

Gulf Research Center
Knowledge for All

Australia-GCC Relations



1. Key Domestic Developments

Australia is a federal parliamentary constitutional monarchy consisting of six states and two territories: New South Wales, Queensland, South Australia, Tasmania, Victoria, Western Australia, the Northern Territory, and the Australian Capital Territory (ACT). King Charles III serves as Australia's monarch, David Hurley as the Governor-General, and Anthony Albanese as the Prime Minister. Prime Minister Albanese, who led the Labor Party in the 2022 federal election, was appointed the 31st Prime Minister of Australia on May 21, 2022. The Labor Party won the election by winning a number of seats from the Liberal-National Coalition with the help of a significant swing party, dubbed as "teal independents."



Under Prime Minister Albanese, Australia has focused on four key domestic affairs. First, on the issue of climate change, Prime Minister Albanese submitted to the United Nations a stronger Nationally Determined Contribution (NDC), committing Australia to reduce carbon emissions by 43% on 2005 levels by 2030 on June 16, 2022. This NDC was then passed into law in September 2022. In addition, Prime Minister Albanese also submitted a bid for Australia to host COP29 in 2024. Second, Prime Minister Albanese aimed to raise the minimum wage by submitting a policy to the Fair Work Commission. The Commission consequently announced on June 15, 2022, that the minimum wage would be raised by 5.2%. Third, he pledged to establish

a national anti-corruption commission. Lastly, the Prime Minister expressed his support for Indigenous Australians and the Uluru Statement from the Heart. The Department of the Prime Minister and Cabinet also lists other initiatives, including behavioral economics, energy security, environmental protection, disaster resilience, a digital technology task force, effective commonwealth-state relations, a social impact investing task force, a national office for child safety, and vocational education and training review.

In March 2023, Australia's center-left Labor party, led by Chris Minns, came to power in the nation's most populous state of New South Wales, ending a 12-year Liberal-National government and completing a left-wing takeover of the mainland. Minns' party will win at least 47 seats, giving it a majority in the state's parliament. Minns, now the 47th premier of New South Wales, pledged to end privatization and create an "energy relief fund" amid elevated inflation.

Australia has faced criticism regarding its failure to represent First Nations people and the criminal justice system properly. This was particularly evident during the pandemic, as there was a considerable lack of vaccines for these communities. However, in March 2023, South Australia, under its premier Peter Malinauskas, became the first state to allow an Indigenous voice to parliament, making it a "momentous legislation for our First Nations people." Moreover, Australia has also been criticized for its treatment of asylum seekers and refugees. For instance, then Prime Minister Scott Morrison rejected at least 4,200 Afghan applications amid the Taliban takeover.

Key Australia Economic and Social Data

- GDP: 1.553 trillion USD (2021)
- GDP per capita: 60,443.11 USD (2021)
- Annual Growth Rate: 2.2% annual change (2021)
- Inflation: 2.86% (2020)



- Population: 25.69 million (2021)
- Unemployment Rate: 5.11% (2020)
- Credit Rating: Standard & Poor: AAA with stable outlook. Moody: Aaa with stable outlook. Fitch: AAA with stable outlook. DBRS: AAA with stable outlook.

Australia’s economy has proven resilient despite the COVID-19 pandemic. Australia enforced lockdowns, and its borders were closed for the majority of 2020 and 2021. International arrivals resumed in November 2021, and Australia’s international border fully reopened in February 2022. Australia’s economy will grow less in 2023 than previously forecasted, and inflation is expected to increase. The annual growth rate of the GDP will slow down more quickly each quarter, from 2.4% in the first three months of this year to 1% in the last three, according to Bloomberg. The slower growth is evidence of the Reserve Bank’s aggressive policy tightening cycle.

2. Australia Foreign Policy



Australia’s foreign policy is guided by multilateralism, regionalism, and building strong bilateral relations. Australia is a member of the UN, G20, OECD, and APEC. Australia is also part of two security treaties: the Five Power Defense Arrangement and AUKUS. After Prime Minister Albanese was elected, he made his first international trip to Japan for the Quad Security

Dialogue in May 2022, as Australia and Japan entered a special strategic partnership in 2014. Prime Minister Albanese also visited Indonesia to develop Australia-Indonesia relations.

