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INQUIRIES	**If you want to know more about these statistics ring Mr Dudley Scoullar on Canberra 525606 or our State office or write to Information Services, Australian Bureau of Statistics P.O. Box 10, Belconnen, A.C.T. 2616.**

OVERSEAS INVESTMENT 1975-76 (PRELIMINARY)

MAIN FEATURES

- **Total net inflow of overseas investment in Australia in 1975-76 was $748m ($916m in 1974-75).**
- **Net inflow excluding undistributed income in 1975-76 was $168m ($679m in 1974-75).**
- **Overseas investment in companies accounted for $702m and transactions in public authorities securities $47m.**
- **Income payable overseas in 1975-76 was $1400m ($1006m in 1974-75).**
- **Total net outflow of Australian investment overseas in 1975-76 was $153m ($130m in 1974-75).**
- **Income receivable from overseas in 1975-76 was $126m ($113m in 1974-75).**

TRENDS IN MAJOR AGGREGATES

Overseas investment in Australia

- The total inflow of identified overseas investment in Australia in 1975-76 was $748m. This represents a fall of $168m on the previous year and is mainly due to turnarounds during the period in direct investment (other than undistributed income) and investment in Australian public authority securities repayable in Australian currency. These were partly offset by substantial increases in undistributed income and investment in Australian public authority securities repayable in overseas currencies.

- Total direct investment inflow fell from $638m to $536m, the increase in reinvested earnings ($343m) not being sufficient to offset the turnaround in the flow for other direct investment ($445m).

- Undistributed income rose from $237m in 1974-75 to a record high of $580m earned in 1975-76, the rise being spread across all major investment sources, particularly the UK (up $136m) and USA (up $97m).

- For the first time since the beginning of the survey in 1947-48, there was a net withdrawal of funds in the other direct investment category in 1975-76 ($44m). The inflow of equity investment ($123m) was not large enough to offset the net withdrawal of non-equity investment ($167m).

- An inflow of $166m was recorded for portfolio investment in 1975-76, a decline of $91m on the previous year. This reflects a turnaround of $129m in its equity component where purchases by non-residents of Australian equities increased and sales declined. This was more than offset by a decrease of $220m in borrowings overseas due to a combination of lower drawings and higher repayments of borrowings in 1975-76.

- The U.K. and U.S.A. were the major sources of investment in companies in 1975-76. However, net withdrawals of investment from the EEC (excl. U.K.) and other countries (notably Bermuda, Switzerland, Belgium, New Caledonia, Federal Republic of Germany and Hong Kong) caused an overall reduction in the net inflow of investment for 1975-76 when compared with the previous year.

- Industries to receive the most significant amounts of investment in 1975-76 were mining and quarrying ($149m), founding, engineering and metal working ($172 m), oil distribution ($131m) and commerce ($103m). A net withdrawal of funds was recorded for the banking and other finance and property industries ($127m).

Investment income payable overseas

- Total income payable overseas was $1,400m, the highest on record and $394m higher than the previous year, with most of the increase reflected by the rise in undistributed income of $343m.

. Both distributed income on direct investment and income payable on portfolio investment were also record highs at $522m ($488m in 1974-75) and $214m ($205m in 1974-75) respectively.

. Of the $377m rise in income payable on direct investment (which includes undistributed income), $113m was attributable to companies in the insurance industry (a net loss in 1974-75 due to the Darwin cyclone), $77m to the oil distribution industry, $54m to the commerce industry and $42m to the vehicles, parts and accessories industry.

Australian investment overseas

. Total recorded outflow of Australian investment overseas rose by $23m to $153m in 1975-76, the second highest on record. Declines in investment in the U.K., New Zealand and the "other countries" category were more than offset by increases in investment to the U.S.A. and Papua New Guinea.

Direct investment income receivable from overseas

. Income receivable on direct investment overseas at $126m was $13m higher than the previous year, but below the record $186m in 1973-74. The small increase was spread across all major countries.

EXPLANATORY NOTES

This bulletin contains preliminary estimates for 1975-76 of overseas investment and income payable on that investment. For purposes of comparison, details are also shown for the years 1973-74 and 1974-75. Figures for these earlier years have been revised to incorporate the latest available amendments. The statistics for all three years are subject to further revision when the final bulletin *Overseas Investment 1975-76* is published later this year. For information regarding the basis of the figures and more detailed figures for earlier years, reference should be made to the bulletin *Overseas Investment 1974-75* (Reference No. 5.20).

2. The symbol ". .", where it appears in tables in this bulletin, indicates that the amount is either nil or less than half a million dollars.

