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COMMONWEALTH BUREAU OF CENSUS AND STATISTICS, CANBERRA, AUSTRALIA

Reference No. 5.41

OVERSEAS BORROWINGS BY COMPANIES IN AUSTRALIA SEPTEMBER QUARTER 1972 (PRELIMINARY)

The following tables contain preliminary information on overseas borrowings by companies in Australia during the September quarter 1972 and revised statistics for the June quarter 1972. "Overseas borrowings" do not include short-term trade credit, some small categories of borrowings and shares. These statistics are subject to revision when a more comprehensive publication is released.

2. These tables show two main statistical aggregates - outstandings at a point of time and net borrowing during a period. Outstandings represent the total amount of borrowings owing to overseas lenders at the date specified. Net borrowing comprises generally only those changes in outstandings which affect the aggregate liabilities of companies in Australia to overseas residents arising from the flow of funds, goods and services. A detailed statement of scope, coverage, definitions, etc., is given in the bulletin "Overseas Borrowings by Companies in Australia, September quarter 1971" (Ref. No. 5.39).

3. 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 the tables indicates that the amount is nil or less than five hundred thousand dollars.

HIGHLIGHTS OF OVERSEAS BORROWINGS STATISTICS – SEPTEMBER QUARTER 1972

- Identified overseas borrowings by companies in Australia, outstanding at 30 September 1972, totalled $5,923 m. (compared with $5,006 m. at 30 September 1971 - an increase of 18% for the twelve months - and a revised estimate of $5,708 m. at 30 June 1972).
- The proportions of the total outstanding at 30 September 1972 owed by predominantly overseas-owned companies (86%) and by predominantly Australian-owned companies (14%) have varied very slightly since 30 September 1971.
- Companies in industries other than primary and manufacturing accounted for the largest proportion of total outstandingsat 30 September 1972 (42% compared with 43% at 30 September 1971), followed by the primary sector, 31% and manufacturing 27% (28% and 29% respectively at 30 September 1971).
- The flow of net overseas borrowings (i.e. new borrowings less repayments) during September quarter 1972 totalled $209 m. - a fall of 32% on the revised June quarter 1972 flow of $307 m. (The September quarter 1971 flow was also $209 m.) The proportion borrowed by predominantly overseas-owned companies fell from 82% in June quarter 1972 to 64% in September quarter (predominantly Australian-owned companies accounted for 36% in September quarter 1972 compared with 18% in June quarter).
- Predominantly overseas-owned companies almost doubled the proportion of their net borrowing from unrelated companies overseas to 52% in September quarter 1972 compared with 29% in June quarter.
- Of the $3,667 m. outstanding overseas borrowings (other than branch liabilities and intercompany indebtedness) at end of September 1972, companies anticipated that 19.4% ($711 m.) would be repaid on or before 30 June 1974. Companies continued to ancicipate that a very high proportion of the outstanding overseas borrowings repayable at call or on an indefinite date would not be repaid before 30 June 1974. (91% at 30 September 1972 and 30 June 1972).
- The relatively small change in the Australian dollar value of outstanding borrowings expressed in Pounds sterling does not effectively reflect the change in sterling currency outstandings from 30 June to 30 September 1972. The actual addition to sterling currency outstandings at 30 September 1972 was £17 m. compared with 30 June 1972. The small change in outstandings recorded in Table 4 is due to changes in exchange rates during the September quarter.

TOTAL OVERSEAS BORROWINGS BY COMPANIES IN AUSTRALIA

TABLE 1. - OUTSTANDINGS AND NET BORROWING, BY TYPE OF BORROWER AND TYPE OF LENDER

($A million)

Type of lender	Type of borrower		
	Direct investment companies in Australia	Other companies in Australia	Total
	Net borrowing during June quarter 1972		
Related companies overseas	178	(a)	178
Unrelated companies overseas	74	56	129
Total	251	56	307
	Net borrowing during September quarter 1972		
Related companies overseas	64	(a)	64
Unrelated companies overseas	69	77	146
Total	133	77	209
	Outstandings at 30 September 1972		
Related companies overseas	4,147	(a)	4,147
Unrelated companies overseas	932	844	1,776
Total	5,079	844	5,923

(a) Not applicable.

