AUSTRALIAN BUREAU OF STATISTICS
Canberra

FOREIGN INVESTMENT AUSTRALIA 1986-87 PRELIMINARY

CATALOGUE NO. 5304.0

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FOREIGN INVESTMENT AUSTRALIA 1986-87 PRELIMINARY

IAN CASTLES

Australian Statistician

AUSTRALIAN BUREAU OF STATISTICS

CATALOGUE NO. 5304.0

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Note: Change in this Issue

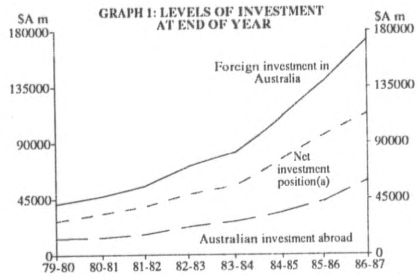
This issue reflects the significant changes to both the data content and presentation of foreign investment statistics that were introduced in the June quarter 1987 issue of the quarterly publication *Foreign Investment, Australia* (5306.0) and in the 1985–86 issue of the annual publication *Foreign Investment, Australia* (5305.0). It also includes some additional detail not previously provided in this publication. These changes are outlined in more detail on pages 7 to 8.

CONTENTS

MAIN FEATURES

Levels of investment and international investment position, 30 June 1987 –

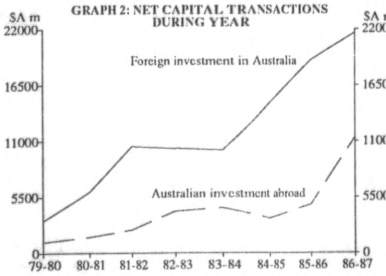
Australia had net liabilities to non-residents of \$113,360 million at 30 June 1987, 18 per cent higher than a year earlier. The level of foreign investment in Australia had reached \$173,014 million while the level of Australian investment abroad totalled \$59,655 million. Both categories of investment recorded strong increases year on year, rising by \$34,416 million (25 per cent) and \$16,781 million (39 per cent) respectively.



(a) Net international investment position equals foreign investment in Australia less Australian investment abroad.

Capital transactions, 1986–87 –

Foreign investment in Australia recorded a net inflow of \$21,652 million in 1986–87, up 14 per cent on the inflow recorded in 1985–86. Foreign borrowing accounted for 69 per cent of the inflow in 1986–87 while investment in Australian shares accounted for 25 per cent. Australian investment abroad recorded a net outflow of \$11,421 million, up 139 per cent on the previous year's result. Investment in foreign shares and the acquisition of reserve assets accounted for 57 per cent and 30 per cent respectively of the outflow.

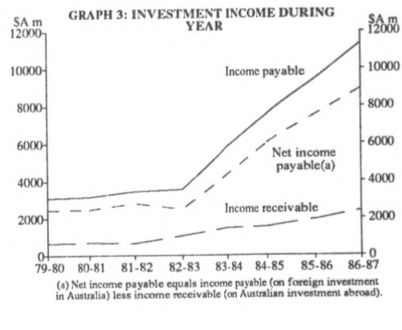


Exchange rate variations and other changes, 1986–87 –

Changes other than transactions accounted for \$12,764 million (37 per cent) of the increase in the level of foreign investment in Australia in 1986–87. These changes included an increase of \$14,306 million in the value of Australian shares held by non-residents, largely as a result of higher share prices, which was partly offset by a reduction of \$1,636 million in the value of foreign borrowing due to exchange rate variations. In the case of Australian investment abroad, changes other than transactions accounted for \$5,361 million (32 per cent) of the increase in the level of investment in 1986–87. The main contributing factor was again higher share prices, with exchange rate variations having little net effect.

Investment income, 1986–87 –

Net investment income payable abroad was \$8,930 million, up 19 per cent on 1985–86. Interest on Australia's net foreign debt was 23 per cent higher, accounting for 85 per cent of net investment income payable during 1986–87. Income payable on foreign investment in Australia was \$11,348 million, an increase of 20 per cent on the previous year, while income receivable on Australian investment abroad was \$2,418 million, up 26 per cent.

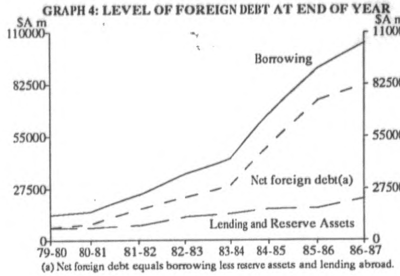


(a) Net income payable equals income payable (on foreign investment in Australia) less income receivable (on Australian investment abroad).

Level of foreign debt, 30 June 1987 –

The level of Australia's net foreign debt at 30 June 1987 was \$82,178 million, representing 72 per cent of Australia's net liabilities to non-residents. There was an increase of 11 per cent in net foreign debt over the year from 30 June 1986 to 30 June 1987. Contributing to this rise was an increase of \$13,592 million (15 per cent) in borrowing from non-residents partly offset by an increase of \$5,293 million (31 per cent) in Australia's official reserve assets and lending abroad.

GRAPH 4: LEVEL OF FOREIGN DEBT AT END OF YEAR



(a) Net foreign debt equals borrowing less reserve assets and lending abroad.

ANALYSIS OF RESULTS

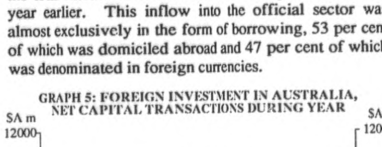
CAPITAL TRANSACTIONS (INVESTMENT FLOWS) IN 1986–87

Foreign Investment in Australia –

Foreign investment in Australia continued its upward trend of the last few years with an inflow of $21,652 million in 1986–87. However, the rate of increase slowed in 1986–87, with the inflow being up 14 per cent on the previous year compared with 28 per cent in 1985–86 and 47 per cent in 1984–85.

The official sector accounted for $6,153 million of foreign investment in Australia; this was 28 per cent of the total inflow in 1986–87, a fall of 2 per cent from a year earlier. This inflow into the official sector was almost exclusively in the form of borrowing, 53 per cent of which was domiciled abroad and 47 per cent of which was denominated in foreign currencies.

GRAPH 5: FOREIGN INVESTMENT IN AUSTRALIA, NET CAPITAL TRANSACTIONS DURING YEAR



The Commonwealth government and Reserve Bank accounted for 53 per cent of official sector borrowing in 1986–87, with State government central borrowing authorities accounting for the remaining 47 per cent. The majority of the Commonwealth government borrowing was in the form of Australian dollar denominated securities issued in Australia whereas the State authorities borrowing was mostly in the form of foreign currency borrowing domiciled abroad. The Commonwealth government reduced its foreign borrowing transactions in 1986–87 while the State authorities expanded their borrowings by about 68 per cent. This increase in borrowing by the State authorities can be partly attributed to the expanding role that such authorities play in overall State government financing.

The non–official sector accounted for $15,499 million or 72 per cent of the inflow in 1986–87. While both direct investment and portfolio and other investment in the non–official sector increased, there was a shift from debt to equity forms of financing. Borrowing liabilities accounted for 57 per cent of the non–official sector inflow in 1986–87 compared with 77 per cent in 1985–86. On the other hand, due to the attractiveness of the Australian stock market to foreign investors in 1986–87, the net inflow of investment in corporate equities contributed 35 per cent to the total non–official sector inflow in that year compared with 17 per cent a year earlier.

Banks continued to dominate borrowing by the non–official sector, accounting for 58 per cent of such borrowing. Borrowing by public sector trading and financial enterprises was almost negligible in 1986–87, partly reflecting the trend of State government central borrowing authorities (which are classified to the official sector as part of general government) towards assuming a more prominent role in financing.

The USA was the main source of foreign investment in Australia in 1986–87, accounting for a net inflow of $5,003 million, followed by the UK with $4,286 million and New Zealand with $1,442 million. Japan's contribution dropped $2,062 million, with a net inflow of only $611 million being recorded in 1986–87. Borrowing raised on international capital markets (e.g. Euro bonds and similar issues), which is not allocated by country, accounted for a net inflow of $6,696 million in 1986–87.

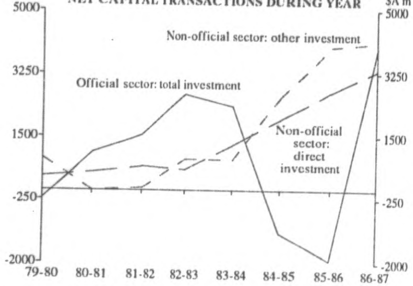
The industry group receiving the largest amount of foreign investment inflow in 1986–87 was the finance, property and business services group (which includes banks and State government central borrowing authorities), with $11,975 million, or 55 per cent, of the total. This was followed by manufacturing, with $3,320 million; public administration and defence, $3,249 million; wholesale and retail trade, $1,195 million; and mining, $950 million. Only the electricity, gas and water industry had a net disinvestment in 1986–87, with an outflow of $994 million.

Australian investment abroad –

Australian investment abroad recorded a net outflow of $11,421 million, an increase of 139 per cent on the previous year.

Most of this increase was attributable to the official sector which accounted for $3,967 million, or 35 per cent, of the net outflow for 1986–87. This outflow from the official sector represented a turnaround of $5,894 million from the net inflow (a reduction in assets abroad) of $1,927 million recorded for the sector in 1985–86. This turnaround was almost entirely attributable to transactions in official reserve assets which produced a record net outflow in 1986–87.

GRAPH 6: AUSTRALIAN INVESTMENT ABROAD, NET CAPITAL TRANSACTIONS DURING YEAR



The non–official sector outflow of $7,454 million was an increase of $743 million on the previous year. Direct investment abroad by the non–official sector increased by $613 million and portfolio and other investment increased by $130 million. Both direct and portfolio investment in corporate equities rose and, in total, accounted for a slightly increased share (73 per cent compared with 70 per cent a year earlier) of the non–official sector outflow. On the other hand, lending abroad by the non–official sector showed a reduction, from a net outflow of $991 million in 1985–86 to a net outflow of $195 million in 1986–87. There were two major factors contributing to this result. First, in 1986–87 banks recorded a direct investment lending inflow (a reduction in claims abroad) of $742 million compared with a direct investment lending outflow of $189 million in the previous year. Second, lending by the public sector in 1986–87 recorded a $386 million inflow (a reduction in claims abroad), a turnaround of $849 million on the outflow in 1985–86. A major reason for this turnaround was that public authorities ran down their overseas deposit accounts during 1986–87.

The USA was the recipient of the majority of Australian investment abroad in 1986–87 with $7,606 million, or 67 per cent, of the total outflow; it was followed by the United Kingdom with $1,019 million and New Zealand with $971 million.

Industry data are only available for Australian direct investment abroad and reflect the predominant industry activity of the enterprise group abroad receiving the funds. For 1986–87 direct investment abroad was most significant in *finance, property and business services*, with $1,262 million (38 per cent) of the total direct investment outflow being channelled into this industry; *other industries*, which includes communications, community and recreation services, was the next largest recipient, with $643 million (19 per cent).

INVESTMENT INCOME IN 1986–87

Overall –

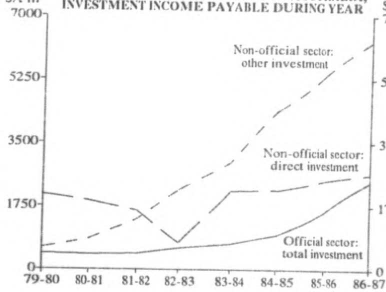
Income payable on foreign investment in Australia was almost five times larger than income receivable on Australian investment abroad in 1986–87. Net income payable, at $8,930 million, continued the strong growth that has been recorded every year since 1982–83, after being fairly constant in the preceding three years.

Income payable in 1986–87 expressed as a percentage of the weighted average level of foreign investment in Australia between 30 June 1986 and 30 June 1987 was 7.6 per cent, whereas the equivalent percentage for income receivable on Australian investment abroad was 5.0 per cent[1]. The lower percentage on Australian investment abroad partly reflects the significant proportion of this investment held in the form of non–income producing assets, mainly gold held as part of official reserve assets.

Income payable on foreign investment in Australia –

Income payable to foreign residents on their investments in Australia was $11,348 million in 1986–87, up 20 per cent on 1985–86. The official sector accounted for 21 per cent of income payable while the non–official sector accounted for the remaining 79 per cent. This reflects an increase in the relative contribution of the official sector from 13 per cent in 1984–85 and 17 per cent in 1985–86.

GRAPH 7: FOREIGN INVESTMENT IN AUSTRALIA, INVESTMENT INCOME PAYABLE DURING YEAR



Income payable by the non–official sector on direct investment rose by 7 per cent to $2,636 million. Reinvested earnings of direct investment enterprises in Australia attributable to foreign direct investors

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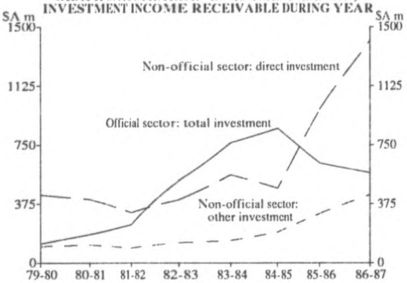
1 These percentages are crude measures of yield and are calculated as income for the year divided by the sum of two thirds the opening level of investment and one third the closing level of investment for the year, expressed as a percentage.

increased strongly (up 40 per cent to $1,240 million) which reflected, amongst other things, improved profitability of foreign owned oil companies, as well as reductions in dividends payable abroad by some large enterprises. Total dividends payable abroad in 1986–87, at $578 million, was in fact down $173 million on 1985-86. Income payable by the non–official sector on portfolio and other investment increased by 17 per cent to $6,286 million with increases in both dividends, up 85 per cent, and interest, up 10 per cent.

Income receivable on Australian investment abroad –

Income receivable on Australian investment abroad was $2,418 million in 1986–87, up 26 per cent on the previous year. Income receivable by the official sector was $574 million which represented a drop of 10 per cent on the previous year. This mirrored the fall in income receivable on official reserve assets, despite the significant increase in the level of those assets during 1986–87. The official sector accounted for 24 per cent of income receivable in 1986–87, compared with 33 per cent in 1985–86 and over 50 per cent in the preceding three years.

GRAPH 8: AUSTRALIAN INVESTMENT ABROAD, INVESTMENT INCOME RECEIVABLE DURING YEAR



Income receivable by the non–official sector increased by $557 million, or 43 per cent, to $1,844 million. Of this increase, $494 million was attributable to reinvested earnings of direct investment enterprises abroad attributable to their Australian direct investors which reached a record $1,132 million in 1986–87, or 47 per cent of all income receivable.

LEVELS OF INVESTMENT AT 30 JUNE 1987

Overall –

The level of foreign investment in Australia, at $173,014 million, was nearly three times the level of Australian investment abroad, at $59,655 million. Australia's international investment position at 30 June 1987 recorded net liabilities of $113,360 million; this net liabilities position has grown consistently over time, with the rate of growth increasing from 30 June 1984.

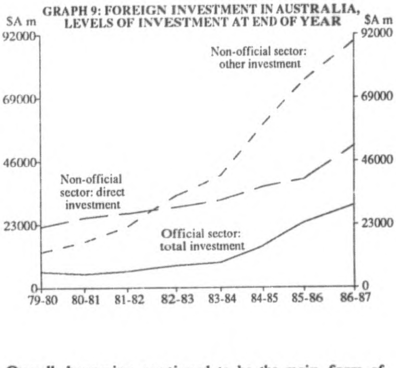
The net foreign investment position was comprised of net foreign debt of $82,178 million (72 per cent), net corporate equities of $27,694 million (25 per cent) and net other investment of $3,488 million (3 per cent).

Foreign investment in Australia

During the year ended 30 June 1987, the level of foreign investment in Australia rose by $34,416 million to $173,014 million. Of this increase, capital transactions accounted for $21,652 million; other changes, excluding exchange rate variations, $14,383 million; and exchange rate variations, –$1,619 million. The high *other changes* item almost exclusively related to corporate equities, reflecting strong increases in share prices and some large unlisted companies revaluing their net assets during 1986–87.

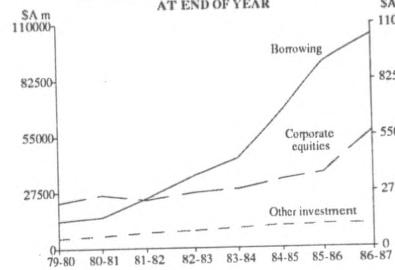
The official sector accounted for $30,189 million, or 17 per cent, of the total level of investment. Almost all of this investment was in the form of borrowing. The non–official sector accounted for the remaining $142,825 million, or 83 per cent. Of this 36 per cent was direct investment, mainly in the form of corporate equities, and 64 per cent other investment, mainly in the form of borrowing.

GRAPH 9: FOREIGN INVESTMENT IN AUSTRALIA, LEVELS OF INVESTMENT AT END OF YEAR

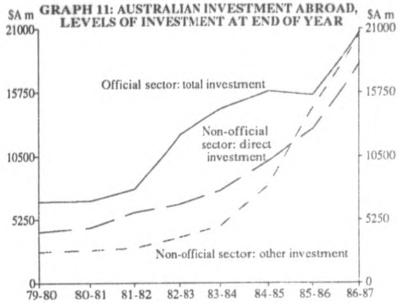


Overall, borrowing continued to be the main form of foreign investment in Australia, accounting for 60 per cent of the total level of investment at 30 June 1987. However, this was 5 per centage points lower than a year earlier. Corporate equities gained ground, rising from 26 per cent of the total level of investment at 30 June 1986 to 33 per cent at 30 June 1987.

GRAPH 10: FOREIGN INVESTMENT IN AUSTRALIA, LEVEL OF INVESTMENT BY INSTRUMENT AT END OF YEAR



GRAPH 11: AUSTRALIAN INVESTMENT ABROAD, LEVELS OF INVESTMENT AT END OF YEAR

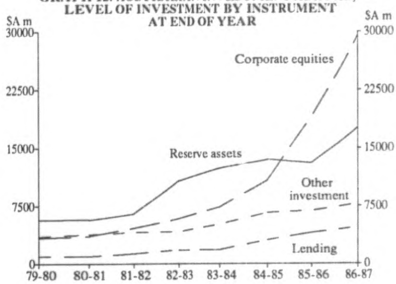


Both the levels of investment in corporate equities and reserve assets increased sharply during 1986–87, to $29,495 million and $17,594 million, respectively. Corporate equities accounted for 49 per cent and reserve assets for 29 per cent of the total level of Australian investment abroad at 30 June 1987.

The USA maintained its position as the leading investor country at 30 June 1987 with $40,357 million (23 per cent) of the total stock of investment, followed by the United Kingdom with $36,674 million (21 per cent) and Japan with $21,333 million (12 per cent). A level of $19,961 million (12 per cent) was recorded for investment from international capital markets, which is not classified by country. This category has grown significantly since the 30 June 1983 when it accounted for under 2 per cent of total investment.

When analysed by the predominant industry of enterprise group receiving investment funds, the level of foreign investment was highest in the finance, property and business services industry with $49,871 million, or 29 per cent, of the total. This was followed by manufacturing, $32,815 million (19 per cent); mining, $26,991 million (16 per cent); and public administration and defence, $23,522 million (14 per cent).

GRAPH 12: AUSTRALIAN INVESTMENT ABROAD, LEVEL OF INVESTMENT BY INSTRUMENT AT END OF YEAR



Australian investment abroad –

The level of Australian investment abroad at 30 June 1987 was $59,655 million, an increase of $16,781 million on the previous year's level. Official sector investment contributed $20,771 million, or 35 per cent, and non–official sector investment $38,884 million, or 65 per cent. Capital transactions accounted for $11,421 million, or 68 per cent, of the increase in levels during 1986–87, and other changes, excluding exchange rate variations, accounted for $5,397 million, or 32 per cent. Exchange rate variations during the year had a negligible net effect on the value of investment abroad.

