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FOREIGN INVESTMENT IN ENTERPRISES IN AUSTRALIA
SEPTEMBER QUARTER 1977 (PRELIMINARY)

INQUIRIES

If you want to know more about these statistics -
- *ring Mr Dudley Scoullar, Canberra 525606 or our State Office, or*
- *write to Information Services, ABS, P.O. Box 10, Belconnen, A.C.T. 2616*

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MAIN FEATURES

- **Net withdrawal (excluding undistributed income) of \$61m in September quarter 1977 following a net inflow of \$261m in the previous quarter.**
- **A net withdrawal of direct investment (\$84m) more than offsetting a net inflow of portfolio investment and institutional loans (\$23m).**
- **Of that part of foreign investment identified by country, the major withdrawal was to the USA (\$106m), while Japan made the biggest net inflow contribution (\$67m).**
- **Of that part of foreign investment identified by industry, net withdrawals were recorded for primary production (\$43m) and manufacturing (\$56m), while a net inflow was recorded for the other industries group (\$67m).**

EXPLANATORY NOTES

This bulletin presents preliminary estimates of foreign investment in enterprises in Australia during the September quarter 1977. The statistics are compiled from information collected in quarterly surveys of foreign investment. More reliable and detailed quarterly statistics derived from the same surveys will be published in the bulletin *"Foreign Investment in Enterprises in Australia"* (Catalogue No. 5306.0. Previously Ref. No. 5.61).

Scope and coverage

While it is not possible to publish quarterly the same range and detail as presented in the annual bulletin *"Overseas Investment"* (Catalogue No. 5305.0. Previously Ref. No. 5.20), the statistics in this publication are consistent in terms of scope with the equivalent statistics in the annual bulletin. A detailed description of the scope of foreign investment statistics is contained in that bulletin.

Coverage of the quarterly surveys, while considered adequate, is not as complete as that of the annual surveys and the statistics derived from the former are subject to revision as additional information becomes available, particularly when the results of the annual surveys come to hand.

Main aggregates

These statistics cover inflows of foreign investment in enterprises in Australia (other than undistributed income) classified by:

- Type of investment
- Country of investor
- Broad industry group of the enterprise receiving the investment.

The concepts, definitions and terms used are consistent with those used in the annual bulletin and are fully described and defined therein. However, for convenience the main terms used in this bulletin are described briefly below:

Direct investment: investment in Australian branches of foreign enterprises by head offices and other related foreign enterprises; and, broadly speaking, investment by related foreign enterprises in companies in Australia in which 25% or more of the equity is owned by a single foreign enterprise or group of related foreign enterprises.

Portfolio investment and institutional loans: all foreign investment in enterprises in Australia, other than direct investment.

Equity: ordinary shares or voting stock.

Non-equity: corporate securities (other than ordinary shares), intercompany indebtedness of direct investment enterprises with related foreign enterprises branch liabilities to head office, loans, advances and all other foreign financial liabilities other than short term trade credit indebtedness to unrelated foreign enterprises.

Presentation

All amounts shown in this bulletin are rounded to the nearest million dollars. Any discrepancies between totals and sums of components in the tables are due to rounding.

The symbol (..) in tables indicates that the amount is nil or less than \$500,000.

Amounts shown are on a net basis, a minus sign (–) denotes a net withdrawal of investment.

Other ABS publications

All statistical publications produced by the Canberra and State Offices of ABS are listed in *Catalogue of Publications* 1977 (Catalogue No. 1101.0. Previously Ref. No. 1.8), which is available free of charge from any of these Offices.

R. J. CAMERON
Australian Statistician

TABLE 1. INFLOW OF FOREIGN INVESTMENT (EXCLUDING UNDISTRIBUTED INCOME) IN ENTERPRISES IN AUSTRALIA, BY TYPE OF INVESTMENT
($A million)

	Direct investment				Portfolio investment and institutional loans			
		Non-equity						
Period	*Equity*	*Intercompany indebtedness etc. (a)*	*Other*	*Total*	*Equity*	*Non-equity*	*Total*	*Total*
Year –								
1974-75	106	212	82	400	–120	366	246	646
1975-76	124	–11	–169	–57	25	160	185	128
1976-77	31	345	19	396	–94	524	429	826
Quarter ended –								
1976								
June	46	96	–59	83	24	21	46	129
September	12	–47	–11	–46	–43	–32	–75	–121
December	–20	186	–39	127	–16	205	189	316
1977								
March	55	88	30	172	–16	214	198	370
June	–15	118	39	142	–19	137	118	261
September	–20	–101	38	–84	–29	52	23	–61

(a) Branch liabilities to head offices and intercompany indebtedness of subsidiaries to foreign parents and other related foreign enterprises.

TABLE 2. INFLOW OF FOREIGN INVESTMENT (EXCLUDING UNDISTRIBUTED INCOME) IN ENTERPRISES IN AUSTRALIA, BY COUNTRY
($A million)

Period	*United Kingdom*	*U.S.A.*	*Canada*	*Japan*	*E.E.C. (excl. U.K.)*	*Other countries (a)*	*Unallocated (b)*	*Total*
Year –								
1974-75	30	153	13	69	190	192	..	646
1975 76	4	93	–4	63	–31	2	..	128
1976-77	99	338	43	93	272	85	–103	826
Quarter ended –								
1976								
June	–30	59	2	21	34	20	24	129
September	–67	–11	5	–25	6	15	–43	–121
December	125	116	36	77	110	–123	–25	316
1977								
March	–25	200	5	4	84	119	–16	370
June	66	34	–2	36	72	74	–19	261
September	–12	–106	–5	67	15	9	–29	–61

(a) Includes bonds etc. issued on international capital markets for which no individual country details are available. (b) Mainly, that part of the equity component of portfolio investment and institutional loans for which country details are not available quarterly.

TABLE 3. INFLOW OF FOREIGN INVESTMENT (EXCLUDING UNDISTRIBUTED INCOME) IN ENTERPRISES IN AUSTRALIA, BY INDUSTRY GROUP
($A million)

Period	*Primary production (a)*	*Manufacturing*	*Other industries*	*Unallocated (b)*	*Total*
Year –					
1974-75	66	333	247	..	646
1975-76	–15	121	22	..	128
1976-77	–30	260	700	–103	826
Quarter ended –					
1976					
June	17	25	63	24	129
September	5	–41	–43	–43	–121
December	–81	66	356	–25	316
1977					
March	76	132	178	–16	370
June	–31	102	209	–19	261
September	–43	–56	67	–29	–61

(a) Includes, as well as agriculture, forestry and fishing, mining and quarrying and oil exploration and production. (b) Mainly, that part of the equity component of portfolio investment and institutional loans for which industry details are not available quarterly.