3. In the tables relating to both the inflow and outflow of investment, increases in investment by some investors are offset against withdrawals of investment by other investors. The symbol "—" denotes an excess of withdrawals of investment over increases in investment.

4. The figures in this publication have been rounded to the nearest million. Any discrepancies between totals and sums of components in the tables are due to rounding.

Changes in this issue

5. The following changes have been made in this issue

. Statistics of investment in public authority securities have been included, thus providing some information that has not previously been available until release of the final overseas investment bulletin (Ref. No. 5.20).

. The equity/non-equity classification published for the first time in the 1974-75 issue of 5.20 has also been incorporated in this preliminary bulletin (table 3).

. Statistics on portfolio investment in companies in Australia by industry have been included, introducing a finer industry dissection of portfolio investment than that provided in the 1974-75 issue of 5.20.

. Statistics on outflow of Australian investment overseas and income receivable by country are presented in tabular form, replacing the footnotes in previous issues.

Related statistics on overseas investment

6. Other ABS publications which may be of interest include

Overseas Investment (Ref. No. 5.20)
Overseas Borrowings by Companies in Australia (Ref. No. 5.39)
Foreign Investment in Enterprises in Australia (Ref. Nos. 5.60 and 5.61)
Balance of Payments (Ref. No. 8.1)
Balance of Payments : Quarterly Summary (Ref. No. 8.2)
Balance of Payments : Monthly Summary (Ref. No. 8.30)

All publications produced by the ABS are listed in *Publications of the Australian Bureau of Statistics* (Ref. No. 1.8) which is available free of charge from any ABS office.

TABLE 1. INFLOW OF OVERSEAS INVESTMENT IN AUSTRALIA, BY BROAD TYPE OF INVESTMENT
($A million)

Year	Investment in companies in Australia			Investment in Australian public authority securities repayable in –			Total
	Direct investment		Portfolio investment and institutional loans	Australian currency	Overseas currencies to –		
	Undistributed income	Other direct investment			Countries overseas	I.B.R.D.	
1973-74	424	172	−140	45	−122	−7	372
1974-75	237	401	257	21	9	−9	916
1975-76	580	−44	166	−80	133	−6	748

TABLE 2. INFLOW OF OVERSEAS INVESTMENT IN AUSTRALIA, BY COUNTRY
($A million)

Year	United Kingdom	U.S.A.	Canada	Other countries	I.B.R.D.	Total
1973-74	59	100	18	203	−7	372
1974-75	68	349	14	493	−9	916
1975-76	228	475	26	25	−6	748

TABLE 3. INFLOW OF OVERSEAS INVESTMENT IN COMPANIES IN AUSTRALIA, BY TYPE OF INVESTMENT
($A million)

Year	Direct investment							Portfolio investment and institutional loans			Total
	Australian branches		Australian subsidiaries								
				Other direct investment							
	Unremitted profits (net)	Other direct investment	Undistributed profits (net)	Equity	Intercompany indebtedness	Other	Total	Equity	Other	Total	
1973-74	22	19	402	103	170	−120	596	−123	−17	−140	456
1974-75	8	21	229	111	191	77	638	−110	367	257	895
1975-76	130	−38	451	123	−11	−118	536	19	147	166	702

TABLE 4. INFLOW OF OVERSEAS INVESTMENT IN COMPANIES IN AUSTRALIA, BY COUNTRY AND BROAD TYPE OF INVESTMENT
($A million)

Year	United Kingdom	U.S.A.	Canada	Japan	E.E.C. (excl. U.K.) (a)	Other countries	Total
			UNDISTRIBUTED INCOME				
1973-74	186	218	18	3	−12	11	424
1974-75	85	193	2	2	−34	−11	237
1975-76	221	290	29	16	1	24	580
			OTHER DIRECT INVESTMENT				
1973-74	72	47	12	47	28	−34	172
1974-75	82	57	2	46	80	133	401
1975-76	3	−50	6	54	−12	−44	−44
			PORTFOLIO INVESTMENT AND INSTITUTIONAL LOANS				
1973-74	−176	−77	−12	26	77	22	−140
1974-75	−45	99	12	12	109	71	257
1975-76	24	132	− 8	5	−1	13	166
			TOTAL				
1973-74	81	189	18	75	93	−1	456
1974-75	123	349	15	60	155	193	895
1975-76	247	372	27	76	−12	−8	702

(a) Belgium, Denmark, France, Federal Republic of Germany, Ireland, Italy, Luxembourg and Netherlands.