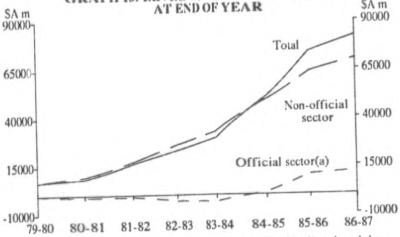
Most investment abroad at the 30 June 1987 was held in the USA, with a level of $20,903 million (35 per cent), followed by the United Kingdom with $7,219 million (12 per cent) and Japan with $3,329 million (6 per cent).

As mentioned earlier, industry data are only available for Australian direct investment abroad and reflect the predominant industry of the enterprise group abroad receiving the funds. At 30 June 1987, the largest industry group receiving Australian direct investment was the finance, property and business services industry with $5,903 million (32 per cent) of the total, followed by manufacturing with $4,375 million (24 per cent) and mining with $4,193 million (23 per cent).

FOREIGN DEBT AT 30 JUNE 1987

Australia's net foreign debt reached $82,178 million at the 30 June 1987. This was an increase of $8,299 million or 11 per cent on the level a year earlier. Capital transactions contributed $11,227 million of this increase, reflecting increased foreign borrowing (up $14,982 million) offset by increases in reserve assets and lending abroad (up $3,755 million). Exchange rate variations contributed negatively (–$1,653 million) to the increase in net debt as did other changes (– $1,275 million), the latter mainly reflecting the impact of higher prices on the gold component of reserve assets.

GRAPH 13: LEVEL OF NET FOREIGN DEBT AT END OF YEAR

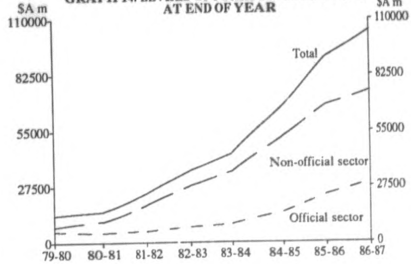


(a) Negative official debt represents a surplus of official lending abroad plus reserve assets over official borrowing from abroad.

The official sector's net foreign debt rose by 16 per cent to $11,899 million at the 30 June 1987 and accounted for 14 per cent of the total net debt position at that date. The non–official sector's foreign debt increased by 10 per cent to $70,279 million, representing 86 per cent of the total net debt position. Almost all of the increase in the non–official sector's net debt was attributable to financial enterprises.

Foreign borrowing (gross foreign debt) at 30 June 1987 was $104,514 million, of which the official sector owed $29,857 million (29 per cent) and the non–official sector $74,658 million (71 per cent). The level of foreign borrowing by the official sector increased by 28 per cent on the previous year while that by the non–official sector was up 11 per cent. The latter increase was largely due to borrowing by private sector financial enterprises; these enterprises accounted for 28 per cent of the non–official sector's borrowing liabilities at 30 June 1987.

GRAPH 14: LEVELS OF FOREIGN BORROWING AT END OF YEAR

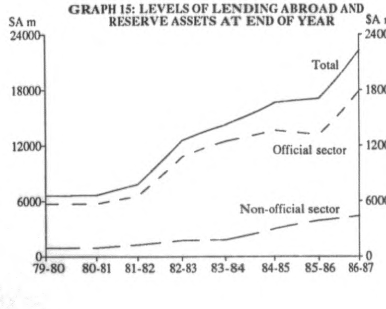


$78,051 million, or 75 per cent, of gross debt was denominated in foreign currencies with the United States dollar representing two thirds of this amount. The percentage of borrowing denominated in foreign currency has fallen steadily since 30 June 1982 when it stood at 87 per cent. Of the $26,465 million denominated in Australian currency at 30 June 1987, securities issued in Australia but taken up by foreign residents represented 53 per cent with the remaining 47 per cent in the form of borrowing domiciled abroad.

Of borrowing domiciled abroad at 30 June 1987, $25,230 million (28 per cent) was either due or expected to be repaid within a year. This proportion was slightly larger than in the previous year when 26 per cent of borrowing was either due or expected to be repaid within a year.

The level of Australian lending abroad and reserve assets totalled $22,336 million at 30 June 1987, up 31 per cent on the level a year earlier largely on account of strong growth in Australia's official reserve assets. The official sector accounted for 80 per cent of these lending and other claims on non–residents compared with 77 per cent a year earlier.

GRAPH 15: LEVELS OF LENDING ABROAD AND RESERVE ASSETS AT END OF YEAR



CHANGES IN THIS ISSUE

This issue reflects some significant changes to foreign investment statistics, both in data content and presentation. These changes and their impact on the statistics are explained in greater detail in the 1985–86 issue of *Foreign Investment, Australia* (5305.0), released on 16 November 1987. For the convenience of readers each of the main changes are briefly described below.

Corporate equities recorded on market value basis

In this issue the levels of investment in corporate equities (shares) are recorded on a market value basis. A market value can be defined as the price that a willing buyer pays to a willing seller in an exchange between independent parties where only commercial considerations enter.

For corporate equities that are listed on a stock exchange or that are otherwise readily tradeable, the mid point between the buying and selling price at a point in time is generally regarded as the measure of the market price of those corporate equities at that time. Where corporate equities are not readily traded, a recent transaction price or the net asset value of the enterprise is regarded as the best proxy of market value of that enterprise.

In previous issues of this publication the level of foreign investment in Australia in corporate equities was measured on a paid-up value basis. These series are now recorded on a market value basis. For Australian investment abroad, while series for the levels of investment in corporate equities were published on a market value basis in previous issues of this publication, the series for direct investment was only published on a market value basis in respect of investment at 30th June 1985 and 1986. This series is now provided on a market value basis for all periods shown in this publication.

The next section on the *Statistical Impact of Changes* and the 1985–86 issue of *Foreign Investment, Australia* (5305.0), pages 89–90 should be referred to for further information on this change.

Changed treatment of banks

Changes in the treatment of banks arise from the expanded scope of the bank category, the introduction of a new data source and the application of all foreign investment classifications to banks.

The scope of the previous *trading bank* institutional sector has been expanded to include savings and development banks. This sector has consequently been renamed *banks*. This change is associated with the provision of greater institutional sector detail in foreign investment statistics.

Revised collection forms for banks were introduced in the surveys of foreign investment from the September quarter 1986. As a result of revising the data source, the bank capital transactions series from 1986–87 are not strictly comparable with series for earlier periods and the levels (stock) of bank foreign investment activity shown from 30 June 1986 are not strictly comparable with levels data shown for earlier periods. For further detail on the discontinuity of the series the reader should refer to the statement on the *Statistical Impact of Changes* below and to page 94 of *Foreign Investment, Australia 1985–86 (5305.0)*.

The revised collection forms generally provide for reporting of capital transactions data. Previously these data were calculated using changes in levels of liabilities and assets, adjusted for exchange rate effects. Also, all standard foreign investment classifications have been applied to banks. Previously, all foreign borrowing and lending of trading banks were classified as *private sector, portfolio and other investment* and the dissections of these data were more limited than for other sectors of the economy. Bank data are now classified by type of capital, public/private sector ownership, and country of investor/investee; in addition, bank borrowing domiciled abroad is now classified by drawings and repayments and maturity structure. Using data from the revised collection forms and other sources, series back to 1979–80 were recompiled. However it should be noted that these classification changes do not affect either aggregate data previously reported for trading banks for capital transactions before 1986–87 or the level of trading bank foreign investment activity before the 30 June 1986. That is, aggregate data have not been revised but some components have been reclassified. Again, for more detail on banks, the reader is referred to *Foreign Investment, Australia 1985–86* (5305.0), pages 91–95.

Revised institutional sector classification

A number of changes have been made to the institutional sector classification, most notably the reclassification of State government central borrowing authorities from *public trading and financial enterprises* to *general government* and the introduction of the new *bank* category. In addition, a further breakdown of the institutional sector classification is now provided. For example, a Commonwealth/State government dissection is provided for the general government and public trading and financial enterprises categories in some tables; while separate details are shown for financial enterprises and trading enterprises in Table 5. Additional institutional sector tables are included in *Foreign Investment, Australia 1985–86* (5305.0).

Changed treatment of borrowing domiciled in Australia and borrowing domiciled abroad

The terms *domiciled in Australia* and *domiciled abroad* are described in paragraph 15 of the explanatory notes. There are three major changes in respect of the domicile of borrowing classification that have been introduced. These changes are described below.

First, non–tradeable deposits held with banks in Australia by foreign residents have been reclassified from borrowing domiciled abroad to borrowing domiciled in Australia. The amounts reclassified are shown in Table 24 in the rows titled *deposits*.

Second, the classification of borrowing transactions into drawings and repayments is now only applied to borrowing domiciled abroad, whereas previously this classification was applied to all borrowing. A new classification, purchases and sales of securities, which is analogous to drawings and repayments, is applied to borrowing domiciled in Australia. Drawings and repayments information for borrowing domiciled abroad are shown in Table 22, while purchases and sales information for borrowing domiciled in Australia can be found in Table 24.

Third, the classification of borrowing by maturity structure is now only applied to borrowing domiciled abroad. Previously, the statistics showing maturity structure had included borrowing domiciled in Australia, with such borrowing being allocated in total to the 2 to 5 years category. The usefulness of this approach has lessened in recent periods. Maturity structure statistics on the new basis for all periods since 1980–81 are now included in foreign investment publications.

Foreign Investment, Australia 1985–86 (5305.0), pages 98–99, should be referred to for further detail.

STATISTICAL IMPACT OF CHANGES

The changes outlined in the preceding section have had a significant impact on previously published figures. Users can identify the impact of these changes by reference to various tables in this publication and to the annual publication *Foreign Investment, Australia 1985-86* (5305.0), especially Appendix C which outlines amongst other things the statistical impact of each change. In order to provide an overall indication of the impact of these changes on series included in this publication the table below is provided.

As mentioned earlier, the new data source for banks enables all foreign investment classifications to be applied to banks; previously this was not possible. One result of this is that borrowing by Australian banks from their direct investment groups abroad (largely their branches and subsidiaries) is now treated as part of Australian investment abroad (AIA), direct investment lending. This can be thought of as *negative* lending, that is the levels of such borrowing, and associated drawings, repayments, income etc are deducted from the direct investment lending levels, drawings, repayments, income etc in order to arrive at the AIA, direct investment lending. This can result in the level and income for such investment being recorded with a negative sign. Previously this borrowing was treated as foreign investment in Australia (FIA), portfolio and other investment borrowing. The result of reclassifying certain transactions from FIA, portfolio and other investment borrowing, to AIA, direct investment lending has a zero net effect. Therefore the impact of the introduction of the new bank data source is best assessed by reference to the net investment series.

IMPACT OF CHANGED MEASUREMENT, CLASSIFICATIONS AND DATA SOURCES ON SELECTED SERIES, 1981–82 TO 1986–87
($A million)

	1981–82	*1982–83*	*1983–84*	*1984–85*	*1985–86*	*1986–87*
			LEVELS OF INVESTMENT			
FIA, Corporate equities (a) –						
Direct Investment	10,837	11,083	11,767	13,186	12,072	n.a.
Portfolio and Other Investment	3,793	5,632	5,901	8,225	9,749	n.a.
AIA, Corporate equities (a) –						
Direct Investment	3,018	3,083	3,329	–	–	–
Foreign Debt (b) –						
Gross debt	–43	–101	–302	–748	–588	–6,234
Lending abroad	–43	–101	–302	–748	–1,938	–6,736
Net foreign debt	–	–	–	–	+1,350	+502
			CAPITAL TRANSACTIONS (b)			
FIA	–23	–57	–203	–351	–1,307	–4,514
AIA	–23	–57	–203	–351	–1,307	–3,702
Net capital transactions	–	–	–	–	–	–812
			INVESTMENT INCOME (b)			
FIA	69	66	49	45	46	–208
AIA	19	11	7	–11	–31	–208
Net income payable	50	55	42	56	77	–

FIA – Foreign investment in Australia
AIA – Australian investment abroad
(a) This change results from changing the measurement of corporate equities from paid up value to market value.
(b) These changes arise from the switch over from previous data sources to the new data sources for foreign investment activity of banks which enables reclassification of certain bank borrowing from FIA to AIA. For investment income, the changes include the impact of estimates for previous undercoverage.

EXPLANATORY NOTES

Introduction

1. This publication provides detailed statistics on foreign investment in Australia and Australian investment abroad for 1986–87 and earlier years. The statistics incorporate the preliminary results from the 1986–87 annual foreign investment survey and are consistent with the less comprehensive statistics published in the December quarter 1987 issue of *Foreign Investment, Australia* (5306.0), released in February 1988. Once final results from the 1986–87 annual survey are available, the statistics will be subject to further revision.

2. More detailed foreign investment statistics up to 1985–86, together with more detailed explanatory material than that provided below, may be found in the 1985–86 issue of *Foreign Investment, Australia*, (5305.0), released on 16 November 1987.

Scope and coverage

3. Foreign investment statistics provide information on the *levels* (stock) of foreign financial assets and liabilities at a given point in time; *capital transactions* (investment flows) resulting in increases and decreases in these assets and liabilities (e.g. the purchase or sale by a foreign resident of shares in an Australian enterprise, drawings/repayments on a foreign loan facility); *other changes* in value of these assets and liabilities e.g. on account of exchange rate variations; and *income* receivable and payable on these assets and liabilities.

4. Foreign investment statistics are compiled from several sources including the quarterly and annual surveys of foreign investment and official advices. Coverage of the quarterly foreign investment surveys is more limited than the corresponding annual surveys and quarterly estimates are revised as results from the annual surveys become available. Results from other sources are also revised but generally to a lesser extent.

Classifications and definitions

5. The more important classifications and definitions used in foreign investment statistics are outlined below.

Direction of investment

6. This classification refers to the basic distinction between inward and outward investment; that is, foreign investment in Australia or Australian investment abroad. Broadly, *foreign investment in Australia* refers to the stock of financial assets in Australia owned by foreign residents and capital transactions which increase or decrease this stock. Conversely, *Australian investment abroad* refers to the stock of foreign financial assets owned by Australian residents and capital transactions which increase or decrease that stock. A major exception to this concerns the treatment of direct investment activity (described in paragraph 11), where the classification of particular investment transactions and associated levels and income, to either foreign investment in Australia or Australian investment abroad, depends upon the direction of the equity link which underlies the establishment of the direct investment relationship between the transactors. If an Australian enterprise is a direct investment enterprise – that is a foreign resident (the direct investor) has a significant equity holding in that enterprise – financial claims by the Australian direct investment enterprise on the foreign direct investor are netted against liabilities of the direct investment enterprise to the direct investor in measuring direct foreign investment in Australia by the direct investor. Similarly, netting of assets and liabilities occurs in arriving at Australian direct investment abroad.

Resident institutional sector

7. This classification groups statistical units with similar financial roles and behaviour into broad economic sectors. These sectors are classified under two headings, *official* and *non–official*. The official resident sectors are *general government* and the *Reserve Bank of Australia*. The non-official resident sectors are *banks*, *non–bank financial enterprises*, and *trading enterprises and households*. Within each of the non–official sectors there are separate sub–sectors for *public* and *private* enterprises.

8. *General government* comprises Departments of State and similar entities that are the agents or instruments of Commonwealth, State, or local government. State government central borrowing authorities and private non-profit organisations serving government are included in this category. Public sector business enterprises are excluded and classified as appropriate in the other sectors. *Banks* comprise trading, savings and development banks which are licensed under the Banking Act to act as banks or which have been created under Commonwealth or State legislation. This category in this publication excludes the Reserve Bank (which is treated as a separate sector) but includes other government owned banks. *Non–bank financial enterprises* are enterprises, other than the Reserve Bank and the trading, savings and development banks, that are mainly engaged in incurring liabilities and acquiring financial assets. *Trading enterprises* are non-financial enterprises mainly engaged in the production of goods and services for sale in the market.

9. *Public sector* enterprises are government owned and/or controlled business enterprises. All commodity marketing boards as well as other enterprises that are statutory authorities are included. The *private sector* grouping consists of all other entities. Both the official and public sectors are further dissected into Commonwealth

and State government components in certain tables.

Type of capital

10. Three types of capital are distinguished: direct investment, reserve assets, and portfolio and other investment.

11. The concept of *direct investment* is broadly one of capital invested in an enterprise by an investor (called a *direct investor*) having a significant influence, either potentially or actually exercised, over the key policies of the enterprise (called a *direct investment enterprise*). Under the definition of direct investment used in compiling the statistics, from 1985–86, ownership of 10 per cent or more of the ordinary shares or voting stock (or an equivalent equity interest) is generally regarded as indicative of significant influence by an investor. Prior to 1985–86, this equity threshold is 25 per cent. For a detailed discussion of direct investment and the impact of the change in the definition of direct investment from 1985–86 see Parts IV and VI of the Technical Notes in the 1985–86 issue of *Foreign Investment, Australia* (5305.0).

12. *Reserve assets* are those foreign financial assets that are effectively controlled and available for use by the central authorities for meeting balance of payments needs. *Portfolio and other investment* covers all foreign investment activity not classified as *direct investment* or *reserve assets*.

Instrument of investment

13. A number of types of *instrument of investment* are identified in this publication. Some of these are only applicable to one type of capital. For example, the instruments *reinvestment of earnings* and *net equity in branches* are only used for direct investment. For analytical reasons and for ease of reporting by enterprises, similar instruments are combined into groups. Deposits, loans, finance leases, bonds, bills, IMF credit and BIS placements are combined and called *borrowing* (foreign investment in Australia) or *lending* (Australian investment abroad). Prepayments made and received, and accounts receivable and payable, between enterprises in a direct investment relationship are combined and called *other direct investment*. Similarly, prepayments and accounts between enterprises not in a direct investment relationship are grouped together and called *accounts payable/prepayments received* (foreign investment in Australia) and *accounts receivable/prepayments made* (Australian investment abroad).

Foreign debt

14. This publication shows statistics on both Australia's *gross foreign debt* (borrowing) and Australia's net foreign debt. *Net foreign debt* is arrived at after deducting reserve assets and lending abroad from gross foreign debt.

Supplementary classifications on borrowing

15. Several other classifications of *borrowing* are also provided in this publication. These include:

- *Currency* of borrowing.
- *Country of domicile* of borrowing, which separates borrowing domiciled in Australia from borrowing domiciled abroad. Borrowing domiciled in Australia comprises those securities issued in Australia which, while largely targeted for Australian residents, are taken up by non-residents, usually through security brokers and nominees. Examples of these securities, all of which are tradeable, are government and semi-government fixed interest tradeable securities, as well as certificates of deposits issued by banks, debentures, promissory notes and other issues by private enterprises. This category also includes deposits held with Australian banks by non-residents. Borrowing domiciled abroad refers to all other borrowing from non-residents, including securities issued in foreign countries.
- *Drawings* and *repayments* of borrowing domiciled abroad. Drawings include the drawdown on loans, the issue by residents of non-equity securities abroad, the receipt of finance under finance lease agreements etc. Repayments of borrowing domiciled abroad include the repayment of loans, the redemption of non-equity securities issued abroad, the withdrawal of deposits, lease payments (excluding the imputed interest component) under a finance lease agreement etc.
- *Maturity* structure of drawings, repayments and level of borrowing domiciled abroad.
- *Purchases* and *sales* of securities domiciled in Australia by foreign residents. Purchases include both the on-market purchases and the take-up of new issues by foreign residents of debt issued in Australia. Sales include both the on-market sales by and the redemption from foreign residents of debt issued in Australia.

Country

16. The *country* dissection of statistics on foreign investment shows countries investing in Australia. The classification is based upon the country of residence of the foreign creditor holding Australia's foreign liabilities. It does not necessarily reflect either the country of ultimate beneficial ownership of the investment, the country of immediate source of funds, or the country to which amounts borrowed will in fact be re-paid.