In an effort to restore strong relations with France following tensions over the cancellation of a submarine deal, Prime Minister Albanese met with President Macron on June 30, 2022. Australia has sided with Ukraine during the Ukraine crisis, with the Prime Minister pledging \$100 million in humanitarian aid to the country. Most recently, Australia reversed its decision and dropped the recognition of Jerusalem as Israel’s capital. Australia’s Foreign Minister, Penny Wong, stated that Canberra is committed to a two-state solution. Consequently, Israeli Prime Minister Yair Lapid sharply criticized Australia’s decision, and the Israeli foreign ministry summoned the Australian ambassador.

Australia, the US, and the UK agreed on a nuclear submarine project under the AUKUS deal to help ensure peace and stability in the Pacific and counter China’s influence in the Indo-Pacific region. The US has also approved Australia’s request to purchase up to 220 long-range Tomahawk cruise missiles, valued at 1.3 billion Australian dollars (\$895 million), including maintenance and logistical support. China has strongly denounced this agreement, with its foreign ministry stating that the three countries are “walking further and further down the path of error and danger.”

Key Foreign Policy Initiatives in 2022

- In October 2022, Australia reversed its previous government’s recognition of West Jerusalem as the Israeli capital.
- Amid the Ukraine Crisis, Australia pledged over \$380 million in military assistance.
- In October 2022, Australia launched a rescue mission for women and children in Syrian detention camps.
- In August 2022, Australia and the EU renewed talks on the free trade agreement.

3. Australia-GCC Fact Sheet

Establishment of Diplomatic Relationship

- Australia-GCC Diplomatic Relations: Saudi Arabia (1974), Kuwait (1974), United Arab Emirates (1975), Qatar (1980), Oman (1981), and Bahrain (1987).

Current Diplomatic Representation

Australia has a range of diplomatic missions within the GCC, including embassies and consulate-generals. Australia has established embassies in Riyadh, Saudi Arabia; Kuwait City, Kuwait; Doha, Qatar; and Abu Dhabi, UAE. The embassy in Saudi Arabia is also responsible for Bahrain and Oman. Australia has also established a Consulate-General in Dubai, UAE. The GCC states, meanwhile, also have representations in Australia: While Oman and Saudi Arabia have established both an embassy and a consulate-general, Kuwait, Qatar, and the UAE have an embassy only. Bahrain does not have any diplomatic representation in Australia.

- [Australian Embassy in Saudi Arabia](#): Ambassador Mr. Mark Donovan
- [Royal Embassy of Saudi Arabia](#): Ambassador HE Mr. Mesaad Ibrahim A. Al Sulaim
- [Consulate-General of the Kingdom of Saudi Arabia](#): Mr. Mashare Ali M Ben Naheet
- [Australian Embassy in United Arab Emirates, Abu Dhabi](#): Ambassador Ms. Heidi Venamore
- [Australian Consulate-General in Dubai, United Arab Emirates](#)
- [Embassy of the United Arab Emirates](#): Ambassador Mr. Abdulla Alsubousi
- [Consulate-General of United Arab Emirates](#): HE Dr. Nariman Al Mulla
- [Australian Embassy in Kuwait](#): Ambassador Ms. Melissa Kelly
- [Embassy of the State of Kuwait](#): Ambassador HE Mr. Bassam M M Y Alqabandi

- [The Embassy of the Sultanate of Oman](#): Ambassador HE Dr. Mohammed bin Said Al-Busaidi
- [Consulate-General of the Sultanate of Oman](#): Dr. Hamood Amur Hamood Al Wardi
- [Australian Embassy, Qatar](#): Ambassador Mr. Jonathan Muir
- [Embassy of the State of Qatar](#): Ambassador Mr. Saad Abdulla AL-Mahmoud

Key Australia Officials with Responsibility for the Gulf Region

- Penny Wong, Foreign Affairs
- Don Farrell, Trade and Tourism
- Pat Conroy, International Development and the Pacific
- Tim Watts, Assistant for Foreign Affairs
- Tim Ayres, Assistant for Trade
- Marc Innes-Brown, First Assistant Secretary of the Middle East Africa and Afghanistan Divisions
- Gemma Huggins, Assistant of the Middle East Africa and Afghanistan Division, Middle East Branch
- Professor Hala Zreiqat, Chair of the Council for Australian-Arab Relations (CAAR)

Key Research Centers and Think Tanks

- [Lowy Institute](#)
- [Australian Strategic Policy Institute](#)
- [The Australia Institute](#)
- [Centre for International Security Studies](#)
- [Australian Institute of International Affairs](#)