TABLE 5. INFLOW OF OVERSEAS INVESTMENT IN COMPANIES IN AUSTRALIA, BY INDUSTRY
($A million)

	1973-74			1974-75			1975-76		
	Direct investment	Portfolio investment and institutional loans	Total	Direct investment	Portfolio investment and institutional loans	Total	Direct investment	Portfolio investment and institutional loans	Total
Primary production –									
1. Agriculture, forestry and fishing	1	–2	–1	–7	1	–6	1	6	7
2. Mining and quarrying	96	–52	45	104	98	202	68	81	149
3. Oil exploration and production	–34	3	–31	–34	–6	–39	–30	3	–28
Total primary production	*64*	*–50*	*13*	*64*	*93*	*156*	*39*	*89*	*129*
Manufacturing –									
4. Founding, engineering and metal working (a)	41	–16	15	60	132	192	30	142	172
5. Vehicles, parts and accessories (b)	33	–8	25	31	4	35	67	–6	61
6. Electrical goods, equipment, cables, etc.	39	–1	38	55	10	65	3	–1	2
7. Food, drink and tobacco	36	–32	4	40	21	61	39	5	45
8. Chemicals and allied products (c)	52	–7	42	50	10	56	58	–18	37
9. Oil refining			4			4			4
10. Cement, bricks, glass and stone	5	–11	–5	4	2	6	11	12	22
11. Yarns, textiles, clothing, footwear and accessories	13	–9	4	–2	–1	–3	4	3	7
12. Paper and paper products, printing, book binding and photography	13	4	17	6	3	9	11	–5	7
13. Other manufacturing (d)	26	–3	23	34	3	37	7	–5	2
Total manufacturing	*248*	*–82*	*166*	*278*	*185*	*463*	*231*	*127*	*357*
Other industries –									
14. Insurance (e)	–15	9	–6	33	2	35	66	5	71
15. Banking	78	50	51	115	–101	9	–68	–53	6
16. Other finance and property			78			4			–127
17. Primary produce dealing	111	–5	–16	–39	17	–52	116	11	–3
18. Oil distribution			123			30			131
19. Commerce	111	–21	90	147	30	177	105	–2	103
20. Building and construction	–12	–7	–18	5	3	8	5	–1	4
21. Transport, storage and communication	4	. .	5	16	13	29	21	–12	9
22. Other industries	7	–34	–27	18	15	33	21	2	23
Total other industries	*285*	*–8*	*277*	*296*	*–21*	*275*	*266*	*–50*	*216*
Total	**596**	**–140**	**456**	**638**	**257**	**895**	**536**	**166**	**702**

(a) Includes extracting and refining. (b) Includes assembly and repairs. Excludes aircraft and ships. (c) Consists of chemicals, dyes, explosives, paints and non-mineral oils. (d) Includes aircraft and ships. (e) Excludes life insurance.

TABLE 6. INVESTMENT INCOME PAYABLE OVERSEAS, BY BROAD TYPE OF INCOME
($A million)

	Investment income payable overseas by companies in Australia on –									
	Direct investment				Portfolio investment and institutional loans					
Year	Undistributed income	Remitted profits and dividends payable	Interest payable	Total	Dividends	Interest	Total	Total	Interest paid on overseas holdings of Australian public authority securities (a)	Total
1973-74	424	313	113	850	72	87	159	1,009	76	1,085
1974-75	237	356	132	725	71	134	205	930	75	1,006
1975-76	580	390	132	1,102	53	161	214	1,316	84	1,400

(a) Interest paid on overseas holdings of securities repayable in Australian and overseas currencies including interest paid to the I.B.R.D.

TABLE 7. INVESTMENT INCOME PAYABLE OVERSEAS BY COUNTRY AND BROAD TYPE OF INCOME
($A million)

Year	*United Kingdom*	*U.S.A.*	*Canada*	*Japan*	*E.E.C. (excl. U.K.)*	*Other countries*	*Total*
			UNDISTRIBUTED INCOME				
1973-74	186	218	18	3	−12	11	424
1974-75	85	193	2	2	−34	−11	237
1975-76	221	290	29	16	1	24	580
			DISTRIBUTED INCOME ON DIRECT INVESTMENT				
1973-74	141	240	6	12	5	22	426
1974-75	131	296	12	13	9	26	488
1975-76	128	321	18	13	11	30	522
			INCOME PAYABLE ON PORTFOLIO INVESTMENT AND INSTITUTIONAL LOANS				
1973-74	54	32	2	5	24	41	159
1974-75	68	37	3	8	30	60	205
1975-76	60	52	3	10	39	49	214
			INTEREST ON AUSTRALIAN PUBLIC AUTHORITY SECURITIES (a)				
1973-74	18	22	..	2	18	17	76
1974-75	17	22	..	2	17	17	75
1975-76	14	31	..	2	25	14	84
			TOTAL				
1973-74	398	512	27	22	35	91	1,085
1974-75	302	549	16	25	22	92	1,006
1975-76	423	693	50	41	76	116	1,400

(a) Includes interest payable to I.B.R.D.