17. Various groupings of countries such as the Organisation for Economic Co-operation and Development (OECD), the European Economic Community (EEC), the Association of South East Asian Nations (ASEAN), the Organisation of Petroleum Exporting Countries (OPEC) and centrally planned economies are shown in this publication. International institutions (such as the International Bank for Reconstruction and Development, the Asian Development Bank and the Bank for International Settlements) are shown as a separate category. International capital markets (eg the Eurobond Market) are also shown as a separate category as it is not practical or realistic to attempt to classify loan raisings on these markets to individual countries.

18. In some instances, foreign investment activity cannot be classified by country. In these relatively insignificant cases foreign investment is classified to *unallocated* in the tables. For reserve assets, only limited country data are available. As a result, foreign exchange denominated in $US is classified to USA, even though some of these assets may be held in other countries. Foreign exchange not denominated in $US is classified to *other OECD*. Whilst this reflects the fact that these reserves represent claims on countries that are mostly members of the OECD, a more specific country breakdown is not available.

Industry of investee

19. The *industry* classification used in foreign investment statistics is based upon the Australian Standard Industrial Classification (ASIC), 1983 edition. Industry statistics for both foreign investment in Australia and Australian investment abroad should be treated with some caution as they do not necessarily reflect the industry in which the funds are ultimately employed.

20. For foreign investment in Australia the statistical unit (that is, the unit of observation and classification) generally consists of all enterprises in an enterprise group within a single resident institutional sector. The industry of this statistical unit, which may cover a broad range of activities, is determined on the basis of the predominant activity of the unit as a whole which may be quite different from the industry in which the funds are used. This applies especially to financial enterprises, such as trading banks and merchant banks, which may borrow funds as principals and then on-lend to clients in other industries. However, for investment held by nominees on behalf of non-resident principals, the classification is determined on the basis of the industry in which the investment takes place.

21. For Australian investment abroad only the industry of the foreign direct investment enterprise group is available for the periods shown in this publication. Again the qualifications applying to foreign investment in Australia apply here.

22. An *unallocated* classification is also shown for industry statistics. For foreign investment in Australia this category includes accounts payable/prepayments received, a component of portfolio and other investment, for which no industry details are available.

Presentation

23. Table 1 provides a comprehensive overview of Australia's foreign investment position. Tables 2 to 5 show the main foreign investment aggregates and the more important components of the aggregates; these tables cover respectively, capital transactions, investment income, levels of investment and shows levels of foreign debt. Tables 6 to 12 provide dissections of foreign investment statistics by country and Tables 13 to 19 provide dissections by industry. Tables 20 to 23 show additional statistics on foreign borrowing. Table 24 provides supplementary information on banks and Table 25 shows a reconciliation between direct investment gross and net borrowing and lending.

Related publications

24. This publication and the final annual foreign investment publication *Foreign Investment, Australia* (5305.0) complement the quarterly foreign investment publications *Foreign Investment, Australia,* Preliminary (5307.0), and *Foreign Investment, Australia* (5306.0). Statistics on foreign investment capital transactions and income are also published in all balance of payments publications: the monthly, *Balance of Payments, Australia* (5301.0); the quarterlies, *Balance of Payments, Australia* (5302.0) and *Balance of Payments, Australia* – Historical Series on Microfiche (5337.0); and the annuals, *Balance of Payments, Australia* (5303.0) and *Balance of Payments, Australia – Regional Series on Microfiche* (5338.0). The statistics are presented on a consistent basis in both sets of publications.

25. Publications produced at present by the ABS are listed in the *Catalogue of Publications, Australia* (1101.0). Also, on Tuesdays and Fridays the ABS issues a *Publications Advice* (1105.0) which lists publications expected to be released in the next few days. Both publications are available free of charge from any ABS office.

Unpublished information

26. Additional information on foreign investment

activity is also available from the ABS on request. A charge may be made for providing this. Inquiries should be made to the person whose name appears in the *Phone Inquiries* section of the inquiries box at the front of this publication, or to Information Services in the nearest ABS office.

Symbols and other usages

–	zero or rounded to zero
n.a.	not available
n.p.	not available for separate publication (but included in totals where applicable)
n.e.s.	not elsewhere specified
..	not applicable
ABS	Australian Bureau of Statistics
ASEAN	Association of South East Asian Nations
EEC	European Economic Community
OECD	Organisation for Economic Cooperation and Development
OPEC	Organisation of Petroleum Exporting Countries
RBA	Reserve Bank of Australia.

27. For capital transactions a negative value denotes a net withdrawal of investment; for levels of direct investment lending abroad, a negative value denotes an excess of borrowing by direct investors in Australia from their direct investment groups abroad over lending by direct investors in Australia to their direct investment groups abroad (see paragraph 6 for a further explanation); and similarly for income receivable on direct investment lending abroad an excess of income payable by direct investors over income receivable by direct investors.

28. All figures have been rounded and discrepancies may occur, therefore, between the sum of components and the total.

Electronic services

VIATEL.	Key *656# for selected current economic, social and demographic statistics.
AUSSTATS.	Thousands of up–to–date time series are available on this ABS on–line service through CSIRONET. For further information phone the AUSSTATS Help Desk on (062) 52 6017.
TELESTATS.	This service provides foreign trade statistics tailored to users' requirements. Further information is available on (062) 52 5404.

SECTION 1 : MAIN TABLES

TABLE 1. FOREIGN INVESTMENT SUMMARY TABLE
($A million)

YEAR -	Levels of investment at beginning of year	Changes in levels of investment during the year: Reinvestment of earnings of direct investors	Other transactions	Exchange rate variations	Other changes	Total	Levels of investment at end of year	Investment income(a)
				FOREIGN INVESTMENT IN AUSTRALIA				
CORPORATE EQUITIES -								
1984-85	28,691	775	803	..	3,208	4,786	33,477	1,952
1985-86	33,477	505	2,225	..	241	2,971	36,448	1,797
1986-87	36,448	996	5,438	..	14,306	20,740	57,188	2,573
BORROWING -								
1984-85	43,658	..	12,696	10,212	360	23,268	66,926	5,297
1985-86	66,926	..	15,866	6,017	(c) 2,113	23,996	90,922	6,908
1986-87	90,922	..	14,982	-1,636	246	13,592	104,514	8,188
OTHER INVESTMENT -(b)								
1984-85	9,548	-182	718	263	484	1,283	10,832	314
1985-86	10,832	383	-11	124	-100	396	11,228	738
1986-87	11,228	243	-7	17	-169	84	11,312	587
TOTAL -(b)								
1984-85	81,897	594	14,217	10,475	4,051	29,337	111,234	7,563
1985-86	111,234	888	18,080	6,141	2,254	27,363	138,598	9,442
1986-87	138,598	1,240	20,413	-1,619	14,383	34,416	173,014	11,348
				AUSTRALIAN INVESTMENT ABROAD				
CORPORATE EQUITIES -(b)								
1984-85	7,380	281	2,538	na	659	3,478	10,858	446
1985-86	10,858	599	4,728	792	1,978	8,097	18,955	993
1986-87	18,955	1,130	5,422	-69	4,057	10,540	29,495	1,687
RESERVE ASSETS -								
1984-85	12,417	..	-1,520	2,326	294	1,100	13,517	831
1985-86	13,517	..	-2,140	1,405	242	-493	13,024	595
1986-87	13,024	..	3,394	239	937	4,570	17,594	531
LENDING -(b)								
1984-85	1,791	..	592	1	(c) 691	1,284	3,075	83
1985-86	3,075	..	1,023	421	(c) -500	944	4,019	115
1986-87	4,019	..	361	-222	584	723	4,742	63
OTHER INVESTMENT -(b)								
1984-85	5,119	34	1,466	na	18	1,518	6,637	164
1985-86	6,637	39	535	112	-447	239	6,876	219
1986-87	6,876	2	1,111	16	-181	948	7,824	137
TOTAL -(b)								
1984-85	26,706	315	3,075	2,327	1,664	7,381	34,087	1,525
1985-86	34,087	638	4,147	2,730	1,272	8,787	42,874	1,922
1986-87	42,874	1,132	10,289	-36	5,397	16,781	59,655	2,418
				NET INTERNATIONAL INVESTMENT POSITION AND INCOME(d)				
NET CORPORATE EQUITIES -								
1984-85	21,311	495	-1,735	na	2,549	1,308	22,619	1,506
1985-86	22,619	-94	-2,502	-792	-1,737	-5,126	17,493	804
1986-87	17,493	-134	16	69	10,249	10,200	27,694	886
NET FOREIGN DEBT -(e)								
1984-85	29,450	-	13,624	7,885	-626	20,884	50,334	4,383
1985-86	50,334	-	16,983	4,191	2,371	23,545	73,879	6,198
1986-87	73,879	-	11,227	-1,653	-1,275	8,299	82,178	7,594
NET OTHER INVESTMENT -								
1984-85	4,429	-216	-748	263	466	-235	4,194	151
1985-86	4,195	344	-546	93	266	157	4,351	519
1986-87	4,352	240	-1,118	1	12	-864	3,488	450
TOTAL -								
1984-85	55,190	279	11,141	8,148	2,387	21,956	77,147	6,038
1985-86	77,147	250	13,933	3,493	902	18,576	95,723	7,520
1986-87	95,724	108	10,124	-1,583	8,986	17,635	113,360	8,930

(a) Includes reinvested earnings of direct investors. For foreign investment in Australia, income payable is calculated before the deduction of withholding tax. For Australian investment abroad, before 1984-85, income receivable is calculated after deducting withholding tax; from 1985-86 withholding tax is not deducted.
(b) Details of exchange rate variations are not separately available for a number of items and have consequently been included in 'other changes'. For foreign investment in Australia these items include accounts payable to unrelated foreign enterprises abroad (a component of 'other investment'). For Australian investment abroad before 1985-86, exchange rate details are only available for bank lending and reserve assets. From 1985-86 exchange rate details are available for all items except accounts receivable from unrelated foreign enterprises abroad (a component of 'other investment').
(c) As a result of the change in the data source for banks, levels of borrowing (foreign investment in Australia) shown at the end of 1985-86 are not strictly comparable with levels data shown for earlier periods, hence the larger reconciliation item for 1985-86. The changes in data source account for an increase of $1,800 million in the level of bank borrowing at the 30 June 1986. Similarly, data source changes for lending abroad (Australian investment abroad) account for about $600 million of the amount shown as 'other changes' in 1984-85 and about $450 million in 1985-86.
(d) Net international investment position equals foreign investment in Auatralia less Australian investment abroad.
(e) Foreign borrowing by Australian residents less the sum of reserve assets and Australian lending abroad.

TABLE 2. CAPITAL TRANSACTIONS
($A million)

	YEAR -					
	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
	FOREIGN INVESTMENT IN AUSTRALIA					
OFFICIAL -						
General government -						
Borrowing	540	965	1,400	4,130	5,609	6,146
Other	102	56	-93	-46	30	-12
Total	**642**	**1,021**	**1,307**	**4,084**	**5,639**	**6,135**
Reserve Bank	4	38	-15	-10	-16	18
Total official	**646**	**1,059**	**1,291**	**4,074**	**5,623**	**6,153**
NON-OFFICIAL -						
Direct investment -(a)						
Reinvestment of earnings	358	-586	553	594	888	1,240
Corporate equities	-100	391	583	340	2,053	1,612
Net equity in branches	608	574	-769	99	-315	82
Borrowing	1,079	461	972	1,174	275	2,079
Other	399	68	603	432	304	-239
Total	**2,344**	**908**	**1,943**	**2,638**	**3,205**	**4,773**
Portfolio & other investment -(a)						
Corporate equities	663	858	601	464	172	3,825
Borrowing -						
Public sector	1,474	2,615	2,271	3,118	1,928	-98
Private sector	5,127	4,836	3,444	4,284	8,070	6,837
Total	**6,601**	**7,450**	**5,715**	**7,402**	**9,998**	**6,739**
Accounts payable/prepayments received-						
Public sector	88	126	167	57	-48	-141
Private sector	152	-114	389	176	17	303
Total	**240**	**12**	**556**	**233**	**-31**	**162**
Total	**7,505**	**8,320**	**6,873**	**8,099**	**10,139**	**10,726**
Total non-official	**9,848**	**9,229**	**8,815**	**10,736**	**13,345**	**15,499**
TOTAL	**10,495**	**10,287**	**10,107**	**14,810**	**18,968**	**21,652**
	AUSTRALIAN INVESTMENT ABROAD					
OFFICIAL -						
Reserve assets(b)	1,364	2,461	1,855	-1,520	-2,140	3,394
Lending	-8	-3	-4	73	32	166
Other	186	214	489	268	181	407
Total official	**1,542**	**2,672**	**2,340**	**-1,179**	**-1,927**	**3,967**
NON-OFFICIAL -						
Direct investment -(a)						
Reinvestment of earnings	106	205	309	315	638	1,132
Corporate equities	204	377	1,073	1,841	2,103	2,262
Net equity in branches	99	11	57	113	281	353
Lending	274	-27	-179	-298	-270	-508
Other	-13	17	3	6	-26	98
Total	**670**	**582**	**1,263**	**1,977**	**2,725**	**3,338**
Portfolio & other investment -(a)						
Corporate equities	14	666	101	697	2,624	3,160
Lending-						
Public sector	19	-29	-31	137	463	-386
Private sector	101	228	383	680	798	1,089
Total	**120**	**199**	**352**	**817**	**1,261**	**703**
Accounts receivable/prepayments made-						
Public sector	-134	3	322	634	60	10
Private sector	58	-	67	445	40	243
Total	**-76**	**3**	**389**	**1,079**	**100**	**253**
Total	**59**	**868**	**842**	**2,593**	**3,986**	**4,116**
Total non-official	**729**	**1,450**	**2,106**	**4,569**	**6,711**	**7,454**
TOTAL	**2,271**	**4,122**	**4,446**	**3,390**	**4,784**	**11,421**

(a) The definition of direct investment (and as a consequence the scope of portfolio and other investment) changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11.

(b) From 30 June 1985, figures for official reserve assets are not fully comparable with earlier data due to changes in the Reserve Bank's accounting procedures.

TABLE 3. INVESTMENT INCOME(a)
($A million)

	YEAR -					
	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
	INCOME PAYABLE ON FOREIGN INVESTMENT IN AUSTRALIA					
OFFICIAL -						
General government -						
Interest on borrowing domiciled abroad	339	463	543	661	1,009	1,463
Interest on borrowing domiciled in Australia	34	78	128	270	580	941
Other income	-	-	-	-	-	-
Total	**373**	**541**	**671**	**931**	**1,589**	**2,404**
Reserve Bank	62	55	40	33	23	22
Total official	**435**	**596**	**711**	**964**	**1,612**	**2,426**
NON-OFFICIAL -						
Direct investment income -(b)						
Reinvested earnings	358	-586	553	594	888	1,240
Distributed earnings -						
Remitted profits	357	427	591	440	185	186
Dividends	642	585	610	645	751	578
Interest	270	317	414	516	644	632
Total	**1,270**	**1,329**	**1,615**	**1,602**	**1,580**	**1,396**
Total direct investment income	**1,628**	**743**	**2,168**	**2,196**	**2,468**	**2,636**
Portfolio and other investment income -(b)						
Dividends	217	222	292	532	541	999
Interest-						
Public sector	243	504	830	1,229	1,672	1,842
Private sector	926	1,477	1,831	2,643	3,149	3,445
Total	**1,169**	**1,981**	**2,661**	**3,872**	**4,822**	**5,287**
Total portfolio & other investment income	**1,386**	**2,203**	**2,953**	**4,404**	**5,362**	**6,286**
Total non-official	**3,014**	**2,945**	**5,122**	**6,599**	**7,830**	**8,922**
TOTAL	**3,449**	**3,542**	**5,833**	**7,563**	**9,442**	**11,348**
	INCOME RECEIVABLE ON AUSTRALIAN INVESTMENT ABROAD					
OFFICIAL -						
General government	31	21	20	24	37	43
Reserve Bank	213	503	744	831	598	531
Total official	**244**	**524**	**764**	**855**	**635**	**574**
NON-OFFICIAL -						
Direct investment income -(b)						
Reinvested earnings	106	205	309	315	638	1,132
Distributed earnings -						
Remitted profits	64	57	71	36	70	29
Dividends	127	138	144	129	335	396
Interest	23	1	37	-6	-68	-145
Total	**215**	**197**	**252**	**159**	**337**	**280**
Total direct investment income	**321**	**402**	**561**	**474**	**975**	**1,413**
Portfolio and other investment income -(b)						
Dividends	15	24	33	36	60	161
Interest	80	104	109	160	252	271
Total portfolio & other investment income	**95**	**128**	**143**	**196**	**312**	**432**
Total non-official	**416**	**530**	**704**	**670**	**1,287**	**1,844**
TOTAL	**660**	**1,054**	**1,468**	**1,525**	**1,922**	**2,418**

(a) For foreign investment in Australia, income payable is calculated before the deduction of withholding tax. For Australian investment abroad, up to and including 1984-85, income receivable is calculated after deducting withholding tax; from 1985-86 withholding tax is not deducted.
(b) The definition of direct investment (and as a consequence the scope of portfolio and other investment) changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11.

TABLE 4. LEVELS OF INVESTMENT
($A million)

	AT 30 JUNE -					
	1982	1983	1984	1985	1986	1987
			FOREIGN INVESTMENT IN AUSTRALIA			
OFFICIAL -						
General government -						
Borrowing	5,668	7,617	8,827	14,846	23,388	29,818
Other	395	451	358	312	344	332
Total	**6,063**	**8,068**	**9,185**	**15,158**	**23,732**	**30,150**
Reserve Bank	24	65	47	37	21	39
Total official	**6,087**	**8,133**	**9,232**	**15,195**	**23,753**	**30,189**
NON-OFFICIAL -						
Direct investment -(a)						
Corporate equities	17,978	19,119	20,127	22,308	23,291	34,092
Net equity in branches	3,235	3,980	3,997	4,249	4,344	4,366
Borrowing	3,677	4,044	4,960	6,654	8,100	9,773
Other	2,191	2,287	2,815	3,493	3,774	3,507
Total	**27,081**	**29,431**	**31,899**	**36,704**	**39,510**	**51,738**
Portfolio & other investment -(a)						
Corporate equities	5,647	7,970	8,564	11,168	13,156	23,096
Borrowing -						
Public sector	3,552	6,477	8,854	14,868	18,616	17,989
Private sector	11,257	17,314	20,971	30,521	40,797	46,895
Total	**14,809**	**23,792**	**29,825**	**45,389**	**59,413**	**64,884**
Accounts payable/prepayments received-						
Public sector	218	370	450	615	855	660
Private sector	1,552	1,338	1,928	2,163	1,911	2,447
Total	**1,770**	**1,708**	**2,378**	**2,778**	**2,766**	**3,107**
Total	**22,227**	**33,469**	**40,766**	**59,335**	**75,335**	**91,087**
Total non-official	**49,308**	**62,900**	**72,666**	**96,040**	**114,845**	**142,825**
TOTAL	**55,395**	**71,033**	**81,897**	**111,234**	**138,598**	**173,014**
			AUSTRALIAN INVESTMENT ABROAD			
OFFICIAL -						
Reserve assets(b)	6,517	10,748	12,417	13,517	13,024	17,594
Lending	10	7	3	106	137	364
Other	1,254	1,468	1,957	2,249	2,406	2,813
Total official	**7,781**	**12,223**	**14,377**	**15,872**	**15,567**	**20,771**
NON-OFFICIAL -						
Direct investment -						
Corporate equities	4,361	4,852	6,242	8,584	12,015	17,683
Net equity in branches	652	615	638	829	852	976
Lending	592	809	478	384	-354	-781
Other	240	235	273	301	248	347
Total	**5,845**	**6,510**	**7,631**	**10,098**	**12,762**	**18,225**
Portfolio & other investment -(a)						
Corporate equities	262	1,011	1,138	2,274	6,940	11,811
Lending-						
Public sector	108	218	192	387	1,259	888
Private sector	576	726	1,118	2,198	2,977	4,272
Total	**684**	**944**	**1,310**	**2,585**	**4,236**	**5,159**
Accounts receivable/prepayments made-						
Public sector	578	1,830	862	1,489	1,554	1,505
Private sector	1,369	-	1,389	1,769	1,816	2,183
Total	**1,947**	**1,830**	**2,251**	**3,258**	**3,370**	**3,688**
Total	**2,894**	**3,785**	**4,698**	**8,117**	**14,546**	**20,659**
Total non-official	**8,739**	**10,295**	**12,329**	**18,215**	**27,307**	**38,884**
TOTAL	**16,520**	**22,518**	**26,706**	**34,087**	**42,874**	**59,655**

(a) The definition of direct investment (and as a consequence the scope of portfolio and other investment) changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11.

