2.5% (2015) to 2.4% (2016) is forecast to remain steady in the near future. Australia is an attractive marketplace as well as a connecting hub for those who want to trade with other markets in Asia and New Zealand.

Australia’s free trade agreement (FTA) with China entered into force in 2015, adding to existing FTAs with South Korea, Japan, Chile, Malaysia, New Zealand, Singapore, Thailand, and the U.S.

FTA opens up opportunities for Australian exporters as well as international providers of goods and services who look to establish their presence in Australia. Incentives offered to importers include reducing duties and barriers to entry. FTA attracts more imports to the benefit of domestic manufacturers and Australian consumers through access to an increased range of better value goods and services.

The main benefits for importers include:
- Tariff and tax relief
- Expedited transactions for faster processing of shipments
- Increased confidence in long-term business commitment

As the barriers to trade disappear, business owners who previously stayed away from importing to Australia may begin exploring international opportunities to uncover more supply chain opportunity, better prices or exclusive licences for goods.

Australia being a developed consumer market further supports bilateral trade from key import markets with FTAs and high de minimis thresholds with New Zealand, U.S. and China.

AUS $1,000 de minimis limits exposure to duty and tax in key import segments of retail, making Australia a desirable import market.

### Currency AUS $

- **GDP (US$)**: 1.339 trillion (2015)
- **GDP Per Capita (US$)**: 60,070 (2015)
- **CPI inflation Rate**: 1.5% (2015)
- **Total Imports**: 207.7 billion (2015 estimate)
- **Top import Partners**: China 23%, U.S. 11.2%, Japan 7.4%, South Korea 5.5%, Thailand 5.1%, Germany 4.6% (2015)
- **Top Export Partners**: China 28%, Japan 13.4%, U.S. 7%, South Korea 6.3%, India 4.3%, New Zealand 4.0%

### Australia - one of the world’s advanced economies:

- The reforms of the past 30 years have transformed Australia’s economy from being insular to being more open and dynamic.
- A stable financial system along with a strong fiscal position create a positive environment for trade growth. These factors made the country more resilient to recent global economic trends.
- 2015 economic data shows rising consumerism faster than many expected at 66.4%, and Australian companies targeting the rising middle class in China.
- With more disposable income Australia on-line shoppers go global. In 2016 Australia’s e-commerce sales totaled $U.S 9.5 billion with sales projected to increase to $U.S. 15.4 billion by 2021.

### Two trends have influenced international trade in the last couple of decades:

1. The increasing use of eCommerce.
2. The prominent role of new diaspora networks boosting services exports and global innovation. For example, Australia leveraged its Asian Australian diaspora to build transitional business links with Asia.

### Key trade flow into Australia (2016)

- **U.S.**: US$ 21.7 billion
- **E.U.**: € 32.4 billion
- **China**: US$ 44.2 billion
- **Japan**: US$ 14.6 billion
- **Thailand**: US$ 10.9 billion
- **New Zealand**: US$ 5.6 billion
Connecting with New Zealand.

Australia and New Zealand have established a very important trading partnership which allows international importers and exporters to enjoy the benefits of one of the most comprehensive bilateral trade agreements in the world:

The Australia – New Zealand Closer Economic Relations Trade Agreement (ANZCERTA) enables lower compliance costs and mutual recognition of standards for goods and services.

Australia and New Zealand share a similar business culture and are in close relationships with both countries having agreements between institutions and corporations.

New Zealand's total imports in 2015 valued at $35.8 billion.

Top import partners:
China 19.4% / Australia 11.8% / U.S. 11.7% / Japan 6.6% / Germany 4.7% / Thailand 4.2%

New Zealand’s trade relationship with China has nearly tripled.

Over the past decade, two-way trade between China and New Zealand has risen from US$ 8.2 billion in June 2007 to US$ 23 billion in June 2016.

In the 2017 World Bank’s report, New Zealand replaced Singapore at the top of the rankings for ‘ease of doing business’ thanks to streamlining and reducing their tax system and improving the efficiency of their border trade compliance systems.
Here are some examples of key areas of activity across the various regions of Australia.

**South Australia**
- **Imports**
  - Vehicle parts & accessories
  - Furniture, mattresses & cushions
  - Rubber tires, treads & tubes

**Western Australia**
- **Imports**
  - Civil engineering equipment & parts
  - Heating & cooling equipment & parts
  - Specialised machinery & parts
  - Iron or steel tubes & pipes

**Tasmania**
- **Imports**
  - Non-electrical machinery & parts
  - Special yarns & fabrics

**Northern Territory**
- **Imports**
  - Pumps (excl liquid pumps) & parts
  - Heating & cooling equipment & parts
  - Specialised machinery & parts
  - Rotating electric plant & parts

**Queensland**
- **Imports**
  - Heating & cooling equipment & parts
  - Civil engineering equipment & parts
  - Furniture, mattresses & cushions
  - Rubber tires, treads & tubes

**New South Wales**
- **Imports**
  - Telecom equipment & parts
  - Computers
  - Medicaments (including veterinary)
  - Medical instruments (including veterinary)