Selected Key Regional Experts

- Dr. Rodger Shanahan, Nonresident Fellow at the Lowy Institute.
- Dr. Ahmar Mahboob, University of Sydney, Australia
- Prof. David Price, Associate Professor, Charles Darwin University, Australia



- Prof. Amin Saikal, Professor, The University of Western Australia, Australia
- Prof. Shahram Akbarzadeh, Research Professor, Deakin University, Australia

Key Recent Literature

- [Study On the Prospects and Possible Benefits of A Free Trade Agreement Between Australia and the Gulf Cooperation Council \(GCC\)](#) – Australian Department of Foreign Affairs and Trade
- [Challenges and Opportunities for Australian Businesses in GCC](#) - Doren Chadee, Banjo Roxas, and Tim Rogmans

4. Key Developments in Australia-GCC Relations

Australia-GCC

- GCC GDP: USD 1.4 trillion (2020).
- GCC GDP per capita: USD 24,500 (2020).
- GCC Population: 58 million (2020).
- Australia GDP: USD 1.3 trillion (2020).
- Australia GDP per capita: USD 51,800 (2020).
- Australia Population: 26 million (2020).
- Total two-way merchandise trade with Australia: AUD 11.1 billion (2021).
- Total two-way goods and services trade with Australia: AUD 13.1 billion (2020).



Australia-Saudi Arabia

- February 2023: Saudi Arabia and Australia signed several agreements to promote trade and investment during the Saudi-Australian Business Forum, which was organized by the Federation of Saudi Chambers
- November 2020: Australian Ambassador to Saudi Arabia Ridwaan Jadwat congratulated Saudi Arabia on its presidency of the G20.
- September 2018: A delegation of the Saudi-Australian Friendship Committee of the Saudi Shura Council headed by the Council Member Khalid Al-Abdullatif visited Australia. The delegation was invited by the Parliament of Australia.
- September 2018: Assistant Minister for Defense Mohammed bin Abdullah Al-Ayash visited Adelaide to attend the exhibition Forces 2018.
- October 2017: Assistant Minister for Trade, Tourism, and Investment of Australia, Keith Pitt, visited Saudi Arabia with a business delegation.

Australia-United Arab Emirates

- May 2022: General the Hon David Hurley, the Governor-General, visited the UAE.
- February 2022: The Hon Marise Payne, Minister for Foreign Affairs and Minister for Women, visited the UAE.
- January 2022: General the Hon David Hurley, the Governor-General, visited the UAE, including attending Expo 2020 Dubai.
- October 2021: The Hon Dan Tehan MP, Minister for Trade, Tourism, and Investment, visited the UAE, including attending Expo 2020 Dubai.
- December 2019: HE General the Hon David Hurley, the Governor-General, visited the UAE.
- December 2019: the Hon Peter Dutton, Minister for Home Affairs, visited the UAE.

- October 2019: the Hon Michael McCormack, Deputy Prime Minister and Minister for Infrastructure, Transport, and Regional Development, visited the UAE.
- July 2019: The Hon Linda Reynolds, Minister for Defense, visited the UAE.
- January 2019: The Hon Simon Birmingham, Minister for Trade, Tourism, and Investment, visited the UAE.
- December 2018: Prime Minister, the Hon Scott Morrison, visited the UAE.
- October 2018: The Hon Mitch Fifield MP, Minister for Communications, and the Arts, visited the UAE.
- August 2018: Dr. Thani bin Ahmed Al-Zeyoudi, UAE Minister for Climate Change, visited Australia.
- May 2018: HE Abdullah bin Zayed Al-Nahyan, UAE Minister for Foreign Affairs, visited Australia.
- May 2018: The Hon David Littleproud MP, Minister for Agriculture and Water Resources, visited the UAE.
- January 2018: The Hon Steven Ciobo MP, Minister for Trade, Tourism, and Investment, visited the UAE.

Australia-Qatar

- November 2022: Visit to Qatar by Anika Wells MP, Minister for Aged Care and Sen Anne Ruston, Shadow Minister for Aged Care and Sport.
- July 2022: Visit to Qatar by Mark McGowan, Premier of Western Australia.
- November 2019: HE Minister of State for Foreign Affairs Sultan bin Saad Al Muraikhi met with HE Ambassador of Australia to the State of Qatar Jonathan James Coulter Muir.
- September 2019: Visit to Qatar by Senator Catriona Bilyk (Head of Delegation), Senator Sam McMahon, and Sharon Claydon MP.
- March 2018: Visit to Qatar by the Hon David Littleproud MP, Minister for Agriculture.