(b) From 30 June 1985, figures for official reserve assets are not fully comparable with earlier data due to changes in the Reserve Bank's accounting procedures.

TABLE 5. LEVEL OF FOREIGN DEBT
($A million)

	AT 30 JUNE -					
	1982	1983	1984	1985	1986	1987
	FOREIGN BORROWING (GROSS DEBT)					
OFFICIAL -						
Commonwealth government and Reserve Bank	5,692	7,682	8,534	12,982	19,553	23,173
State government	-	-	339	1,901	3,855	6,684
Total official	**5,692**	**7,682**	**8,874**	**14,883**	**23,409**	**29,857**
NON-OFFICIAL -						
Financial enterprises -						
Public sector	515	648	1,143	2,416	5,086	5,685
Private sector	2,752	3,448	5,127	9,148	15,365	20,769
Total	**3,266**	**4,097**	**6,270**	**11,564**	**20,451**	**26,454**
Trading enterprises -						
Public sector	3,037	5,829	7,711	12,452	13,530	12,303
Private sector	12,183	17,910	20,804	28,027	33,533	35,900
Total	**15,220**	**23,739**	**28,514**	**40,479**	**47,063**	**48,204**
Total non-official	**18,487**	**27,836**	**34,784**	**52,043**	**67,513**	**74,658**
TOTAL	**24,178**	**35,518**	**43,658**	**66,926**	**90,922**	**104,514**
	AUSTRALIAN LENDING ABROAD AND RESERVE ASSETS					
OFFICIAL -						
Reserve assets(a)	6,517	10,748	12,417	13,517	13,024	17,594
Lending	10	7	3	106	137	364
Total official	**6,527**	**10,755**	**12,420**	**13,623**	**13,161**	**17,958**
NON-OFFICIAL -						
Financial enterprises	584	684	576	1,190	2,838	2,591
Trading enterprises	692	1,068	1,212	1,779	1,044	1,788
Total non-official	**1,276**	**1,752**	**1,788**	**2,969**	**3,882**	**4,378**
TOTAL	**7,803**	**12,507**	**14,208**	**16,592**	**17,043**	**22,336**
	NET FOREIGN DEBT(b)					
OFFICIAL	**-835**	**-3,073**	**-3,546**	**1,260**	**10,248**	**11,899**
NON-OFFICIAL -						
Financial enterprises	2,682	3,412	5,694	10,374	17,613	23,863
Trading enterprises	14,528	22,671	27,303	38,701	46,019	46,416
Total non-official	**17,210**	**26,083**	**32,997**	**49,074**	**63,631**	**70,279**
TOTAL	**16,375**	**23,010**	**29,450**	**50,334**	**73,879**	**82,178**

(a) From 30 June 1985, figures for official reserve assets are not fully comparable with earlier data due to changes in the Reserve Bank's accounting procedures.
(b) Foreign borrowing by Australian residents less the sum of Australian lending abroad and reserve assets.

SECTION 2 : COUNTRY TABLES

TABLE 6. FOREIGN INVESTMENT BY COUNTRY 1986-87: SUMMARY TABLE ($A million)

	Foreign investment in Australia			Australian investment abroad		
	Capital transactions	Level of investment at end of year	Investment income	Capital transactions	Level of investment at end of year	Investment income
OECD-						
USA	5,003	40,357	3,239	7,606	20,903	482
Canada	-12	3,325	82	288	526	16
Japan	611	21,333	1,815	-124	3,329	83
New Zealand	1,442	4,625	149	971	2,780	266
EEC -						
UK	4,286	36,674	2,193	1,019	7,219	373
Germany, Federal Republic	756	7,091	460	146	1,101	11
France	286	1,889	69	174	360	7
Italy	-52	234	8	-58	66	np
Netherlands	405	4,005	250	776	1,048	61
Greece	2	21	-	np	np	1
Belgium and Luxembourg	106	2,577	215	110	148	-2
Ireland, Republic of	-32	49	5	np	np	np
Other EEC(a)	3	1,552	111	45	145	1
Total EEC	**5,759**	**54,092**	**3,311**	**2,215**	**10,097**	**461**
Switzerland	343	7,451	406	88	276	3
Sweden	29	375	23	2	28	-
Other OECD(b)	-5	160	4	-183	5,347	237
Total OECD	**13,170**	**131,718**	**9,028**	**10,863**	**43,286**	**1,549**
Non-OECD -						
Centrally planned economies -(c)	-32	270	8	-27	38	-
OPEC, excluding Indonesia (d)	7	117	np	-300	24	-
ASEAN						
Indonesia	5	34	-	15	90	np
Malaysia	18	521	18	270	425	np
Philippines	2	25	np	11	40	-1
Singapore	838	9,293	582	-313	676	74
Thailand	64	78	np	41	75	1
ASEAN nes(e)	22	378	8	8	16	-
TOTAL ASEAN	**949**	**10,330**	**608**	**32**	**1,322**	**100**
South Africa	9	75	np	36	np	np
Hong Kong	117	3,069	158	516	2,061	243
Republic of Korea	102	184	4	3	85	3
Taiwan	294	445	np	np	738	18
Papua New Guinea	-8	38	-	9	np	53
Fiji	-13	20	1	654	105	5
Central America and Caribbean	555	2,177	93	81	1,217	190
America nes	4	33	np	42	np	6
Europe nes	-17	19	1	np	-	-
Africa nes	-4	1	-	-854	np	43
Asia nes	-	126	10	np	np	np
Oceania nes	180	277	12	85	138	10
Total Non-OECD	**2,144**	**17,181**	**932**	**297**	**7,450**	**674**
Reserve Bank Gold(f)	-	-	-	-	4,951	-
International capital markets	6,696	19,961	925	-	-	-
International institutions	-24	332	22	98	2,047	4
Unallocated	-333	3,822	442	163	1,921	191
TOTAL	**21,652**	**173,014**	**11,348**	**11,421**	**59,655**	**2,418**

(a) Includes Denmark, Portugal, Spain and investment in EEC countries where investment cannot be allocated to particular countries.
(b) Includes Austria, Finland, Iceland, Norway, Turkey and OECD countries unspecified; and for Australian investment abroad, includes that foreign exchange part of official reserve assets that cannot be allocated to country.
(c) Includes Albania, Bulgaria, China, Czechoslovakia, German Democratic Republic, Hungary, Poland, Romania, Democratic Peoples Republic of Korea, Mongolia, USSR and Vietnam.
(d) Includes Algeria, Ecuador, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates and Venezuela.
(e) Includes Brunei and investment in ASEAN countries where investment cannot be allocated to particular countries.
(f) Gold held by the Reserve Bank as part of reserve assets that cannot be allocated by country.

TABLE 7. FOREIGN INVESTMENT IN AUSTRALIA: CAPITAL TRANSACTIONS BY COUNTRY AND TYPE OF CAPITAL ($A million)

Country of investor	YEAR - 1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
	DIRECT INVESTMENT - REINVESTMENT OF EARNINGS(a)					
OECD -						
USA	82	-517	99	140	323	469
Japan	69	-55	-	39	-11	-161
Switzerland	1	-4	18	24	22	33
EEC -						
UK	264	118	354	322	465	695
Other(b)	-7	-71	22	-10	-8	38
Total	256	46	376	313	457	733
Other OECD(b)	-15	3	82	88	142	125
Total OECD	393	-527	574	604	932	1,199
ASEAN(c)	-12	-20	-2	-11	-12	9
Other countries(c)	-23	-38	-18	-	-32	-10
International capital markets	-	-	-	-	-	-
International institutions	-	-	-	-	-	-
Unallocated	-	-	-	-	-	42
TOTAL	358	-586	553	594	888	1,240
	OTHER DIRECT INVESTMENT(a)					
OECD -						
USA	314	425	-735	-134	549	1,320
Japan	362	460	390	171	844	667
Switzerland	67	-21	31	37	85	109
EEC -						
UK	316	391	500	1,287	153	889
Other(b)	141	411	117	485	435	174
Total	457	802	617	1,772	588	1,064
Other OECD(b)	53	31	142	211	504	-24
Total OECD	1,253	1,697	445	2,058	2,570	3,135
ASEAN(c)	482	-233	744	28	-517	672
Other countries(c)	248	33	198	-35	152	-250
International capital markets	-	-	-	-	101	-
International institutions	-	-	-	-	-	-
Unallocated	2	-2	1	-6	12	-23
TOTAL	1,986	1,495	1,389	2,044	2,317	3,534
	TOTAL DIRECT INVESTMENT(a)					
OECD -						
USA	396	-92	-636	6	871	1,789
Japan	431	405	390	210	833	507
Switzerland	68	-25	49	61	107	141
EEC -						
UK	580	508	854	1,610	618	1,584
Other(b)	134	340	139	476	427	213
Total	714	848	993	2,085	1,045	1,797
Other OECD(b)	38	34	224	300	646	101
Total OECD	1,646	1,170	1,019	2,662	3,502	4,335
ASEAN(c)	471	-254	743	17	-530	681
Other countries(c)	225	-5	180	-35	120	-260
International capital markets	-	-	-	-	101	-
International institutions	-	-	-	-	-	-
Unallocated	2	-2	1	-6	12	18
TOTAL	2,344	908	1,943	2,638	3,205	4,773
	PORTFOLIO AND OTHER INVESTMENT(a)					
OECD -						
USA	1,086	428	1,987	3,580	3,260	3,214
Japan	1,069	2,812	1,110	3,244	1,840	104
Switzerland	720	233	85	339	437	201
EEC -						
UK	2,053	1,911	1,676	678	1,545	2,702
Other(b)	546	664	517	815	2,597	1,260
Total	2,599	2,575	2,193	1,492	4,142	3,962
Other OECD(b)	46	113	19	102	225	1,353
Total OECD	5,520	6,162	5,393	8,757	9,903	8,835
ASEAN(c)	1,383	1,873	1,405	575	-307	269
Other countries(c)	709	1,235	406	106	-880	1,455
International capital markets	101	161	953	2,321	6,497	6,696
International institutions	97	86	-137	-55	14	-24
Unallocated	341	-138	144	468	535	-351
TOTAL	8,151	9,379	8,164	12,173	15,762	16,879
	TOTAL					
OECD -						
USA	1,482	337	1,351	3,586	4,131	5,003
Japan	1,501	3,217	1,500	3,454	2,673	611
Switzerland	787	208	134	399	544	343
EEC -						
UK	2,633	2,419	2,529	2,287	2,164	4,286
Other(b)	679	1,004	656	1,290	3,024	1,473
Total	3,312	3,423	3,185	3,577	5,187	5,759
Other OECD(b)	84	147	242	402	871	1,454
Total OECD	7,166	7,332	6,412	11,419	13,405	13,170
ASEAN(c)	1,854	1,619	2,148	592	-837	949
Other countries(c)	934	1,230	586	71	-760	1,195
International capital markets	101	161	953	2,321	6,598	6,696
International institutions	97	86	-137	-55	14	-24
Unallocated	343	-140	145	462	548	-333
TOTAL	10,495	10,287	10,107	14,810	18,968	21,652

(a) The definition of direct investment (and as a consequence the scope of portfolio and other investment) changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11.
(b) Until 1985-86 Spain and Portugal are included in 'Other OECD'; from 1985-86 they are included in 'Other EEC'.
(c) Until 1983-84 Brunei is included in 'Other countries'; from 1983-84 it is included in 'ASEAN'.

TABLE 8. FOREIGN INVESTMENT IN AUSTRALIA: INVESTMENT INCOME BY COUNTRY AND TYPE OF CAPITAL ($A million)

Country of investor	YEAR -					
	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
	DIRECT INVESTMENT - REINVESTED EARNINGS(a)					
OECD -						
USA	82	-517	99	140	323	469
Japan	69	-55	-	39	-11	-161
Switzerland	1	-4	18	24	22	33
EEC -						
UK	264	118	354	322	465	695
Other(b)	-7	-71	22	-10	-8	38
Total	**256**	**46**	376	313	**457**	733
Other OECD(b)	-15	3	82	88	142	125
Total OECD	**393**	**-527**	**574**	**604**	**932**	**1,199**
ASEAN(c)	-12	-20	-2	-11	-12	9
Other countries(c)	-23	-38	-18	-	-32	-10
International capital markets	-	-	-	-	-	-
International institutions	-	-	-	-	-	-
Unallocated	-	-	-	-	-	42
TOTAL	**358**	**-586**	553	**594**	888	**1,240**
	DIRECT INVESTMENT - DISTRIBUTED EARNINGS(a)					
OECD -						
USA	734	796	967	842	669	503
Japan	46	67	93	99	166	239
Switzerland	21	20	11	23	26	33
EEC -						
UK	261	283	334	313	324	272
Other(b)	35	41	57	49	85	137
Total	**296**	**324**	391	361	409	**409**
Other OECD(b)	71	36	51	58	122	21
Total OECD	**1,168**	**1,243**	**1,514**	**1,383**	**1,392**	**1,205**
ASEAN(c)	58	42	63	165	82	84
Other countries(c)	43	44	39	53	75	52
International capital markets	-	-	-	-	-	3
International institutions	-	-	-	-	-	-
Unallocated	-	-	-	1	31	52
TOTAL	**1,270**	**1,329**	**1,615**	**1,602**	**1,580**	**1,396**
	TOTAL DIRECT INVESTMENT(a)					
OECD -						
USA	816	279	1,066	983	992	972
Japan	115	12	92	138	155	78
Switzerland	22	16	29	47	48	66
EEC -						
UK	525	401	688	635	789	967
Other(b)	27	-30	79	39	77	176
Total	**552**	**371**	**767**	**674**	**866**	**1,142**
Other OECD(b)	56	38	133	146	264	146
Total OECD	**1,561**	**716**	**2,087**	**1,988**	**2,324**	**2,405**
ASEAN(c)	47	21	61	155	70	93
Other countries(c)	20	6	20	52	43	42
International capital markets	-	-	-	-	-	3
International institutions	-	-	-	-	-	-
Unallocated	-	-	-	1	31	94
TOTAL	**1,628**	**743**	**2,168**	**2,196**	**2,468**	**2,636**
	PORTFOLIO AND OTHER INVESTMENT(a)					
OECD -						
USA	464	549	641	1,054	1,447	2,267
Japan	209	466	706	1,086	1,490	1,737
Switzerland	59	135	147	166	228	340
EEC -						
UK	466	612	816	1,198	1,262	1,227
Other(b)	221	295	373	485	707	941
Total	**687**	**907**	**1,189**	**1,683**	**1,968**	**2,168**
Other OECD(b)	43	62	59	65	63	111
Total OECD	**1,463**	**2,119**	**2,742**	**4,054**	**5,196**	**6,623**
ASEAN(c)	73	266	409	584	624	516
Other countries(c)	102	238	307	387	350	282
International capital markets	-	5	38	124	555	922
International institutions	62	55	40	32	24	22
Unallocated	121	116	130	186	225	347
TOTAL	**1,821**	**2,799**	**3,665**	**5,368**	**6,974**	**8,712**
	TOTAL					
OECD -						
USA	1,280	828	1,707	2,037	2,438	3,239
Japan	325	478	799	1,224	1,646	1,815
Switzerland	81	150	175	213	275	406
EEC -						
UK	991	1,012	1,504	1,833	2,051	2,193
Other(b)	248	265	452	524	784	1,117
Total	**1,239**	**1,277**	**1,956**	**2,357**	**2,834**	**3,311**
Other OECD(b)	99	100	192	212	327	257
Total OECD	**3,024**	**2,834**	**4,829**	**6,041**	**7,520**	**9,028**
ASEAN(c)	120	288	470	739	694	608
Other countries(c)	123	244	327	440	393	324
International capital markets	-	5	38	124	555	925
International institutions	62	55	40	32	24	22
Unallocated	121	116	130	187	256	442
TOTAL	**3,449**	**3,542**	**5,833**	**7,563**	**9,442**	**11,348**

(a) The definition of direct investment (and as a consequence the scope of portfolio and other investment) changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11.
(b) Until 1985-86 Spain and Portugal are included in 'Other OECD'; from 1985-86 they are included in 'Other EEC'.
(c) Until 1983-84 Brunei is included in 'Other countries'; from 1983-84 it is included in 'ASEAN'.

**TABLE 9. FOREIGN INVESTMENT IN AUSTRALIA:
LEVELS OF INVESTMENT BY COUNTRY AND TYPE OF CAPITAL
($A million)**

Country of investor	AT 30 JUNE -					
	1982	1983	1984	1985	1986	1987
DIRECT INVESTMENT, CORPORATE EQUITIES(a)						
OECD -						
USA	5,843	6,116	5,904	6,338	6,959	11,735
Japan	1,063	1,071	1,057	1,157	1,583	2,329
Switzerland	290	320	347	375	402	484
EEC -						
UK	7,552	8,047	8,168	8,907	9,148	11,719
Other(b)	2,090	2,224	2,423	2,565	2,489	2,755
Total	**9,642**	**10,270**	**10,591**	**11,472**	**11,638**	**14,474**
Other OECD(b)	508	589	1,245	1,612	1,610	3,488
Total OECD	**17,345**	**18,366**	**19,144**	**20,955**	**22,192**	**32,510**
ASEAN(c)	172	258	261	308	316	679
Other countries(c)	460	495	722	1,045	784	903
International capital markets	-	-	-	-	-	-
International institutions	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-
TOTAL	**17,978**	**19,119**	**20,127**	**22,308**	**23,291**	**34,092**
OTHER DIRECT INVESTMENT(a)						
OECD -						
USA	4,180	5,084	5,173	5,483	5,668	6,241
Japan	595	978	1,332	1,611	2,149	2,395
Switzerland	209	159	190	236	298	401
EEC -						
UK	1,499	1,336	1,513	2,405	2,662	3,583
Other(b)	864	1,139	1,111	1,448	2,097	1,794
Total	**2,362**	**2,475**	**2,624**	**3,853**	**4,759**	**5,378**
Other OECD(b)	377	441	547	771	1,030	727
Total OECD	**7,723**	**9,137**	**9,867**	**11,953**	**13,904**	**15,141**
ASEAN(c)	681	467	1,241	1,563	1,183	1,588
Other countries(c)	697	707	662	879	1,085	880
International capital markets	-	-	-	-	-	40
International institutions	-	-	-	-	-	-
Unallocated	2	1	3	-	46	-3
TOTAL	**9,104**	**10,312**	**11,772**	**14,396**	**16,218**	**17,646**
TOTAL DIRECT INVESTMENT(a)						
OECD -						
USA	10,023	11,200	11,078	11,821	12,626	17,976
Japan	1,658	2,048	2,390	2,768	3,732	4,725
Switzerland	499	479	537	611	700	885
EEC -						
UK	9,051	9,383	9,681	11,312	11,810	15,303
Other(b)	2,954	3,362	3,533	4,013	4,587	4,549
Total	**12,005**	**12,746**	**13,215**	**15,325**	**16,397**	**19,852**
Other OECD(b)	884	1,030	1,791	2,383	2,640	4,215
Total OECD	**25,069**	**27,503**	**29,010**	**32,908**	**36,096**	**47,652**
ASEAN(c)	853	725	1,502	1,872	1,499	2,267
Other countries(c)	1,158	1,202	1,384	1,925	1,869	1,783
International capital markets	-	-	-	-	-	40
International institutions	-	-	-	-	-	-
Unallocated	2	1	3	-	46	-3
TOTAL	**27,081**	**29,431**	**31,899**	**36,704**	**39,510**	**51,738**
PORTFOLIO AND OTHER INVESTMENT, CORPORATE EQUITIES(a)						
OECD -						
USA	707	916	995	1,516	1,861	3,970
Japan	315	489	549	638	613	537
Switzerland	318	481	481	622	827	1,642
EEC -						
UK	2,433	3,469	3,872	4,982	5,474	8,767
Other(b)	440	708	624	759	930	1,943
Total	**2,873**	**4,177**	**4,496**	**5,741**	**6,404**	**10,709**
Other OECD(b)	486	633	702	932	1,422	3,435
Total OECD	**4,698**	**6,697**	**7,223**	**9,449**	**11,126**	**20,292**
ASEAN(c)	160	224	292	358	296	576
Other countries(c)	104	404	418	620	432	788
International capital markets	-	-	-	-	-	-
International institutions	-	-	-	-	-	-
Unallocated	685	645	631	741	1,303	1,441
TOTAL	**5,647**	**7,970**	**8,564**	**11,168**	**13,156**	**23,096**
PORTFOLIO AND OTHER INVESTMENT, OTHER(a)						
OECD -						
USA	4,415	5,143	7,804	12,935	16,323	18,411
Japan	3,488	6,740	7,863	12,794	16,495	16,071
Switzerland	1,766	2,159	2,096	2,817	4,329	4,925
EEC -						
UK	3,899	5,744	6,890	9,651	11,770	12,604
Other(b)	3,122	3,995	4,553	6,325	9,653	10,927
Total	**7,022**	**9,738**	**11,443**	**15,977**	**21,422**	**23,531**
Other OECD(b)	276	347	350	486	479	836
Total OECD	**16,967**	**24,126**	**29,556**	**45,009**	**59,048**	**63,775**
ASEAN(c)	1,913	3,949	5,419	7,465	7,156	7,487
Other countries(c)	1,426	2,809	3,260	4,295	3,503	4,276
International capital markets	644	985	1,425	4,466	13,098	19,921
International institutions	437	533	390	341	365	332
Unallocated	1,279	1,230	1,384	1,785	2,762	2,385
TOTAL	**22,666**	**33,633**	**41,434**	**63,361**	**85,932**	**98,180**

TABLE 9 CONTINUED ON NEXT PAGE.....