TABLE 8. DIRECT INVESTMENT INCOME PAYABLE OVERSEAS BY COMPANIES IN AUSTRALIA, BY INDUSTRY
($A million)

Industry	*1973-74*	*1974-75*	*1975-76*
Primary production –			
1. Agriculture, forestry and fishing	8	−12	−4
2. Mining and quarrying	212	245	243
3. Oil exploration and production	57	71	89
Total primary production	*277*	*303*	*328*
Manufacturing –			
4. Founding, engineering and metal working (a)	56	62	80
5. Vehicles, parts and accessories (b)	19	32	74
6. Electrical goods, equipment, cables, etc.	30	22	35
7. Food, drink and tobacco	57	45	79
8. Chemicals and allied products (c)	90	64	86
9. Oil refining			
10. Cement, bricks, glass and stone	12	5	11
11. Yarns, textiles, clothing, footwear and accessories	12	2	8
12. Paper and paper products, printing, book binding and photography	15	14	21
13. Other manufacturing (d)	29	24	13
Total manufacturing	*321*	*270*	*406*
Other industries –			
14. Insurance (e)	−13	−69	44
15. Banking	67	77	33
16. Other finance and property			
17. Primary produce dealing	15	−3	..
18. Oil distribution	72	76	153
19. Commerce	89	49	103
20. Building and construction	14	10	14
21. Transport, storage and communication	3	3	9
22. Other industries	7	7	11
Total other industries	*253*	*151*	*367*
Total	**850**	**725**	**1,102**

(a) Includes extracting and refining. (b) Includes assembly and repairs. Excludes aircraft and ships. (c) Consists of chemicals, dyes, explosives, paints, and non-mineral oils. (d) Includes aircraft and ships. (e) Excludes life insurance.

TABLE 9. OUTFLOW OF AUSTRALIAN INVESTMENT OVERSEAS, BY TYPE OF INVESTMENT
($A million)

Year	Direct investment: Overseas branches: Unremitted profits (net)	Direct investment: Overseas branches: Other direct investment	Direct investment: Overseas subsidiaries: Undistributed profits (net)	Direct investment: Overseas subsidiaries: Other direct investment	Total	Portfolio investment and institutional loans (a)	Total	Investment in foreign government securities	Net overseas remittances by life insurance companies	Total
1973-74	−3	56	102	75	230	16	245	. .	−14	231
1974-75	−12	16	39	62	105	43	149	−4	−14	130
1975-76	. .	5	57	71	133	21	154	. .	−1	153

(a) Excludes portfolio investment in Papua New Guinea other than some long-term trade credit and short-term assets.

TABLE 10. OUTFLOW OF AUSTRALIAN INVESTMENT OVERSEAS, BY COUNTRY
($A million)

Year	United Kingdom	New Zealand	U.S.A. and Canada	Papua New Guinea (a)	Other countries	Total
1973-74	33	25	38	50	86	231
1974-75	32	47	8	−13	57	130
1975-76	19	10	50	32	42	153

(a) Excludes portfolio investment other than some long-term trade credit and short-term assets.

TABLE 11. DIRECT INVESTMENT INCOME RECEIVABLEFROM OVERSEAS BY COMPANIES IN AUSTRALIA, BY TYPE OF COMPANY AND TYPE OF INCOME (a)
($A million)

Year	Overseas branches: Unremitted profits (net)	Overseas branches: Remitted profits and interest	Overseas subsidiaries: Undistributed profits (net)	Overseas subsidiaries: Dividends and interest receivable	Total
1973-74	−3	19	102	69	186
1974-75	−12	23	39	62	113
1975-76	. .	22	57	48	126

(a) Details are not available of income receivable in Australia on either portfolio investment and institutional loans or on Australian holdings of foreign government securities.

TABLE 12. DIRECT INVESTMENT INCOME RECEIVABLE FROM OVERSEAS BY COMPANIES IN AUSTRALIA, BY COUNTRY
($A million)

Year	United Kingdom	New Zealand	U.S.A. and Canada	Papua New Guinea	Other countries	Total
1973-74	25	35	2	(b)	(c)124	186
1974-75	17	28	4	(b)	(c)63	113
1975-76	22	32	6	(b)	(c)68	126

(a) Details are not available of income receivable in Australia on either portfolio investment and institutional loans or on Australian holdings of foreign government securities. (b) Not available for publication – included in 'Other countries'. (c) Includes Papua New Guinea.

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