TABLE 2. - OUTSTANDINGS AND NET BORROWING, BY TYPE OF BORROWER AND INDUSTRY SECTOR OF BORROWER

($A million)

Industry sector of borrower	Type of borrower		
	Direct investment companies in Australia	Other companies in Australia	Total
	Net borrowing during June quarter 1972		
Primary (a)	109	3	111
Manufacturing	44	12	56
Other	98	42	140
Total	251	56	307
	Net borrowing during September quarter 1972		
Primary (a)	64	14	78
Manufacturing	38	8	46
Other	30	55	85
Total	133	77	209
	Outstandings at 30 September 1972		
Primary (a)	1,765	44	1,808
Manufacturing	1,230	394	1,624
Other	2,085	407	2,491
Total	5,079	844	5,923

(a) Includes Mining.

TABLE 3. - OUTSTANDINGS AND NET BORROWING, BY TYPE OF BORROWING AND INDUSTRY SECTOR OF BORROWER

($A million)

Industry sector of borrower	Type of borrowing			
	Branch liabilities to Head Office	Intercompany indebtedness of subsidiaries	Other overseas borrowings	Total
	Net borrowing during June quarter 1972			
Primary (a)	24	5	82	111
Manufacturing	10	4	42	56
Other	7	31	102	140
Total	41	40	226	307
	Net borrowing during September quarter 1972			
Primary (a)	16	7	55	78
Manufacturing	-2	-7	56	46
Other	-1	-15	101	85
Total	13	-15	212	209
	Outstandings at 30 September 1972			
Primary (a)	842	24	942	1,808
Manufacturing	97	321	1,205	1,624
Other	434	473	1,584	2,491
Total	1,374	818	3,731	5,923

(a) Includes Mining.

TABLE 4. - OVERSEAS BORROWINGS OTHER THAN BRANCH LIABILITIES AND INTERCOMPANY INDEBTEDNESS OUTSTANDINGS, BY CURRENCY IN WHICH BORROWINGS EXPRESSED AND BY REPAYMENT TERMS, 30 SEPTEMBER 1972

Repayment terms	Currency in which borrowings expressed							
	US dollars	Australian dollars	Pounds sterling	Deutsche-marks	Swiss francs	Canadian dollars	Other currencies	Total
	- Value in $A million, converted at 29 September 1972 -							
Anticipated repayment periods								
Borrowings repayable at call or on an indefinite date - anticipated repayment -								
on or before 31 December 1972	7	42	2	..	..	..	..	50
1 January 1973 to 30 June 1973	4	4	2	..	..	..	..	11
1 July 1973 to 30 June 1974	13	11	10	..	..	..	3	37
on or after 1 July 1974	252	314	371	1	33	36	13	1,020
Borrowings repayable with contractual repayment dates - anticipated repayment -								
on or before 31 December 1972	129	30	13	..	5	..	2	180
1 January 1973 to 30 June 1973	132	36	17	3	12	..	1	200
1 July 1973 to 30 June 1974	152	49	7	11	8	1	5	233
1 July 1974 to 30 June 1977	683	60	55	17	57	5	27	903
on or after 1 July 1977	599	106	108	97	86	6	30	1,032
Total	1,971	651	585	130	200	48	81	3,667
Contractual repayment periods								
Borrowings repayable at call or on an indefinite date	276	371	385	1	33	36	17	1,119
Borrowings repayable with contractual repayment dates -								
on or before 31 December 1972	157	34	18	1	8	..	2	220
1 January 1973 to 30 June 1973	141	41	19	3	12	..	1	217
1 July 1973 to 30 June 1974	153	50	7	11	14	2	5	242
1 July 1974 to 30 June 1977	673	60	48	17	84	5	26	914
on or after 1 July 1977	571	95	108	97	49	6	30	956
Total	1,971	651	585	130	200	48	81	3,667

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NOTE. Inquiries concerning these statistics may be made in Canberra by telephoning 63 9111, extension 2191 or, in each State capital, by telephoning the office of the Bureau of Census and Statistics.