TABLE 9. FOREIGN INVESTMENT IN AUSTRALIA: LEVELS OF INVESTMENT BY COUNTRY AND TYPE OF CAPITAL ($A million)-Continued

Country of investor	AT 30 JUNE - 1982	1983	1984	1985	1986	1987
			TOTAL PORTFOLIO AND OTHER INVESTMENT(a)			
OECD -						
USA	5,121	6,059	8,799	14,451	18,183	22,381
Japan	3,803	7,229	8,412	13,432	17,108	16,608
Switzerland	2,084	2,640	2,577	3,439	5,156	6,567
EEC -						
UK	6,332	9,213	10,761	14,633	17,244	21,371
Other(b)	3,562	4,702	5,177	7,084	10,582	12,870
Total	**9,895**	**13,915**	**15,938**	**21,717**	**27,826**	**34,241**
Other OECD(b)	762	980	1,052	1,418	1,900	4,270
Total OECD	**21,665**	**30,823**	**36,779**	**54,457**	**70,174**	**84,067**
ASEAN(c)	2,073	4,173	5,711	7,823	7,452	8,063
Other countries(c)	1,530	3,213	3,678	4,916	3,935	5,064
International capital markets	644	985	1,425	4,466	13,098	19,921
International institutions	437	533	390	341	365	332
Unallocated	1,963	1,876	2,015	2,526	4,065	3,825
TOTAL	**28,313**	**41,602**	**49,998**	**74,530**	**99,088**	**121,276**
			TOTAL CORPORATE EQUITIES			
OECD -						
USA	6,549	7,032	6,900	7,854	8,819	15,704
Japan	1,377	1,560	1,606	1,795	2,196	2,866
Switzerland	608	801	828	997	1,229	2,126
EEC -						
UK	9,985	11,516	12,040	13,890	14,622	20,486
Other(b)	2,530	2,931	3,047	3,323	3,419	4,698
Total	**12,515**	**14,447**	**15,087**	**17,213**	**18,042**	**25,183**
Other OECD(b)	994	1,222	1,947	2,544	3,032	6,923
Total OECD	**22,044**	**25,062**	**26,367**	**30,403**	**33,318**	**52,802**
ASEAN(c)	332	482	553	667	612	1,255
Other countries(c)	564	899	1,141	1,666	1,215	1,691
International capital markets	-	-	-	-	-	-
International institutions	-	-	-	-	-	-
Unallocated	685	645	631	741	1,303	1,441
TOTAL	**23,625**	**27,089**	**28,691**	**33,477**	**36,448**	**57,188**
			TOTAL OTHER INSTRUMENTS			
OECD -						
USA	8,595	10,227	12,978	18,418	21,990	24,652
Japan	4,083	7,717	9,196	14,405	18,644	18,467
Switzerland	1,975	2,318	2,286	3,053	4,627	5,325
EEC -						
UK	5,398	7,080	8,402	12,056	14,432	16,188
Other(b)	3,986	5,133	5,664	7,773	11,750	12,721
Total	**9,384**	**12,213**	**14,066**	**19,829**	**26,182**	**28,909**
Other OECD(b)	653	788	897	1,257	1,509	1,563
Total OECD	**24,690**	**33,263**	**39,422**	**56,962**	**72,952**	**78,916**
ASEAN(c)	2,594	4,416	6,661	9,028	8,339	9,075
Other countries(c)	2,124	3,515	3,921	5,175	4,588	5,156
International capital markets	644	985	1,425	4,466	13,098	19,961
International institutions	437	533	390	341	365	332
Unallocated	1,280	1,231	1,387	1,785	2,808	2,382
TOTAL	**31,770**	**43,944**	**53,206**	**77,758**	**102,150**	**115,826**
			TOTAL			
OECD -						
USA	15,144	17,258	19,877	26,272	30,810	40,357
Japan	5,461	9,277	10,802	16,200	20,840	21,333
Switzerland	2,584	3,119	3,114	4,050	5,856	7,451
EEC -						
UK	15,383	18,596	20,443	25,946	29,054	36,674
Other(b)	6,516	8,065	8,710	11,097	15,169	17,419
Total	**21,900**	**26,661**	**29,153**	**37,042**	**44,223**	**54,092**
Other OECD(b)	1,646	2,010	2,844	3,801	4,541	8,485
Total OECD	**46,734**	**58,326**	**65,789**	**87,365**	**106,269**	**131,718**
ASEAN(c)	2,926	4,898	7,214	9,695	8,951	10,330
Other countries(c)	2,688	4,415	5,062	6,840	5,804	6,847
International capital markets	644	985	1,425	4,466	13,098	19,961
International institutions	437	533	390	341	365	332
Unallocated	1,965	1,876	2,017	2,527	4,111	3,822
TOTAL	**55,395**	**71,033**	**81,897**	**111,234**	**138,598**	**173,014**

(a) The definition of direct investment (and as a consequence the scope of portfolio and other investment) changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11.
(b) Until 1985-86 Spain and Portugal are included in 'Other OECD'; from 1985-86 they are included in 'Other EEC'.
(c) Until 1983-84 Brunei is included in 'Other countries'; from 1983-84 it is included in 'ASEAN'.

TABLE 10. AUSTRALIAN INVESTMENT ABROAD: CAPITAL TRANSACTIONS BY COUNTRY AND TYPE OF CAPITAL
($A million)

Country of investment	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
				YEAR -		
			DIRECT INVESTMENT - REINVESTMENT OF EARNINGS(a)			
OECD -						
USA	-28	-12	-5	59	46	66
New Zealand	68	55	96	139	202	246
UK	-14	100	90	56	166	339
Other OECD(c)	11	-21	-44	16	38	65
Total OECD	38	122	137	270	452	716
ASEAN(b)	44	38	94	30	16	-9
Papua New Guinea	10	13	33	11	124	41
Other countries(b)	14	31	44	5	45	235
Unallocated	-	1	-	-	-	150
TOTAL	106	205	309	315	638	1,132
			OTHER DIRECT INVESTMENT(a)			
OECD -						
USA	110	157	613	1,098	1,691	1,013
New Zealand	131	93	55	88	-181	195
UK	186	-111	108	412	137	-420
Other OECD(c)	14	141	17	-	-18	1,001
Total OECD	442	280	792	1,598	1,629	1,790
ASEAN(b)	-11	5	-25	-66	-231	-41
Papua New Guinea	32	10	58	46	9	-22
Other countries(b)	101	83	127	88	356	371
Unallocated	-	-	2	-4	325	108
TOTAL	564	377	954	1,662	2,088	2,205
			TOTAL DIRECT INVESTMENT(a)			
OECD -						
USA	82	145	607	1,157	1,737	1,079
New Zealand	200	148	151	228	21	441
UK	172	-11	198	468	302	-81
Other OECD(c)	25	121	-27	15	20	1,067
Total OECD	480	402	929	1,868	2,081	2,506
ASEAN(b)	33	43	69	-37	-215	-50
Papua New Guinea	41	22	91	57	133	19
Other countries(b)	116	114	171	93	401	606
Unallocated	-	1	2	-4	326	259
TOTAL	670	582	1,263	1,977	2,725	3,338
			RESERVE ASSETS, PORTFOLIO AND OTHER INVESTMENT			
OECD -						
USA	1,496	2,083	1,579	-1,230	-426	6,527
New Zealand	16	-	12	3	-20	529
UK	45	12	28	248	429	1,100
Other OECD(c)	159	1,143	996	1,505	980	201
Total OECD	1,717	3,238	2,614	527	963	8,357
ASEAN(b)	-17	114	216	356	326	83
Papua New Guinea	64	126	138	38	-240	-9
Other countries(b)	-132	185	60	258	1,791	-252
Unallocated	-32	-124	155	235	-782	-96
TOTAL	1,601	3,540	3,182	1,413	2,059	8,083
			TOTAL			
OECD -						
USA	1,578	2,228	2,186	-73	1,311	7,606
New Zealand	216	148	163	231	1	971
UK	218	1	225	717	731	1,019
Other OECD(c)	185	1,264	968	1,521	1,000	1,268
Total OECD	2,197	3,640	3,543	2,395	3,044	10,863
ASEAN(b)	16	157	285	319	111	32
Papua New Guinea	106	149	230	94	-107	9
Other countries(b)	-16	299	231	351	2,192	354
Unallocated	-32	-123	157	231	-456	163
TOTAL	2,271	4,122	4,446	3,390	4,784	11,421

(a) The definition of direct investment (and as a consequence the scope of portfolio and other investment) changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11.
(b) Until 1983-84 Brunei is included in 'Other countries'; from 1983-84 it is included in 'ASEAN'.
(c) The foreign exchange part of reserve assets, with the exception of those held in the USA, are not available by country and are therefore included in 'Other OECD'.

TABLE 11. AUSTRALIAN INVESTMENT ABROAD:
INVESTMENT INCOME BY COUNTRY AND TYPE OF CAPITAL
($A million)

Country of investment	YEAR - 1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
	DIRECT INVESTMENT - REINVESTED EARNINGS(a)					
OECD -						
USA	-28	-12	-5	59	46	66
New Zealand	68	55	96	139	202	246
UK	-14	100	90	56	166	339
Other OECD	11	-21	-44	16	38	65
Total OECD	38	122	137	270	452	716
ASEAN(b)	44	38	94	30	16	-9
Papua New Guinea	10	13	33	11	124	41
Other countries(b)	14	31	44	5	45	235
Unallocated	-	1	-	-	-	150
TOTAL	106	205	309	315	638	1,132
	DIRECT INVESTMENT - DISTRIBUTED EARNINGS(a)					
OECD -						
USA	15	20	13	-18	-6	-34
New Zealand	44	44	54	32	56	11
UK	26	3	23	17	73	-40
Other OECD	5	11	9	5	11	29
Total OECD	90	78	100	35	135	-35
ASEAN(b)	39	42	38	33	81	63
Papua New Guinea	27	20	44	23	11	12
Other countries(b)	59	56	71	69	111	233
Unallocated	-	-	-	-	-	6
TOTAL	215	197	252	159	337	280
	TOTAL DIRECT INVESTMENT(a)					
OECD -						
USA	-13	8	8	41	40	32
New Zealand	113	99	151	171	259	256
UK	12	103	113	73	239	299
Other OECD	16	-10	-35	20	49	94
Total OECD	127	200	237	305	587	681
ASEAN(b)	83	80	132	63	97	54
Papua New Guinea	37	33	77	33	135	53
Other countries(b)	73	88	115	74	156	468
Unallocated	-	1	-	-	-	157
TOTAL	321	402	561	474	975	1,413
	RESERVE ASSETS, PORTFOLIO AND OTHER INVESTMENT					
OECD -						
USA	211	460	635	657	365	450
New Zealand	2	3	3	2	4	10
UK	3	4	9	23	32	75
Other OECD(c)	44	92	154	250	347	333
Total OECD	260	558	800	932	747	868
ASEAN(b)	8	13	18	38	57	47
Papua New Guinea	12	14	31	20	6	-
Other countries(b)	15	15	3	6	19	58
Unallocated	44	52	55	54	118	33
TOTAL	339	652	907	1,051	947	1,006
	TOTAL					
OECD -						
USA	198	468	643	698	405	482
New Zealand	115	101	154	173	262	266
UK	15	107	122	96	271	373
Other OECD(c)	60	82	119	270	396	427
Total OECD	388	758	1,037	1,237	1,334	1,549
ASEAN(b)	91	93	150	101	154	100
Papua New Guinea	49	47	108	53	141	53
Other countries(b)	88	103	117	80	174	525
Unallocated	44	53	55	54	119	191
TOTAL	660	1,054	1,468	1,525	1,922	2,418

(a) The definition of direct investment (and as a consequence the scope of portfolio and other investment) changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11.
(b) Until 1983-84 Brunei is included in 'Other countries'; from 1983-84 it is included in 'ASEAN'.
(c) Interest receivable on the foreign exchange part of reserve assets, with the exception of those held in the USA, are not available by country and are therefore included in 'Other OECD'.

TABLE 12. AUSTRALIAN INVESTMENT ABROAD: LEVELS OF INVESTMENT BY COUNTRY AND TYPE OF CAPITAL ($A million)

Country of investment	AT 30 JUNE -					
	1982	1983	1984	1985	1986	1987
DIRECT INVESTMENT, CORPORATE EQUITIES(a)						
OECD -						
USA	417	442	1,251	3,027	4,746	5,748
New Zealand	289	393	480	364	1,004	1,796
UK	604	663	1,120	1,610	2,182	4,446
Other OECD	103	760	677	1,057	233	908
Total OECD	1,413	2,258	3,529	6,058	8,166	12,898
ASEAN(b)	1,822	1,361	972	466	495	590
Papua New Guinea	616	411	468	408	651	np
Other countries(b)	509	821	1,274	1,651	2,704	2,397
Unallocated	-	-	-	-	-	np
TOTAL	4,361	4,852	6,242	8,584	12,015	17,683
OTHER DIRECT INVESTMENT(a)						
OECD -						
USA	345	463	96	-273	-623	-519
New Zealand	255	273	320	427	231	406
UK	131	92	128	348	205	-415
Other OECD	168	183	208	239	304	554
Total OECD	900	1,011	753	741	117	26
ASEAN(b)	201	201	165	210	-186	-311
Papua New Guinea	126	122	92	96	69	16
Other countries(b)	255	320	373	452	435	781
Unallocated	3	4	7	16	311	30
TOTAL	1,484	1,658	1,389	1,514	747	542
TOTAL DIRECT INVESTMENT(a)						
OECD -						
USA	763	905	1,348	2,754	4,123	5,229
New Zealand	544	666	800	791	1,235	2,202
UK	735	755	1,249	1,958	2,388	4,030
Other OECD	271	943	886	1,296	537	1,462
Total OECD	2,313	3,269	4,282	6,799	8,283	12,924
ASEAN(b)	2,023	1,562	1,136	676	309	278
Papua New Guinea	742	533	560	504	720	np
Other countries(b)	764	1,141	1,646	2,103	3,138	3,178
Unallocated	3	4	7	16	311	np
TOTAL	5,845	6,510	7,631	10,098	12,762	18,225
PORTFOLIO AND OTHER INVESTMENT, CORPORATE EQUITIES(a)						
OECD -						
USA	141	584	540	1,288	2,975	5,175
New Zealand	10	13	20	20	23	12
UK	15	56	140	178	793	2,193
Other OECD	38	280	359	635	2,728	3,602
Total OECD	203	933	1,060	2,121	6,518	10,982
ASEAN(b)	12	14	15	19	47	220
Papua New Guinea	18	17	16	19	-	-
Other countries(b)	9	34	34	89	229	464
Unallocated	19	14	12	26	145	145
TOTAL	262	1,011	1,138	2,274	6,940	11,811
RESERVE ASSETS AND PORTFOLIO AND OTHER INVESTMENT, OTHER						
OECD -						
USA	4,179	6,617	8,307	8,191	6,023	10,499
New Zealand	110	102	107	116	52	566
UK	115	72	77	375	421	995
Other OECD(c)	1,229	1,796	2,694	4,468	6,583	7,320
Total OECD	5,633	8,587	11,186	13,151	13,079	19,380
ASEAN(b)	183	301	525	887	1,001	824
Papua New Guinea	118	301	440	471	26	20
Other countries(b)	1,131	1,302	1,379	1,785	3,671	3,240
Reserve Bank gold(d)	2,444	3,744	3,478	3,772	4,014	4,951
Unallocated	904	762	930	1,649	1,382	1,203
TOTAL	10,412	14,997	17,938	21,715	23,173	29,618
TOTAL RESERVE ASSETS PORTFOLIO AND OTHER INVESTMENT						
OECD -						
USA	4,319	7,201	8,847	9,479	8,998	15,674
New Zealand	120	115	128	136	75	578
UK	130	128	217	553	1,214	3,189
Other OECD(c)	1,267	2,076	3,053	5,103	9,310	10,922
Total OECD	5,836	9,520	12,246	15,272	19,597	30,362
ASEAN(b)	195	315	540	906	1,048	1,044
Papua New Guinea	136	317	456	490	26	20
Other countries(b)	1,141	1,337	1,414	1,874	3,900	3,703
Reserve Bank gold(d)	2,444	3,744	3,478	3,772	4,014	4,951
Unallocated	923	776	942	1,675	1,527	1,350
TOTAL	10,675	16,008	19,075	23,989	30,112	41,430

TABLE 12 CONTINUED ON NEXT PAGE.....