- April 2017: Visit to Qatar by the Hon Marise Payne, Minister for Defense.

Australia-Oman

- March 2023: Australian investment firm Subco is offering to extend the Oman Australia Cable (OAC) undersea cable by 1,200 km to set up a new branch at Salalah in Oman. This will offer a secure route for internet connectivity between Australia, the Middle East, and Europe.
- August 2022: Visit to Australia by Oman's Foreign Minister, H.E. Sayyid Badr bin Hamad bin Hamood Albusaidi including meeting with Assistant Minister for Foreign Affairs, Tim Watts.
- September 2015: Visit to Oman by the Parliamentary Secretary for Foreign Affairs, Trade, and Investment.
- April 2015: Visit to Oman by the Speaker and a delegation of Members of the WA Legislative Assembly.

Australia-Bahrain

- December 2022: Bahrain and Australia signed an MoU to increase trade ties and business facilitations.
- April 2014: The Minister for Agriculture visited Bahrain with an industry delegation.

Australia-Kuwait

- January 2019: An Australian parliamentary Delegation visited Kuwait.
- May 2018: The Minister for Agriculture and Water Resources, the Hon. David Littleproud MP, visited Kuwait.
- February 2018: The Minister for Foreign Affairs, Julie Bishop, visited Kuwait.
- May 2016: Governor-General Sir Peter Cosgrove visited Kuwait.
- January 2016: The Minister for Tourism and International Education, Richard Colbeck, visited Kuwait.



The economic history between Australia and the GCC states dates back many years. However, the period between 1992 and 2002 is considered important as total merchandise exports from Australia to the GCC increased by 3%, equivalent to seven billion Australian dollars. Currently, GCC-Australia economic relations encompass trade and investment across a wide range of goods and services, mainly agricultural products like live animals, meat, dairy, vegetables, sugar, wheat, and other grains, as well as automotive and resource exports. As a result, both Australia and the GCC countries established trade-related organizations, such as the Australian Business Group (ABIG) in the GCC and the Australian Arab Chamber of Commerce in Australia. Moreover, Australia and the GCC states started negotiating a Free Trade Agreement in 2007. Several rounds of talks have been held, but no conclusion to the negotiations has been achieved.

Education is also an important aspect of the GCC-Australia Relationship. Within the GCC, Saudi Arabia leads in students studying in Australia, followed by Kuwait, Oman, the UAE, Bahrain, and lastly, Qatar. Student enrollments declined by 7% in 2020 and saw an even steeper decline in 2021 by 17% due to the pandemic, as Australia's borders were closed to international students. One of the main reasons for the decline is the inability to offer on-campus experiences. However, enrollments are recovering as the number of student visas granted increased by 35% in December 2021 in comparison to December 2020.

Australia also has taken positions on a wide range of events in the Middle East. For instance, Australia deployed both ground and air forces alongside the United States in Iraq to combat ISIS. Despite the US withdrawal from the JCPOA, Australia continues to impose autonomous sanctions in relation to Iran, which complement the UNSC sanctions. Australia has also condemned the attacks on Saudi oil installations in 2019, with Australian Foreign Minister Marise Payne stating that the "aggression is unacceptable, violates

international law, threatens security of global energy, destabilizes the global economy, affects the citizens and represents a real threat to the regional and international stability."

Most recently, Australia reversed its decision to recognize West Jerusalem as the capital of Israel in October 2022. Penny Wong, Australia's Foreign Minister, stated that the 2018 decision had undermined peace and "put Australia out of step with the majority of the international community." Palestinian Prime Minister Mohammed Shtayyeh welcomed the "wise and bold decision," which he stated demonstrated "Australia's respect and alignment with the values of truth, justice and freedom, and the legitimate rights of the Palestinian people, sanctioned by international legitimacy." Moreover, the Australian government raised concerns with Israel over Israel's finance minister, Bezalel Smotrich's remarks in March 2023. The finance minister caused an uproar after stating that there was "no such thing as a Palestinian people," and that the Palestinian town of Huwara in the West Bank should be "erased." The Gulf countries, particularly Saudi Arabia, welcomed Australia's decision to reverse its decision and pushed for substantial efforts by the international community to find a just settlement for Palestine.