**Australian Capital Territory**
- **Imports**
  - Computers
  - Electrical machinery & parts
  - Measuring & analysing instruments
  - Medical electrodiagnostic apparatus

**Exports**
- Retail
- eCommerce
- Automotive
- Retail
- eCommerce
- Automotive
- Optical Instruments
- Technical Services
- Capital Cities
Meetings
- Although Australians may seem informal and relaxed - they can also be firm, direct and smart.
- Meetings are seen as open forums for debate, and where a potential solution is discovered.
- It pays to make an appointment with Australians, no matter how important you are - or you might not get to meet them.
- Although Australians live a relaxed lifestyle, they are very punctual when it comes to business appointments.
- Being casual about being late is thought to be very rude.

Business Culture
- Australians stress the need for local support and service - so visit often to show commitment.
- Franchising is well incorporated into the business culture – more franchising outlets per capita than any other country in the world, 3 times more than the U.S. and represents 9% of Australia’s GDP.
- Do not underestimate the locals. The labor force is one of the most educated, multicultural and multilingual in the world.
- Australia pro-actively attracts skilled workers from around the world, and they make up for around 30% of the workforce. This creates strong cultural diversity at work.
- Establish a local presence, with either an agent or distributor on the ground.

Customer Service
- Australians have low expectations when it comes to customer service.
- In countries like Japan, going the extra mile for customer satisfaction is normal, but in Australia it is not even on the radar.
- Australians do not always expect to get a response time when handing over a customer support ticket. Agents simply respond when they can.
- With B2B customer support, faster responses are becoming a crucial Key Performance Indicator (KPI) - so resolving issues for customers quickly is increasingly important.
- Customers are digitally connected and prone to sharing bad experiences with big online audiences. So even in Australia, customer service is fast changing for the better.

Holidays
Australian public holidays may vary between the states and territories. However, there are a number of National public holidays throughout the year when banks, offices and some shops are closed.

These are likely to disrupt business operations and decrease or increase consumer activity through eCommerce:
- New Year’s Day (1st January)
- Australia Day (26th January)
- Easter Holidays (Between 22nd March and 25th April inclusive)
- Anzac Day (25th April)
- Christmas Day (25th December)
- Boxing Day (26th December)

Australian workers are guaranteed 20 days of paid vacation under federal law - in addition to seven paid holidays. People leave and engage in their ‘real’ lives without fearing any repercussion for being away from the office.
Instructions on importing and exporting goods to and from Australia are provided. Key points include:

- Importers might need permits to clear certain goods.
- High demand goods attract low or zero tariffs.
- Australia has tight controls on goods with 'natural' fibers, requiring clear labeling.
- The Australian Quarantine and Inspection Service screens all goods.
- Inspection fees apply to incomplete invoices and goods requiring import permits.
- Detailed shipping information is needed, including material composition, country of origin, and description.
- You must pay import duty and taxes.

Useful tools and tips are offered for both shipping to and from Australia, with online tools available for assistance.
Useful links and reference information.

Useful Links

- Asia Economic Institute
- Australian Department for Foreign Affairs and Trade
- Australia China Business Council
- Australian Department of Immigration and Border Protection
- Australian Department of Industry, Innovation and Science
- Australian Trade & Investment Commission
- New Zealand China Trade Association
- New Zealand Trade & Enterprise

Sources & References

- Tradingeconomics.com
- CIA factbook
- World bank group
- Government statistics 2015
- US dept of commerce
- Australian trade & investment commission
- Australian Bureau of Statistics
- Just Landed
- World Business Culture
- Teamsupport
- Ups.com
- Dept. of Immigration and Border Protection
Partnering for maximum potential.

Whatever your needs are across Australia, New Zealand or the globe, import or export, business or consumer – UPS has the expertise in global logistics to help you succeed. With access to our comprehensive service portfolio you can capitalize on international market potential. The UPS network will connect you with your customers in Australia, New Zealand and Asia region and beyond, giving you the reassurance of our experience and the latest technology on your side to help you succeed.

Temperature-controlled logistics for sensitive medical and pharmaceutical products

UPS has 36 global healthcare facilities including a technologically advanced healthcare logistics centre in Sydney, Australia. The vast air-conditioned warehouse space includes a 5°C cool room and 20°C degree freezer together with a 24/7 temperature monitoring system. This provides facilities for companies from outside Australia who are looking to expand distribution of their goods across the region.

Global reach. Just reach out.

UPS Worldwide Express service is available in 117 countries and territories offering customers early delivery options to more locations. UPS in Australia operates in four airports with six weekly flights and picks up and delivers to all addresses in Australia.
Delivery commitment to Australia

*Based on the earliest delivery times by UPS Worldwide Express service and may vary by origin and destination postal codes. Time-in-transit can be subject to change without prior notice. Please visit ups.com for guarantee details, service availability and commitments before shipping. Certain commodities and high-value shipments may require additional transit time for customs clearance. The above information is updated as of July 2017.