TABLE 12. AUSTRALIAN INVESTMENT ABROAD: LEVELS OF INVESTMENT BY COUNTRY AND TYPE OF CAPITAL ($A million)-Continued

Country of investment	AT 30 JUNE -					
	1982	1983	1984	1985	1986	1987
			TOTAL CORPORATE EQUITIES			
OECD -						
USA	558	1,026	1,791	4,315	7,721	10,923
New Zealand	299	405	501	384	1,027	1,809
UK	619	719	1,260	1,788	2,975	6,639
Other OECD(c)	141	1,040	1,036	1,692	2,961	4,510
Total OECD	**1,617**	**3,191**	**4,589**	**8,179**	**14,684**	**23,880**
ASEAN(b)	1,834	1,375	987	485	542	810
Papua New Guinea	635	428	483	427	651	np
Other countries(b)	518	855	1,308	1,740	2,932	2,860
Unallocated	19	14	13	26	145	np
TOTAL	**4,623**	**5,863**	**7,380**	**10,858**	**18,955**	**29,495**
			TOTAL OTHER INVESTMENT			
OECD -						
USA	4,524	7,080	8,404	7,919	5,400	9,980
New Zealand	365	375	427	543	283	972
UK	246	164	205	723	627	580
Other OECD(c)	1,397	1,979	2,903	4,707	6,887	7,874
Total OECD	**6,532**	**9,598**	**11,939**	**13,892**	**13,196**	**19,405**
ASEAN(b)	384	502	689	1,097	815	512
Papua New Guinea	243	423	532	567	95	36
Other countries(b)	1,387	1,623	1,752	2,237	4,106	4,021
Reserve Bank gold(d)	2,444	3,744	3,478	3,772	4,014	4,951
Unallocated	907	766	936	1,665	1,693	1,235
TOTAL	**11,896**	**16,655**	**19,326**	**23,230**	**23,919**	**30,160**
			TOTAL			
OECD -						
USA	5,082	8,106	10,195	12,234	13,121	20,903
New Zealand	664	781	928	927	1,311	2,780
UK	865	883	1,465	2,511	3,602	7,219
Other OECD(c)	1,538	3,019	3,939	6,399	9,848	12,384
Total OECD	**8,149**	**12,789**	**16,528**	**22,071**	**27,880**	**43,286**
ASEAN(b)	2,218	1,877	1,676	1,582	1,357	1,322
Papua New Guinea	878	850	1,016	994	746	np
Other countries(b)	1,905	2,478	3,060	3,977	7,038	6,881
Reserve Bank gold(d)	2,444	3,744	3,478	3,772	4,014	4,951
Unallocated	926	780	949	1,691	1,838	np
TOTAL	**16,520**	**22,518**	**26,706**	**34,087**	**42,874**	**59,655**

(a) The definition of direct investment (and as a consequence the scope of portfolio and other investment) changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11.
(b) Until 1983-84 Brunei is included in 'Other countries'; from 1983-84 it is included in 'ASEAN'.
(c) The foreign exchange part of reserve assets, with the exception of those held in the USA, are not available by country and are therefore included in 'Other OECD'.
(d) Gold held by the Reserve bank as part of reserve assets which cannot be allocated by country.

SECTION 3 : INDUSTRY TABLES

TABLE 13. FOREIGN INVESTMENT IN AUSTRALIA: CAPITAL TRANSACTIONS BY BROAD INDUSTRY, TYPE OF CAPITAL AND INSTRUMENT OF INVESTMENT(a)
($A million)

	YEAR -					
	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
			MINING			
DIRECT INVESTMENT(b)						
Reinvestment of earnings	-218	-295	-211	-201	525	194
Corporate equities	-319	-298	84	-155	16	-249
Net equity in branches	349	328	-1,015	-106	-577	55
Borrowing	279	170	116	34	38	4
Other	57	24	15	6	-14	-63
Total	**148**	**-71**	**-1,011**	**-422**	**-12**	**-59**
PORTFOLIO AND OTHER INVESTMENT(b)						
Corporate equities	197	399	225	124	-70	638
Borrowing	1,466	2,048	884	688	-1,309	370
Other(c)	-	-	-	-	-	-
Total	**1,663**	**2,447**	**1,109**	**812**	**-1,379**	**1,009**
TOTAL MINING	**1,811**	**2,377**	**97**	**390**	**-1,391**	**950**
			MANUFACTURING			
DIRECT INVESTMENT(b)						
Reinvestment of earnings	396	-319	358	447	218	416
Corporate equities	153	139	74	-149	434	913
Net equity in branches	159	155	89	39	-33	89
Borrowing	181	149	19	45	173	334
Other	198	-14	159	201	142	-139
Total	**1,087**	**109**	**699**	**583**	**933**	**1,614**
PORTFOLIO AND OTHER INVESTMENT(b)						
Corporate equities	284	207	-41	-172	-822	665
Borrowing	1,447	1,302	860	263	2,881	1,040
Other(c)	-	-	-	-	-	-
Total	**1,732**	**1,509**	**818**	**91**	**2,058**	**1,705**
TOTAL MANUFACTURING	**2,819**	**1,618**	**1,517**	**674**	**2,991**	**3,320**
			OTHER INDUSTRIES			
DIRECT INVESTMENT(b)						
Reinvestment of earnings	181	28	407	348	145	629
Corporate equities	67	550	425	643	1,603	948
Net equity in branches	100	91	157	166	295	-63
Borrowing	618	143	837	1,095	65	1,742
Other	144	58	429	225	177	-38
Total	**1,109**	**870**	**2,255**	**2,477**	**2,285**	**3,218**
PORTFOLIO AND OTHER INVESTMENT(b)						
Corporate equities	182	251	418	512	1,064	2,523
Borrowing	4,233	5,103	5,356	10,570	14,019	11,493
Other(c)	342	68	463	187	-1	150
Total	**4,757**	**5,422**	**6,237**	**11,270**	**15,083**	**14,165**
TOTAL OTHER INDUSTRIES	**5,866**	**6,292**	**8,492**	**13,746**	**17,367**	**17,383**
			ALL INDUSTRIES			
DIRECT INVESTMENT(b)						
Reinvestment of earnings	358	-586	553	594	888	1,240
Corporate equities	-100	391	583	340	2,053	1,612
Net equity in branches	608	574	-769	99	-315	82
Borrowing	1,079	461	972	1,174	275	2,079
Other	399	68	603	432	304	-239
Total	**2,344**	**908**	**1,943**	**2,638**	**3,205**	**4,773**
PORTFOLIO AND OTHER INVESTMENT(b)						
Corporate equities	663	858	601	464	172	3,827
Borrowing	7,146	8,453	7,100	11,522	15,591	12,903
Other	342	68	463	187	-1	150
Total	**8,151**	**9,379**	**8,164**	**12,173**	**15,762**	**16,879**
TOTAL ALL INDUSTRIES	**10,495**	**10,287**	**10,107**	**14,810**	**18,968**	**21,652**

(a) The industry categories shown are based on the 1983 edition of ASIC and relate to the predominant activity of the enterprise group receiving the investment funds. This is not necessarily the industry of the end use of the funds; see Explanatory Notes, paragraphs 19 and 20.
(b) The definition of direct investment (and as a consequence the scope of portfolio and other investment) changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11.
(c) Details of accounts payable/prepayments received, a component of portfolio and other investment, are not classified by industry and are therefore included in 'Other industries'.

TABLE 14. FOREIGN INVESTMENT IN AUSTRALIA: CAPITAL TRANSACTIONS BY INDUSTRY AND TYPE OF CAPITAL(a)
($A million)

Industry of investment (ASIC division)		YEAR - 1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
		DIRECT INVESTMENT - REINVESTMENT OF EARNINGS(b)					
B	Mining	-218	-295	-211	-201	525	194
C	Manufacturing	396	-319	358	447	218	416
A	Agriculture, forestry, fishing and hunting	-21	-7	-7	-12	9	-14
D	Electricity, gas and water	-	-	-	-	-	-
E	Construction	12	-	2	-14	6	12
F	Wholesale and retail trade	156	-103	179	199	12	382
G	Transport and storage	-17	-22	-2	-6	26	-34
I	Finance, property and business services	64	186	247	172	97	296
J	Public administration, and defence	-	-	-	-	-	-
H,K,L	Other industries(c)	-2	-1	7	13	-	-7
M	Unallocated	-10	-25	-18	-5	-5	-5
TOTAL ALL INDUSTRIES		358	-586	553	594	888	1,240
		OTHER DIRECT INVESTMENT(b)					
B	Mining	366	224	-800	-220	-538	-253
C	Manufacturing	691	428	341	135	715	1,198
A	Agriculture, forestry, fishing and hunting	14	25	8	14	17	60
D	Electricity, gas and water	-	-	1	-	-	-
E	Construction	12	4	-5	12	-37	235
F	Wholesale and retail trade	129	752	770	580	925	477
G	Transport and storage	39	1	12	-1	52	80
I	Finance, property and business services	737	-14	957	1,498	1,533	1,677
J	Public administration, and defence	-	-	-	-	-	-
H,K,L	Other industries(c)	34	30	82	-1	68	-2
M	Unallocated	-36	44	24	27	-419	62
TOTAL ALL INDUSTRIES		1,986	1,495	1,389	2,044	2,317	3,534
		PORTFOLIO AND OTHER INVESTMENT(b)(d)					
B	Mining	1,663	2,447	1,109	812	-1,379	1,009
C	Manufacturing	1,732	1,509	818	91	2,058	1,705
A	Agriculture, forestry, fishing and hunting	8	30	3	-1	15	362
D	Electricity, gas and water	990	2,332	651	746	264	-994
E	Construction	166	71	51	59	-28	98
F	Wholesale and retail trade	808	-71	911	1,552	235	337
G	Transport and storage	634	440	318	409	314	227
I	Finance, property and business services(e)	1,123	1,429	2,400	5,246	9,498	10,002
J	Public administration, and defence(f)	644	1,032	971	2,629	3,961	3,249
H,K,L	Other industries(c)	134	166	378	282	174	175
M	Unallocated	250	-7	554	348	650	711
TOTAL ALL INDUSTRIES		8,151	9,379	8,164	12,173	15,762	16,879
		TOTAL(d)					
B	Mining	1,811	2,377	97	390	-1,391	950
C	Manufacturing	2,819	1,618	1,517	674	2,991	3,320
A	Agriculture, forestry, fishing and hunting	1	48	4	2	41	408
D	Electricity, gas and water	990	2,332	652	745	264	-994
E	Construction	190	74	48	57	-59	344
F	Wholesale and retail trade	1,093	578	1,860	2,331	1,173	1,195
G	Transport and storage	655	419	327	402	392	272
I	Finance, property and business services(e)	1,924	1,602	3,604	6,916	11,128	11,975
J	Public administration, and defence(f)	644	1,032	971	2,629	3,961	3,249
H,K,L	Other industries(c)	166	195	466	294	242	166
M	Unallocated	203	12	560	370	226	767
TOTAL ALL INDUSTRIES		10,495	10,287	10,107	14,810	18,968	21,652

(a) The industry categories shown are based on the 1983 edition of ASIC and relate to the predominant activity of the enterprise group receiving the investment funds. This is not necessarily the industry of the end use of the funds; see Explanatory Notes, paragraphs 19 and 20.
(b) The definition of direct investment (and as a consequence the scope of portfolio and other investment) changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11 .
(c) Consists of: Division H - Communications, Division K - Community services, and Division L - Recreation, personal and other services.
(d) Details of accounts payable/prepayments received, a component of portfolio and other investment, are not classified by industry and are therefore included in 'Unallocated'.
(e) Includes the Reserve Bank and the State government component of General government.
(f) Includes the Commonwealth government component of General government.

TABLE 15. FOREIGN INVESTMENT IN AUSTRALIA: INVESTMENT INCOME BY INDUSTRY AND TYPE OF CAPITAL(a)
($A million)

	Industry of investment (ASIC division)	YEAR - 1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
	DIRECT INVESTMENT - REINVESTED EARNINGS(b)						
B	Mining	-218	-295	-211	-201	525	194
C	Manufacturing	396	-319	358	447	218	416
A	Agriculture, forestry, fishing and hunting	-21	-7	-7	-12	9	-14
D	Electricity, gas and water	-	-	-	-	-	-
E	Construction	12	-	2	-14	6	12
F	Wholesale and retail trade	156	-103	179	199	12	382
G	Transport and storage	-17	-22	-2	-6	26	-34
I	Finance, property and business services	64	186	247	172	97	296
J	Public administration, and defence	-	-	-	-	-	-
H,K,L	Other industries(c)	-2	-1	7	13	-	-7
M	Unallocated	-10	-25	-18	-5	-5	-5
	TOTAL ALL INDUSTRIES	358	-586	553	594	888	1,240
	DIRECT INVESTMENT - DISTRIBUTED EARNINGS(b)						
B	Mining	410	452	645	479	351	329
C	Manufacturing	352	346	392	375	512	326
A	Agriculture, forestry, fishing and hunting	5	4	6	11	9	9
D	Electricity, gas and water	-	-	-	-	-	-
E	Construction	7	14	11	11	19	7
F	Wholesale and retail trade	197	181	198	212	233	184
G	Transport and storage	37	34	24	9	16	68
I	Finance, property and business services	129	157	200	353	383	407
J	Public administration, and defence	-	-	-	-	-	-
H,K,L	Other industries(c)	18	17	12	16	18	10
M	Unallocated	115	122	128	136	39	54
	TOTAL ALL INDUSTRIES	1,270	1,329	1,615	1,602	1,580	1,396
	PORTFOLIO AND OTHER INVESTMENT(b)(d)						
B	Mining	278	424	540	795	926	684
C	Manufacturing	249	428	521	722	828	1,076
A	Agriculture, forestry, fishing and hunting	2	3	4	6	6	7
D	Electricity, gas and water	122	230	306	424	492	530
E	Construction	4	13	23	30	45	29
F	Wholesale and retail trade	162	207	277	361	365	369
G	Transport and storage	125	177	237	259	328	354
I	Finance, property and business services(e)	400	622	868	1,334	1,351	1,749
J	Public administration, and defence(f)	373	541	668	927	1,507	2,224
H,K,L	Other industries(c)	7	8	32	73	94	60
M	Unallocated	98	146	189	437	1,033	1,631
	TOTAL ALL INDUSTRIES	1,821	2,799	3,665	5,368	6,974	8,712
	TOTAL(d)						
B	Mining	470	582	974	1,073	1,802	1,207
C	Manufacturing	997	455	1,271	1,544	1,558	1,819
A	Agriculture, forestry, fishing and hunting	-14	-	4	5	24	2
D	Electricity, gas and water	122	230	306	424	492	530
E	Construction	23	27	36	27	69	48
F	Wholesale and retail trade	515	286	653	772	610	935
G	Transport and storage	145	189	258	262	370	388
I	Finance, property and business services(e)	593	965	1,314	1,860	1,831	2,452
J	Public administration, and defence(f)	373	541	668	927	1,507	2,224
H,K,L	Other industries(c)	22	24	51	102	112	63
M	Unallocated	202	243	299	568	1,067	1,681
	TOTAL ALL INDUSTRIES	3,449	3,542	5,833	7,563	9,442	11,348

(a) The industry categories shown are based on the 1983 edition of ASIC and relate to the predominant activity of the enterprise group receiving the investment funds. This is not necessarily the industry of the end use of the funds; see Explanatory Notes, paragraphs 19 and 20.
(b) The definition of direct investment (and as a consequence the scope of portfolio and other investment) changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11.
(c) Consists of: Division H - Communications, Division K - Community services, and Division L - Recreation, personal and other services.
(d) Details of accounts payable/prepayments received, a component of portfolio and other investment, are not classified by industry and are therefore included in 'Unallocated'.
(e) Includes the Reserve Bank and the State government component of General government.
(f) Includes the Commonwealth government component of General government.

TABLE 16. FOREIGN INVESTMENT IN AUSTRALIA: LEVELS OF INVESTMENT BY INDUSTRY AND TYPE OF CAPITAL(a) ($A million)

	Industry of investment (ASIC division)	AT 30 JUNE - 1982	1983	1984	1985	1986	1987
		DIRECT INVESTMENT, CORPORATE EQUITIES(b)					
B	Mining	2,389	2,529	2,718	3,087	2,923	6,553
C	Manufacturing	6,599	6,927	7,391	7,973	7,792	11,113
A	Agriculture, forestry, fishing and hunting	223	230	216	232	183	257
D	Electricity, gas and water	-	-	-	-	-	-
E	Construction	189	235	279	412	243	319
F	Wholesale and retail trade	5,201	5,626	5,734	6,393	6,690	8,437
G	Transport and storage	202	187	182	177	255	304
I	Finance, property and business services	3,019	3,207	3,418	3,749	4,883	6,642
J	Public administration, and defence	-	-	-	-	-	-
H,K,L	Other industries(c)	151	172	188	225	233	270
M	Unallocated	5	4	5	59	90	198
TOTAL ALL INDUSTRIES		17,978	19,119	20,127	22,308	23,291	34,092
		OTHER DIRECT INVESTMENT(b)					
B	Mining	2,763	3,372	3,188	3,177	3,073	2,986
C	Manufacturing	1,920	2,148	2,370	2,778	3,392	3,428
A	Agriculture, forestry, fishing and hunting	168	194	200	227	195	209
D	Electricity, gas and water	-	-	-	-	-	-
E	Construction	71	97	94	102	79	288
F	Wholesale and retail trade	1,846	2,173	2,573	3,013	3,356	3,591
G	Transport and storage	91	73	76	87	119	169
I	Finance, property and business services	2,044	2,002	2,967	4,606	5,462	6,705
J	Public administration, and defence	-	-	-	-	-	-
H,K,L	Other industries(c)	181	239	294	380	415	171
M	Unallocated	18	15	9	26	126	100
TOTAL ALL INDUSTRIES		9,104	10,312	11,772	14,396	16,218	17,646
		TOTAL DIRECT INVESTMENT(b)					
B	Mining	5,152	5,901	5,906	6,264	5,996	9,539
C	Manufacturing	8,520	9,075	9,761	10,751	11,184	14,541
A	Agriculture, forestry, fishing and hunting	391	424	416	459	379	466
D	Electricity, gas and water	-	-	1	1	-	-
E	Construction	260	332	367	514	322	607
F	Wholesale and retail trade	7,047	7,799	8,307	9,405	10,046	12,028
G	Transport and storage	293	260	258	265	374	473
I	Finance, property and business services	5,063	5,209	6,386	8,355	10,345	13,347
J	Public administration, and defence	-	-	-	-	-	-
H,K,L	Other industries(c)	332	411	482	605	648	441
M	Unallocated	23	19	14	85	216	297
TOTAL ALL INDUSTRIES		27,081	29,431	31,899	36,704	39,510	51,738
		PORTFOLIO AND OTHER INVESTMENT, CORPORATE EQUITIES(b)					
B	Mining	2,183	3,233	3,028	3,721	3,304	7,983
C	Manufacturing	1,563	2,171	2,419	3,170	3,858	6,555
A	Agriculture, forestry, fishing and hunting	25	25	18	24	70	292
D	Electricity, gas and water	12	12	11	9	7	8
E	Construction	120	147	161	227	375	618
F	Wholesale and retail trade	376	505	576	766	993	785
G	Transport and storage	119	176	178	256	227	599
I	Finance, property and business services	1,180	1,608	2,066	2,705	2,834	4,785
J	Public administration, and defence	-	-	-	-	-	14
H,K,L	Other industries(c)	56	63	55	91	43	69
M	Unallocated	12	30	53	198	1,446	1,387
TOTAL ALL INDUSTRIES		5,647	7,970	8,564	11,168	13,156	23,096
		PORTFOLIO AND OTHER INVESTMENT, OTHER(b)(d)					
B	Mining	2,964	5,507	6,455	9,519	8,339	9,468
C	Manufacturing	2,998	4,615	5,509	7,012	10,339	11,720
A	Agriculture, forestry, fishing and hunting	52	85	93	106	107	124
D	Electricity, gas and water	1,866	4,429	5,101	7,524	8,344	7,339
E	Construction	176	266	318	459	404	440
F	Wholesale and retail trade	1,922	1,988	3,036	5,364	5,796	4,552
G	Transport and storage	1,701	2,235	2,583	3,746	4,685	4,744
I	Finance, property and business services	2,944	4,355	6,384	12,411	23,123	31,739
J	Public administration, and defence	6,065	8,081	8,861	13,273	19,930	23,508
H,K,L	Other industries(c)	162	341	706	1,158	1,364	1,217
M	Unallocated	1,815	1,732	2,388	2,787	3,501	3,329
TOTAL ALL INDUSTRIES		22,666	33,633	41,434	63,361	85,932	98,180

TABLE 16 CONTINUED ON NEXT PAGE.....