In terms of politics and security, Saudi Arabia and Australia have established cooperation in countering terrorism and extremism, advocating for global peace and stability. Moreover, both countries are members of the Global Coalition to Defeat-ISIS and the International Syria Support Group. The UAE and Australia also enjoy strong trade relations as well as cooperation in the education, defense, aviation, and security sectors. In April 2014, the UAE and Australia signed an agreement on Cooperation in the Peaceful Uses of Nuclear Energy, which led to Australia supplying the UAE with uranium for their civilian nuclear power program. In addition, Oman and Australia are members of the Indian Ocean Rim Association (IORA), an inter-governmental organization to promote safety and security, sustainable growth,

and balanced development in the Indian Ocean Region. In conclusion, all six GCC countries have strong trade relations with Australia. Still, there is room for more opportunities and cooperation in the GCC-Australia relations within the trade, education, agriculture, and aviation sectors. There is also room to expand ties politically.

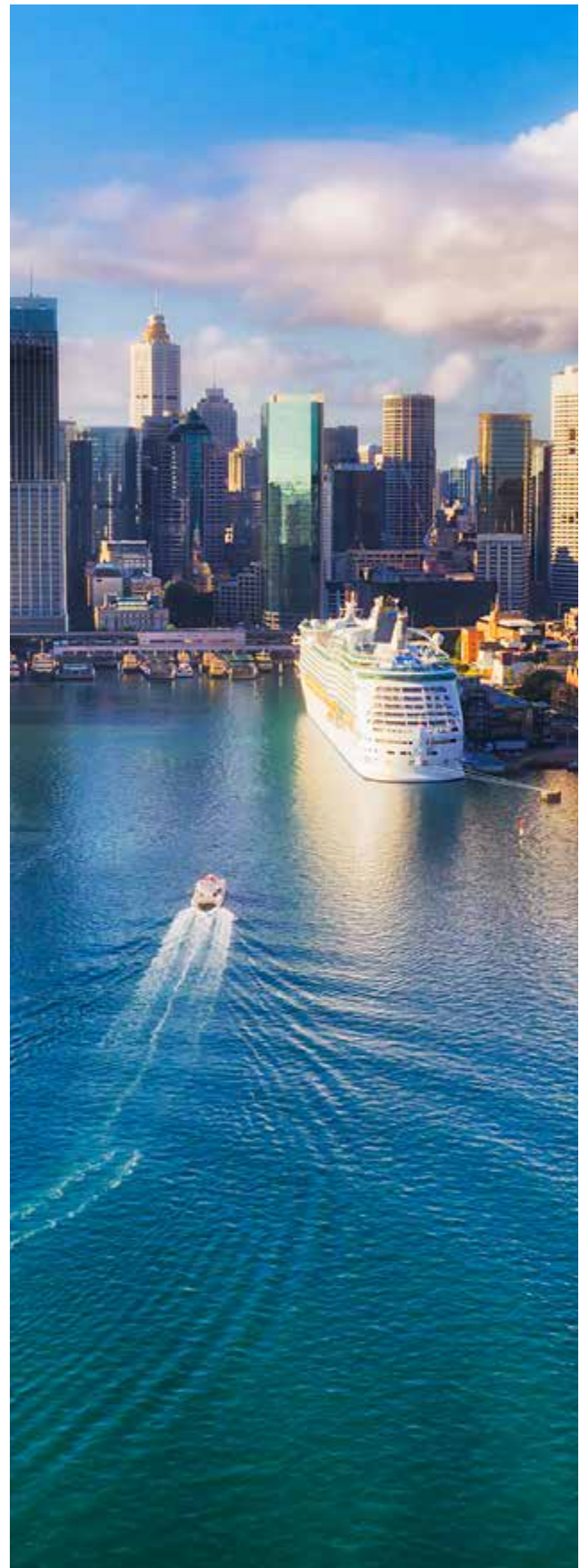
5. Supporting Documents

GRC publications and GRM workshops

- Dubai and Australian Relationships by Patricia Berwick – Gulf Research Center – January 2009.
- Gulf Cooperation Council Relations with Australia by Patricia Berwick – Gulf Research Center – January 2009.
- Engaging Iran: Australian and Canadian Relations with the Islamic Republic by Robert J. Bookmiller – Gulf Research Center – January 2009.

GRC recent interviews on the issues related to Australia:

- Dr. Abdulaziz Sager, Chairman of the GRC, received the Ambassador of Australia to the Kingdom of Saudi Arabia, Mr. Mark Donovan, and his colleagues at the GRC headquarters in Riyadh, Saudi Arabia, on August 9, 2022.





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