TABLE 16. FOREIGN INVESTMENT IN AUSTRALIA: LEVELS OF INVESTMENT BY INDUSTRY AND TYPE OF CAPITAL(a) ($A million)-Continued

	Industry of investment (ASIC division)	AT 30 JUNE -					
		1982	1983	1984	1985	1986	1987
		TOTAL PORTFOLIO AND OTHER INVESTMENT(d)					
B	Mining	5,147	8,740	9,483	13,240	11,642	17,451
C	Manufacturing	4,561	6,786	7,927	10,183	14,197	18,275
A	Agriculture, forestry, fishing and hunting	77	110	111	130	177	417
D	Electricity, gas and water	1,878	4,441	5,111	7,534	8,350	7,348
E	Construction	297	413	479	686	779	1,058
F	Wholesale and retail trade	2,298	2,493	3,612	6,131	6,789	5,337
G	Transport and storage	1,821	2,411	2,761	4,002	4,912	5,343
I	Finance, property and business services(e)	4,124	5,962	8,450	15,116	25,957	36,525
J	Public administration, and defence(f)	6,065	8,081	8,861	13,273	19,930	23,522
H,K,L	Other industries(c)	219	403	761	1,250	1,408	1,286
M	Unallocated	1,827	1,762	2,441	2,985	4,948	4,716
	TOTAL ALL INDUSTRIES	**28,313**	**41,602**	**49,998**	**74,530**	**99,088**	**121,276**
		TOTAL CORPORATE EQUITIES					
B	Mining	4,571	5,763	5,746	6,808	6,227	14,536
C	Manufacturing	8,163	9,098	9,810	11,144	11,650	17,668
A	Agriculture, forestry, fishing and hunting	248	255	234	256	253	549
D	Electricity, gas and water	12	12	11	10	7	8
E	Construction	309	382	436	639	618	936
F	Wholesale and retail trade	5,577	6,131	6,309	7,159	7,683	9,222
G	Transport and storage	322	364	361	433	482	903
I	Finance, property and business services	4,198	4,815	5,484	6,454	7,717	11,428
J	Public administration, and defence	-	-	-	-	-	14
H,K,L	Other industries(c)	208	235	243	316	276	339
M	Unallocated	17	34	58	258	1,536	1,585
	TOTAL ALL INDUSTRIES	**23,625**	**27,089**	**28,691**	**33,477**	**36,448**	**57,188**
		TOTAL OTHER INSTRUMENTS(d)					
B	Mining	5,728	8,879	9,643	12,696	11,412	12,455
C	Manufacturing	4,919	6,763	7,878	9,790	13,732	15,148
A	Agriculture, forestry, fishing and hunting	220	279	293	334	302	333
D	Electricity, gas and water	1,866	4,429	5,101	7,524	8,344	7,339
E	Construction	247	363	412	561	483	728
F	Wholesale and retail trade	3,768	4,160	5,610	8,377	9,151	8,143
G	Transport and storage	1,792	2,308	2,659	3,833	4,804	4,913
I	Finance, property and business services(e)	4,988	6,356	9,351	17,017	28,585	38,444
J	Public administration, and defence(f)	6,065	8,081	8,861	13,273	19,930	23,508
H,K,L	Other industries(c)	343	579	1,000	1,538	1,780	1,388
M	Unallocated	1,833	1,747	2,397	2,814	3,628	3,428
	TOTAL ALL INDUSTRIES	**31,770**	**43,944**	**53,206**	**77,758**	**102,150**	**115,826**
		TOTAL(d)					
B	Mining	10,299	14,642	15,388	19,504	17,639	26,991
C	Manufacturing	13,081	15,861	17,688	20,933	25,381	32,815
A	Agriculture, forestry, fishing and hunting	468	534	527	590	555	882
D	Electricity, gas and water	1,878	4,441	5,112	7,534	8,350	7,348
E	Construction	556	745	848	1,200	1,100	1,665
F	Wholesale and retail trade	9,345	10,291	11,919	15,536	16,834	17,364
G	Transport and storage	2,114	2,671	3,020	4,267	5,286	5,816
I	Finance, property and business services(e)	9,187	11,171	14,835	23,470	36,302	49,871
J	Public administration, and defence(f)	6,065	8,081	8,861	13,273	19,930	23,522
H,K,L	Other industries(c)	551	814	1,243	1,855	2,055	1,727
M	Unallocated	1,850	1,781	2,455	3,072	5,164	5,013
	TOTAL ALL INDUSTRIES	**55,395**	**71,033**	**81,897**	**111,234**	**138,598**	**173,014**

(a) The industry categories shown are based on the 1983 edition of ASIC and relate to the predominant activity of the enterprise group receiving the investment funds. This is not necessarily the industry of the end use of the funds; see Explanatory Notes, paragraphs 19 and 20.
(b) The definition of direct investment (and as a consequence the scope of portfolio and other investment) changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11.
(c) Consists of: Division H - Communications, Division K - Community services, and Division L - Recreation, personal and other services.
(d) Details of accounts payable/prepayments received, a component of portfolio and other investment, are not classified by industry and are therefore included in 'Unallocated'.
(e) Includes the Reserve Bank and the State government component of General government.
(f) Includes the Commonwealth government component of General government.

TABLE 17. AUSTRALIAN DIRECT INVESTMENT ABROAD(a):
CAPITAL TRANSACTIONS BY INDUSTRY AND INSTRUMENT OF INVESTMENT(b)
($A million)

Industry of investment (ASIC division)		YEAR -					
		1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
		REINVESTMENT OF EARNINGS					
B	Mining	-24	-8	29	-30	-108	-92
C	Manufacturing	36	82	68	120	308	432
A	Agriculture, forestry, fishing and hunting	-	-2	4	-3	3	1
D	Electricity, gas and water	np	np	np	np	np	np
E	Construction	np	np	np	np	np	np
F	Wholesale and retail trade	36	40	62	46	134	12
G	Transport and storage	34	-13	24	37	-7	61
I	Finance, property and business services	52	63	109	97	313	557
H,J,K,L	Other industries(c)	-38	20	14	28	32	6
M	Unallocated	9	6	11	13	-53	151
	TOTAL ALL INDUSTRIES	**106**	**205**	**309**	**315**	**638**	**1,132**
		OTHER DIRECT INVESTMENT					
B	Mining	152	45	594	136	1,257	546
C	Manufacturing	101	197	147	1,235	-222	108
A	Agriculture, forestry, fishing and hunting	-1	-3	7	-4	1	-26
D	Electricity, gas and water	np	np	np	np	np	np
E	Construction	np	np	np	np	np	np
F	Wholesale and retail trade	-9	9	59	11	-166	28
G	Transport and storage	32	44	109	91	112	66
I	Finance, property and business services	158	268	79	303	678	705
H,J,K,L	Other industries(c)	115	-4	4	8	-66	637
M	Unallocated	14	-184	-112	-120	526	148
	TOTAL ALL INDUSTRIES	**564**	**377**	**954**	**1,662**	**2,088**	**2,205**
		TOTAL					
B	Mining	128	36	623	106	1,148	454
C	Manufacturing	138	279	215	1,355	86	539
A	Agriculture, forestry, fishing and hunting	-1	-5	11	-8	4	-25
D	Electricity, gas and water	7	1	6	-1	-	-
E	Construction	-4	22	50	9	-16	-3
F	Wholesale and retail trade	27	49	122	57	-32	41
G	Transport and storage	66	32	133	128	105	127
I	Finance, property and business services	210	331	188	401	991	1,262
H,J,K,L	Other industries(c)	77	16	18	36	-34	643
M	Unallocated	22	-177	-101	-106	473	299
	TOTAL ALL INDUSTRIES	**670**	**582**	**1,263**	**1,977**	**2,725**	**3,338**

(a) The definition of direct investment changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11.
(b) The industry categories shown are based on the 1983 edition of ASIC and relate to the predominant activity of the enterprise group receiving the investment funds. This is not necessarily the industry of the end use of the funds; see Explanatory Notes, paragraphs 19 to 21.
(c) Consists of: Division H - Communications, Division J - Public administration and defence, Division K - Community services, and Division L - Recreation, personal and other services.

TABLE 18. AUSTRALIAN DIRECT INVESTMENT ABROAD(a): INVESTMENT INCOME BY INDUSTRY AND INSTRUMENT OF INVESTMENT(b)
($A million)

Industry of investment (ASIC division)		YEAR -					
		1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
		REINVESTED EARNINGS					
B	Mining	-24	-8	29	-30	-108	-92
C	Manufacturing	36	82	68	120	308	432
A	Agriculture, forestry, fishing and hunting	-	-2	4	-3	3	1
D	Electricity, gas and water	np	np	np	np	np	np
E	Construction	np	np	np	np	np	np
F	Wholesale and retail trade	36	40	62	46	134	12
G	Transport and storage	34	-13	24	37	-7	61
I	Finance, property and business services	52	63	109	97	313	557
H,J,K,L	Other industries(c)	-38	20	14	28	32	6
M	Unallocated	9	6	11	13	-53	151
TOTAL ALL INDUSTRIES		**106**	**205**	**309**	**315**	**638**	**1,132**
		DISTRIBUTED EARNINGS					
B	Mining	27	11	45	23	-3	70
C	Manufacturing	44	40	51	39	142	30
A	Agriculture, forestry, fishing and hunting	-	-	1	3	-	-
D	Electricity, gas and water	np	np	np	np	np	np
E	Construction	np	np	np	np	np	np
F	Wholesale and retail trade	27	41	26	25	19	75
G	Transport and storage	4	14	7	4	68	36
I	Finance, property and business services	71	69	97	69	61	11
H,J,K,L	Other industries(c)	3	1	3	1	1	4
M	Unallocated	18	8	6	-16	15	19
TOTAL ALL INDUSTRIES		**215**	**197**	**252**	**159**	**337**	**280**
		TOTAL					
B	Mining	3	2	74	-7	-111	-22
C	Manufacturing	81	122	119	159	450	462
A	Agriculture, forestry, fishing and hunting	1	-2	5	-	3	1
D	Electricity, gas and water	2	1	2	2	-	-
E	Construction	21	29	4	16	50	39
F	Wholesale and retail trade	62	81	88	71	153	88
G	Transport and storage	37	2	31	41	61	97
I	Finance, property and business services	123	132	206	166	374	568
H,J,K,L	Other industries(c)	-35	21	17	29	33	10
M	Unallocated	27	14	17	-3	-38	170
TOTAL ALL INDUSTRIES		**321**	**402**	**561**	**474**	**975**	**1,413**

(a) The definition of direct investment changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11.
(b) The industry categories shown are based on the 1983 edition of ASIC and relate to the predominant activity of the enterprise group receiving the investment funds. This is not necessarily the industry of the end use of the funds; see Explanatory Notes, paragraphs 19 to 21.
(c) Consists of: Division H - Communications, Division J - Public administration and defence, Division K - Community services, and Division L - Recreation, personal and other services.

TABLE 19. AUSTRALIAN DIRECT INVESTMENT ABROAD (a):
LEVELS OF INVESTMENT BY INDUSTRY AND INSTRUMENT OF INVESTMENT(b)
($A million)

	Industry of investment (ASIC division)	AT 30 JUNE - 1982	1983	1984	1985	1986	1987
		DIRECT INVESTMENT, CORPORATE EQUITIES					
B	Mining	873	924	1,720	1,029	3,280	4,200
C	Manufacturing	1,591	1,791	1,754	3,932	2,457	4,506
A	Agriculture, forestry, fishing and hunting	27	23	29	34	34	17
D	Electricity, gas and water	-	1	3	1	-	-
E	Construction	7	85	80	95	230	525
F	Wholesale and retail trade	175	159	408	336	506	627
G	Transport and storage	297	309	330	433	657	782
I	Finance, property and business services	1,286	1,453	1,784	2,610	4,665	5,700
H,J,K,L	Other industries(c)	35	20	35	32	81	654
M	Unallocated	70	88	101	80	105	672
TOTAL ALL INDUSTRIES		**4,361**	**4,852**	**6,242**	**8,584**	**12,015**	**17,683**
		OTHER DIRECT INVESTMENT					
B	Mining	254	264	-15	296	-163	-7
C	Manufacturing	414	422	527	231	348	-131
A	Agriculture, forestry, fishing and hunting	8	13	20	40	10	-13
D	Electricity, gas and water	13	13	23	13	-	-
E	Construction	33	36	89	57	30	103
F	Wholesale and retail trade	189	225	267	326	126	57
G	Transport and storage	64	112	134	143	66	93
I	Finance, property and business services	319	479	453	649	54	203
H,J,K,L	Other industries(c)	93	68	65	74	-32	35
M	Unallocated	97	28	-175	-316	305	201
TOTAL ALL INDUSTRIES		**1,484**	**1,658**	**1,389**	**1,514**	**747**	**542**
		TOTAL					
B	Mining	1,127	1,188	1,705	1,325	3,117	4,193
C	Manufacturing	2,005	2,213	2,281	4,164	2,806	4,375
A	Agriculture, forestry, fishing and hunting	35	36	49	74	44	4
D	Electricity, gas and water	14	14	26	14	-	-
E	Construction	40	121	169	152	260	628
F	Wholesale and retail trade	364	384	675	662	633	684
G	Transport and storage	360	421	464	576	724	875
I	Finance, property and business services	1,605	1,932	2,237	3,259	4,719	5,903
H,J,K,L	Other industries(c)	128	88	101	106	49	689
M	Unallocated	167	116	-74	-236	410	873
TOTAL ALL INDUSTRIES		**5,845**	**6,510**	**7,631**	**10,098**	**12,762**	**18,225**

(a) The definition of direct investment changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11.
(b) The industry categories shown are based on the 1983 edition of ASIC and relate to the predominant activity of the enterprise group receiving the investment funds. This is not necessarily the industry of the end use of the funds; see Explanatory Notes, paragraphs 19 to 21.
(c) Consists of: Division H - Communications, Division J - Public administration and defence, Division K - Community services, and Division L - Recreation, personal and other services.

SECTION 4 : FOREIGN BORROWING TABLES

TABLE 20. FOREIGN BORROWING: CAPITAL TRANSACTIONS AND LEVELS BY PUBLIC AND PRIVATE SECTORS ($A million)

	YEAR -					
	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
COMMONWEALTH GENERAL GOVERNMENT AND RESERVE BANK(a)						
Capital transactions -						
Domiciled abroad-(b)						
Foreign currency	368	619	322	927	1,271	724
Australian currency	-	-	-	-	-	-
Total	**368**	**619**	**322**	**927**	**1,271**	**724**
Domiciled in Australia	176	384	724	1,738	2,606	2,565
Total	**544**	**1,003**	**1,046**	**2,665**	**3,877**	**3,289**
Other changes -						
Exchange-rate variations	331	988	-196	1,782	2,767	508
Other	-	-	-	-	-73	-177
Total	**331**	**988**	**-196**	**1,782**	**2,694**	**331**
Levels at 30 June -						
Domiciled abroad-(b)						
Foreign currency	5,352	6,958	7,084	9,793	13,832	15,064
Australian currency	-	-	-	-	-	-
Total	**5,352**	**6,958**	**7,084**	**9,793**	**13,832**	**15,064**
Domiciled in Australia	340	724	1,450	3,189	5,721	8,109
Total	**5,692**	**7,682**	**8,534**	**12,982**	**19,553**	**23,173**
STATE GENERAL GOVERNMENT						
Capital transactions -						
Domiciled abroad-(b)						
Foreign currency	-	-	103	1,216	1,024	2,192
Australian currency	-	-	-	-	437	330
Total	-	-	**104**	**1,216**	**1,461**	**2,523**
Domiciled in Australia	-	-	235	239	256	352
Total	-	-	**338**	**1,455**	**1,716**	**2,875**
Other changes -						
Exchange-rate variations	-	-	1	113	227	-100
Other	-	-	-	-7	11	54
Total	-	-	**1**	**106**	**238**	**-46**
Levels at 30 June -						
Domiciled abroad-(b)						
Foreign currency	-	-	104	1,427	2,689	4,729
Australian currency	-	-	-	-	437	873
Total	-	-	**105**	**1,427**	**3,126**	**5,602**
Domiciled in Australia	-	-	235	474	729	1,082
Total	-	-	**339**	**1,901**	**3,855**	**6,684**
TOTAL GENERAL GOVERNMENT AND RESERVE BANK						
Capital transactions -						
Domiciled abroad-(b)						
Foreign currency	368	619	425	2,143	2,295	2,916
Australian currency	-	-	-	-	437	330
Total	**368**	**619**	**426**	**2,143**	**2,732**	**3,247**
Domiciled in Australia	176	384	959	1,977	2,861	2,917
Total	**544**	**1,003**	**1,384**	**4,120**	**5,593**	**6,164**
Other changes -						
Exchange-rate variations	331	988	-195	1,895	2,994	408
Other	-	-	-	-7	-62	-124
Total	**331**	**988**	**-195**	**1,888**	**2,932**	**284**
Levels at 30 June -						
Domiciled abroad-(b)						
Foreign currency	5,352	6,958	7,189	11,220	16,521	19,794
Australian currency	-	-	-	-	437	873
Total	**5,352**	**6,958**	**7,189**	**11,220**	**16,958**	**20,666**
Domiciled in Australia	340	724	1,685	3,663	6,451	9,190
Total	**5,692**	**7,682**	**8,874**	**14,883**	**23,409**	**29,857**
COMMONWEALTH GOVERNMENT TRADING AND FINANCIAL ENTERPRISES(c)						
Capital transactions -						
Domiciled abroad-(b)						
Foreign currency	294	22	1,359	1,546	389	217
Australian currency	84	-2	61	41	373	208
Total	**378**	**20**	**1,410**	**1,587**	**762**	**426**
Domiciled in Australia	34	112	34	30	344	-373
Total	**412**	**132**	**1,444**	**1,617**	**1,106**	**53**
Other changes -						
Exchange-rate variations	47	44	100	1,174	177	-137
Other	-18	20	-6	-12	(d) 843	-206
Total	**28**	**65**	**94**	**1,162**	**1,020**	**-343**
Levels at 30 June -						
Domiciled abroad-(b)						
Foreign currency	838	926	2,368	5,073	5,781	5,675
Australian currency	21	18	80	125	845	1,050
Total	**858**	**944**	**2,448**	**5,198**	**6,626**	**6,725**
Domiciled in Australia	179	291	325	354	1,050	661
Total	**1,038**	**1,235**	**2,773**	**5,551**	**7,677**	**7,387**

TABLE 20 CONTINUED ON NEXT PAGE.....

TABLE 20. FOREIGN BORROWING: CAPITAL TRANSACTIONS AND LEVELS BY PUBLIC AND PRIVATE SECTORS ($A million)-Continued

	YEAR -					
	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
STATE GOVERNMENT TRADING AND FINANCIAL ENTERPRISES						
Capital transactions -						
Domiciled abroad-(b)						
Foreign currency	984	1,063	974	1,147	526	-105
Australian currency	5	6	-2	-4	217	222
Total	989	1,069	972	1,144	743	117
Domiciled in Australia	77	1,414	-145	358	80	-269
Total	1,066	2,483	827	1,501	822	-152
Other changes -						
Exchange-rate variations	62	232	-9	1,342	905	-200
Other	-12	14	20	391	(d) -103	24
Total	50	246	11	1,733	802	-176
Levels at 30 June -						
Domiciled abroad-(b)						
Foreign currency	2,371	3,676	4,641	7,520	8,585	8,206
Australian currency	28	39	37	34	513	803
Total	2,399	3,714	4,677	7,554	9,098	9,009
Domiciled in Australia	115	1,528	1,403	1,761	1,841	1,592
Total	2,514	5,243	6,081	9,315	10,939	10,601
PRIVATE SECTOR TRADING AND FINANCIAL ENTERPRISES						
Capital transactions -						
Domiciled abroad-(b)						
Foreign currency	5,634	4,917	3,602	2,378	5,779	6,459
Australian currency	413	230	924	2,767	1,648	2,352
Total	6,047	5,147	4,526	5,145	7,426	8,811
Domiciled in Australia	155	150	-110	313	919	107
Total	6,202	5,297	4,416	5,458	8,345	8,918
Other changes -						
Exchange-rate variations	397	1,331	98	5,802	1,941	-1,707
Other	-16	-205	59	-16	(d) 1,436	560
Total	379	1,126	157	5,787	3,377	-1,147
Levels at 30 June -						
Domiciled abroad-(b)						
Foreign currency	12,491	18,563	22,183	30,330	38,863	44,376
Australian currency	1,606	1,798	2,920	5,707	7,269	9,790
Total	14,097	20,362	25,103	36,038	46,132	54,166
Domiciled in Australia	838	997	828	1,138	2,765	2,502
Total	14,935	21,358	25,931	37,175	48,897	56,668
TOTAL TRADING AND FINANCIAL ENTERPRISES						
Capital transactions -						
Domiciled abroad-(b)						
Foreign currency	6,912	6,002	5,925	5,071	6,694	6,571
Australian currency	502	234	983	2,804	2,238	2,782
Total	7,414	6,236	6,908	7,875	8,930	9,354
Domiciled in Australia	266	1,676	-221	701	1,342	-536
Total	7,680	7,912	6,687	8,576	10,273	8,818
Other changes -						
Exchange-rate variations	505	1,607	189	8,317	3,023	-2,044
Other	-49	-170	98	643	(d) 1,879	371
Total	456	1,438	287	8,961	4,902	-1,673
Levels at 30 June -						
Domiciled abroad-(b)						
Foreign currency	15,700	23,165	29,192	42,923	53,229	58,257
Australian currency	1,655	1,855	3,037	5,866	8,627	11,644
Total	17,355	25,020	32,228	48,790	61,857	69,900
Domiciled in Australia	1,132	2,816	2,556	3,253	5,657	4,757
Total	18,487	27,836	34,784	52,043	67,513	74,658
TOTAL						
Capital transactions -						
Domiciled abroad-(b)						
Foreign currency	7,281	6,620	6,351	7,214	8,987	9,487
Australian currency	501	234	983	2,804	2,675	3,113
Total	7,782	6,855	7,334	10,018	11,662	12,601
Domiciled in Australia	443	2,060	738	2,678	4,204	2,381
Total	8,225	8,914	8,072	12,696	15,866	14,982
Other changes -						
Exchange-rate variations	836	2,595	-6	10,212	6,017	-1,636
Other	-49	-170	74	360	(d) 2,113	246
Total	787	2,425	68	10,572	8,130	-1,390
Levels at 30 June -						
Domiciled abroad-(b)						
Foreign currency	21,051	30,123	36,380	54,144	69,750	78,051
Australian currency	1,655	1,855	3,037	5,866	9,065	12,517
Total	22,707	31,978	39,417	60,010	78,815	90,566
Domiciled in Australia	1,472	3,540	4,241	6,916	12,108	13,948
Total	24,178	35,518	43,658	66,926	90,922	104,514

(a) Includes deposits by non-residents with the Reserve Bank which are classified by the ABS as foreign borrowing.
(b) For definition of domiciled in Australia and domiciled abroad; see Explanatory Notes, paragraph 15.
(c) Excludes the Reserve Bank.
(d) As a result of the change in data in the data source for banks, levels of borrowing shown at the end of 1985-86 are not strictly comparable with levels data shown for earlier years, hence the larger reconciliation item for 1985-86. The change in the data source accounts for an increase of $1800 million in the level of bank borrowing at the 30 June 1986.
(e) Deposits with State government banks, a component of borrowing domiciled in Australia, are included in Commonwealth trading and financial enterprises.

TABLE 21. FOREIGN BORROWING: LEVELS BY INSTITUTIONAL SECTOR AND CURRENCY
($A million)

	AT 30 JUNE -					
	1982	1983	1984	1985	1986	1987
	GENERAL GOVERNMENT AND RESERVE BANK(b)					
Foreign currencies -						
United States Dollars	1,425	1,821	2,608	4,677	5,200	7,305
Pounds Sterling	20	195	317	393	1,033	1,427
Swiss Francs	1,201	1,397	1,152	1,318	1,838	1,934
Deutsche Marks	1,172	1,329	1,105	1,438	2,118	2,356
Japanese Yen	1,196	1,726	1,585	2,783	5,150	5,151
Other	338	490	422	611	1,182	1,623
Total foreign currencies	**5,352**	**6,958**	**7,189**	**11,220**	**16,521**	**19,794**
Australian Dollars	340	724	1,685	3,663	6,888	10,063
TOTAL	**5,692**	**7,682**	**8,874**	**14,883**	**23,409**	**29,857**
	TRADING AND FINANCIAL ENTERPRISES					
Foreign currencies -						
United States Dollars	12,184	18,025	23,034	31,968	39,250	45,118
Pounds Sterling	728	1,033	1,118	1,443	1,999	2,616
Swiss Francs	668	959	1,418	2,705	3,542	3,234
Deutsche Marks	492	688	711	749	1,285	1,753
Japanese Yen(c)	na	na	na	2,141	3,983	5,163
Other(c)(d)(e)	1,627	2,460	2,910	3,918	3,170	371
Total foreign currencies	**15,699**	**23,165**	**29,191**	**42,924**	**53,229**	**58,257**
Australian Dollars	2,787	4,671	5,593	9,120	14,285	16,402
TOTAL	**18,487**	**27,836**	**34,784**	**52,043**	**67,513**	**74,658**
	TOTAL					
Foreign currencies -						
United States Dollars	13,609	19,846	25,642	36,645	44,450	52,423
Pounds Sterling	748	1,228	1,435	1,836	3,032	4,043
Swiss Francs	1,869	2,356	2,570	4,023	5,380	5,168
Deutsche Marks	1,664	2,017	1,816	2,187	3,403	4,109
Japanese Yen(c)	1,196	1,726	1,585	4,924	9,133	10,314
Other(c)(d)(e)	1,965	2,950	3,332	4,529	4,352	1,994
Total foreign currencies	**21,051**	**30,123**	**36,380**	**54,144**	**69,750**	**78,051**
Australian Dollars	3,127	5,395	7,278	12,782	21,172	26,465
TOTAL	**24,178**	**35,518**	**43,658**	**66,926**	**90,922**	**104,514**

(a) The institutional sectors shown relate to the domestic sector of the enterprise in Australia receiving the investment funds.
(b) Includes deposits by non-residents with the Reserve Bank which are classified by the ABS as foreign borrowing.
(c) For financial and trading enterprises separate details for 'Japanese Yen' are not available until 30 June 1985 and are included with 'Other' foreign currencies until then.
(d) Details of foreign currency borrowing classified by currency are not available for banks before 30 June 1986 and are therefore included in other currencies.
(e) Includes unallocated foreign currency.

TABLE 22. FOREIGN BORROWING DOMICILED ABROAD(a): DRAWINGS AND REPAYMENTS BY PUBLIC AND PRIVATE SECTORS
($A million)

	YEAR -					
	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
	GENERAL GOVERNMENT AND RESERVE BANK					
Commonwealth government -						
Drawings	919	1,187	1,137	1,807	2,876	3,084
Repayments	551	568	815	880	1,605	2,359
Net	**368**	**619**	**322**	**927**	**1,271**	**724**
State government -						
Drawings	-	-	104	1,327	2,098	2,964
Repayments	-	-	-	111	637	441
Net	-	-	**104**	**1,216**	**1,461**	**2,523**
Total -						
Drawings	919	1,187	1,241	3,134	4,974	6,048
Repayments	551	568	815	991	2,242	2,801
Net	**368**	**619**	**426**	**2,143**	**2,732**	**3,247**
	PUBLIC TRADING AND FINANCIAL ENTERPRISES(b)					
Commonwealth government -						
Drawings	686	642	4,668	11,705	13,507	17,623
Repayments	309	602	3,258	10,119	12,745	17,197
Net	**378**	**40**	**1,410**	**1,587**	**762**	**426**
State government -						
Drawings	1,220	1,492	1,391	3,560	4,985	3,031
Repayments	231	443	419	2,417	4,242	2,914
Net	**989**	**1,049**	**972**	**1,144**	**743**	**117**
Total -						
Drawings	1,906	2,135	6,059	15,265	18,492	20,654
Repayments	540	1,045	3,677	12,535	16,987	20,111
Net	**1,367**	**1,089**	**2,383**	**2,730**	**1,505**	**543**
	PRIVATE TRADING AND FINANCIAL ENTERPRISES					
Direct investment enterprises-						
Direct investment borrowing-						
Drawings	1,888	4,830	13,209	25,207	38,472	44,541
Repayments	813	4,368	12,237	24,033	38,197	42,429
Net	**1,075**	**461**	**972**	**1,174**	**275**	**2,112**
Other borrowing -						
Drawings	3,471	5,101	5,325	10,337	20,806	38,893
Repayments	2,173	3,845	4,929	8,726	18,120	37,517
Net	**1,298**	**1,255**	**396**	**1,611**	**2,686**	**1,376**
Other enterprises -						
Drawings	6,443	10,180	12,262	16,364	31,659	36,193
Repayments	2,769	6,750	9,104	14,003	27,195	30,869
Net	**3,674**	**3,430**	**3,158**	**2,361**	**4,464**	**5,323**
Total -						
Drawings	11,801	20,111	30,796	51,908	90,937	119,627
Repayments	5,754	14,964	26,270	46,763	83,511	110,816
Net	**6,047**	**5,147**	**4,526**	**5,145**	**7,426**	**8,811**
	TOTAL					
TOTAL -						
DRAWINGS	14,627	23,432	38,096	70,308	114,403	146,329
REPAYMENTS	6,845	16,577	30,762	60,290	102,741	133,728
NET	**7,782**	**6,855**	**7,334**	**10,018**	**11,662**	**12,601**

(a) For definition of domiciled abroad, see Explanatory Notes, paragraph 15.
(b) Excludes the Reserve Bank.

TABLE 23 - FOREIGN BORROWING DOMICILED ABROAD(a): MATURITY OF DRAWINGS, REPAYMENTS AND LEVELS
($A million)

	YEAR -					
	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
				DRAWINGS		
CONTRACTUALLY DUE FOR REPAYMENT -(b)						
Within 3 months	2,314	6,206	18,005	41,130	59,766	106,780
3 months to less than 6 months	2,756	4,037	7,252	7,919	10,975	20,026
6 months to less than 1 year	2,351	1,968	2,743	2,471	4,240	7,831
1 year to less than 2 years	433	543	582	921	2,837	1,643
2 years to less than 5 years	)	)	)	791	4,633	4,023
5 years to less than 10 years	) 5,253	) 6,705	) 4,401	3,682	7,321	5,907
10 years or more	)	)	)	2,210	3,448	6,743
REPAYABLE AT CALL OR OF INDEFINITE MATURITY -(b)						
Expected to be repaid - within 1 year from drawdown	429	1,716	2,327	1,765	817	1,025
1 year or more from drawdown	820	1,826	2,528	756	849	3,372
UNALLOCATED(c)(d)	271	431	259	8,661	19,519	-11,022
TOTAL	**14,627**	**23,432**	**38,096**	**70,308**	**114,403**	**146,329**
				REPAYMENTS		
TIME ELAPSED SINCE DRAWDOWN -(b)						
Less than 3 months	na	na	na	39,705	59,948	106,250
3 months to less than 6 months	na	na	na	6,434	10,817	18,101
6 months to less than 1 year	na	na	na	1,765	2,863	5,696
1 year to less than 2 years	na	na	na	1,684	3,021	3,897
2 years to less than 5 years	na	na	na	1,753	7,633	6,010
5 years to less than 10 years	na	na	na	1,067	2,444	3,774
10 years or more	na	na	na	680	246	935
UNALLOCATED(c)(d)	na	na	na	7,203	15,770	-10,935
TOTAL	**6,845**	**16,577**	**30,762**	**60,290**	**102,741**	**133,728**
				LEVELS AT 30 JUNE		
BORROWING WITH CONTRACTUAL TERMS -(e)						
less than 1 year to maturity	3,647	4,014	6,285	10,379	18,851	21,664
1 year to less than 2 years	1,990	1,976	2,394	4,154	3,459	6,201
2 years to less than 5 years	)	)	)	10,018	13,793	19,519
5 years to less than 10 years	) 14,948	) 22,859	) 26,687	16,623	28,518	22,806
10 years or more	)	)	)	10,909	9,537	10,664
REPAYABLE AT CALL OR OF INDEFINITE MATURITY -(b)						
Expected to be repaid - within 1 year from drawdown	145	94	51	560	1,982	3,566
1 year or more from drawdown	1,579	2,259	2,934	4,471	3,066	6,473
UNALLOCATED(c)(f)	398	777	1,065	2,898	-391	-327
TOTAL	**22,707**	**31,978**	**39,417**	**60,010**	**78,815**	**90,566**

(a) For definition of domiciled abroad see Explanatory Notes, paragraph 15.
(b) Prior to 1986-87, excludes details for banks which are included in 'Unallocated'.
(c) Includes the effect of lending by non-bank direct investment enterprises to their direct investors abroad.
(d) Includes information in respect of banks prior to 1986-87, see footnote (b) above.
(e) Prior to 1985-86, includes details for banks which are included in 'Unallocated'.
(f) Includes information in respect of banks prior to 1985-86, see footnote (e) above.

TABLE 24. FOREIGN BORROWING DOMICILED IN AUSTRALIA (a): CAPITAL TRANSACTIONS AND LEVELS BY PUBLIC AND PRIVATE SECTORS ($A million)

	YEAR -					
	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
			GENERAL GOVERNMENT AND RESERVE BANK			
Capital transactions -						
Commonwealth government securities-						
Purchases by non-residents	345	689	1,282	3,118	6,864	11,477
Sales by non-residents	172	306	580	1,370	4,243	8,930
Net	**173**	**383**	**702**	**1,748**	**2,621**	**2,547**
State government securities-						
Purchases by non-residents	-	-	325	475	499	759
Sales by non-residents	-	-	90	236	243	407
Net	**-**	**-**	**235**	**239**	**256**	**352**
Deposits	3	1	22	-10	-16	18
Net transactions	**176**	**384**	**959**	**1,977**	**2,861**	**2,917**
Levels at 30 June-						
Commonwealth government securities	316	699	1,403	3,152	5,701	8,070
State government securities	-	-	235	474	729	1,082
Deposits	24	25	47	37	21	39
Total	**340**	**724**	**1,685**	**3,663**	**6,451**	**9,190**
			TRADING AND FINANCIAL ENTERPRISES			
Capital transactions -						
Commonwealth trading and financial enterprise securities-						
Purchases by non-residents	89	157	85	124	375	12
Sales by non-residents	62	37	89	47	68	146
Net	**27**	**120**	**-4**	**77**	**307**	**-134**
State trading and financial enterprise securities-						
Purchases by non-residents	119	1,623	272	446	195	327
Sales by non-residents	42	209	417	88	115	595
Net	**77**	**1,414**	**-145**	**358**	**80**	**-268**
Private sector securities-						
Purchases by non-residents	241	150	215	238	1,860	1,115
Sales by non-residents	121	69	276	183	880	1,192
Net	**120**	**81**	**-61**	**55**	**980**	**-77**
Deposits	42	61	-11	211	-24	-56
Net transactions	**266**	**1,675**	**-221**	**701**	**1,342**	**-536**
Levels at 30 June-						
Commonwealth trading and financial enterprise securities	79	199	195	271	529	390
State trading and financial enterprise securities	115	1,528	1,403	1,761	1,841	1,582
Private securities	359	448	328	380	1,312	901
Deposits	579	641	630	841	1,974	1,886
Total	**1,132**	**2,816**	**2,556**	**3,253**	**5,657**	**4,757**
			TOTAL			
Capital transactions -						
Securities						
Purchases by non-residents	795	2,618	2,179	4,401	9,793	13,690
Sales by non-residents	398	621	1,453	1,925	5,549	11,270
Net	**397**	**1,997**	**726**	**2,476**	**4,244**	**2,420**
Deposits	46	63	12	201	-40	-38
Net transactions	**443**	**2,060**	**738**	**2,678**	**4,204**	**2,381**
Levels at 30 June-						
Securities	869	2,874	3,564	6,038	10,113	12,023
Deposits	603	666	677	878	1,995	1,925
Total	**1,472**	**3,540**	**4,241**	**6,916**	**12,108**	**13,948**

(a) For definition of domiciled in Australia see Explanatory Notes, paragraph 15.

TABLE 25. BANK BORROWING AND LENDING: CAPITAL TRANSACTIONS AND LEVELS
($A million)

	YEAR -					
	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
	BANK BORROWING ABROAD(a)					
Capital transactions -						
Direct investment	3	13	-11	26	615	1,393
Portfolio and other investment	273	339	364	1,872	3,769	3,697
Total	**276**	**352**	**353**	**1,898**	**4,384**	**5,090**
Of which -						
Domiciled abroad -(b)						
Drawings	897	1,425	2,410	11,134	22,465	38,561
Repayments	663	1,146	2,043	9,511	18,657	33,109
Total	**234**	**279**	**366**	**1,623**	**3,808**	**5,452**
Domiciled in Australia -(b)						
Securities	-	11	-2	64	600	-306
Deposits	42	62	-11	211	-24	-56
Total	**42**	**73**	**-13**	**275**	**576**	**-362**
Levels at 30 June -						
Direct investment	9	22	9	51	993	2,459
Portfolio and other investment	1,065	1,453	1,821	4,091	9,845	12,803
Total	**1,074**	**1,475**	**1,830**	**4,142**	**10,838**	**15,262**
Of which -						
Domiciled abroad(b)	495	823	1,191	3,235	8,203	13,025
Domiciled in Australia -(b)						
Securities	-	11	9	67	660	351
Deposits	579	641	630	841	1,974	1,886
Total	**579**	**652**	**639**	**908**	**2,634**	**2,237**
	BANK LENDING ABROAD(c)					
Capital transactions -						
Direct investment	5	-182	-143	-468	189	-742
Portfolio and other investment	20	-162	29	25	318	1,352
Total	**25**	**-344**	**-114**	**-443**	**507**	**610**
Levels at 30 June -						
Direct investment	93	23	-189	-339	-30	-1,198
Portfolio and other investment	294	141	187	532	1,384	2,473
Total	**387**	**164**	**-2**	**193**	**1,354**	**1,275**

(a) As a result of the change in data source for banks, figures from 30 June 1986 are not strictly comparable with figures for earlier periods. The change in data source account for an increase of $1,800 million in the level of bank borrowing at 30 June 1986.
(b) For definitions of domiciled in Australia domiciled abroad, see Explanatory Notes, paragraph 15.
(c) Series breaks occur for both the years 1984-85 and 1985-86. Changes in data source account for about $600 million and $450 million respectively in the change in levels of lending.

TABLE 26. DIRECT INVESTMENT (a) BORROWING AND LENDING: RECONCILIATION OF GROSS AND NET BORROWING (b)
($A million)

	YEAR -					
	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87
	FOREIGN DIRECT INVESTMENT IN AUSTRALIA					
Capital transactions -						
Borrowing from direct investors abroad	1,098	402	1,061	1,346	472	3,067
Less Lending to direct investors abroad	19	-59	90	172	197	987
Equals Direct investment borrowing	**1,079**	**461**	**972**	**1,174**	**275**	**2,079**
Levels of direct investment borrowing-						
Borrowing from direct investors abroad	3,775	4,090	5,089	7,004	8,491	11,119
Less Lending to direct investors abroad	97	46	129	350	391	1,346
Equals Direct investment borrowing	**3,677**	**4,044**	**4,960**	**6,654**	**8,100**	**9,773**
	AUSTRALIAN DIRECT INVESTMENT ABROAD					
Capital transactions -						
Lending to direct investment groups abroad	307	30	-85	22	1,757	325
Less Borrowing from direct investment groups abroad	33	57	94	320	2,027	833
Equals Direct investment lending	**274**	**-27**	**-179**	**-298**	**-270**	**-508**
Levels of direct investment borrowing-						
Lending to direct investment groups abroad	753	954	801	1,124	4,018	4,526
Less Borrowing from direct investment groups abroad	161	146	323	740	4,372	5,307
Equals Direct investment lending	**592**	**809**	**478**	**384**	**-354**	**-781**

(a) The definition of direct investment changed from 1985-86 and therefore entries from that year are not strictly comparable with entries for previous years; see Explanatory Notes, paragraph 11.
(b) For a discussion of the concept of direct investment gross and net borrowing see Appendix C, Part IV of the 1985-86 issue of Foreign Investment, Australia 5305.0.