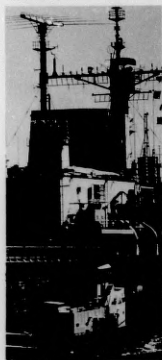


June Quarter 1992

INTERNATIONAL INVESTMENT POSITION AUSTRALIA



EMBARGOED UNTIL 11.30AM 28 AUGUST 1992

**INTERNATIONAL INVESTMENT POSITION, AUSTRALIA
JUNE QUARTER 1992**

IAN CASTLES
Australian Statistician

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INQUIRIES

- * for further information about statistics in this publication and the availability of related unpublished statistics, contact Mr Brent Perkins on Canberra (06) 252 6252, Ms Frances Pollard on (06) 252 5502 or any ABS State office.
- * for information about other ABS statistics and services please refer to the back page of this publication.

MAIN FEATURES

NET INTERNATIONAL INVESTMENT POSITION AND INCOME — SUMMARY

			Percentage Change	
	Mar qtr 1992	Jun qtr 1992	Mar qtr 1992 to Jun qtr 1992	Jun qtr 1991 to Jun qtr 1992
	— \$A million —		— per cent —	
Net foreign liabilities at end of quarter —				
Net equity	50,117	49,755	-0.7	+1.0
Net debt (a)	146,358	150,050	+2.5	+9.4
Net other	-727	-817	-12.4	+51.8
Total	195,748	198,989	+1.7	+7.7
Net investment income payable abroad during quarter	3,291	3,966	+20.5	-6.8

(a) Foreign borrowing by Australian residents less reserve assets and Australian lending abroad.

June quarter 1992

Net foreign liabilities at 30 June 1992 totalled \$198,989 million. This was an increase of \$3,241 million, or 1.7 per cent, on the position at the end of the March quarter and an increase of \$14,220 million, or 7.7 per cent, on the position at the end of the June quarter 1991.

- The ratio of **net foreign liabilities** at 30 June 1992 to **GDP** for the year ended 30 June 1992 was 51.7 per cent, compared to 51.3 per cent a quarter earlier and 48.8 per cent at 30 June 1991.
- The \$3,241 million increase in net foreign liabilities during the June quarter resulted from: **net capital transactions** (the balance on capital account in the balance of payments) recording an inflow of \$3,284 million; **exchange rate variations** of -\$372 million associated with the depreciation of the Australian dollar against other currencies; and **other changes** of \$329 million.

Net foreign debt rose 2.5 per cent during the June quarter, to \$150,050 million, and accounted for 75 per cent of the level of net foreign liabilities at 30 June 1992. The official sector accounted for 15 per cent of net foreign debt; non-official public sector trading and financial enterprises, 17 per cent; and private sector trading and financial enterprises, 68 per cent.

- The ratio of **net foreign debt** at 30 June 1992 to **GDP** for the year ended 30 June 1992 was 39.0, compared to 38.3 per cent a quarter earlier and 36.3 per cent at 30 June 1991.

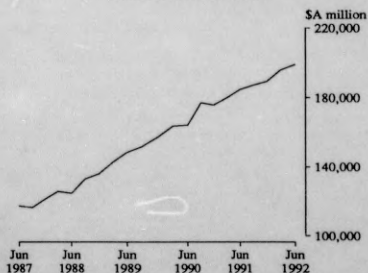
Net equity liabilities at 30 June 1992 totalled \$49,755 million, down \$362 million or 0.7 per cent on the level at 31 March, and up \$500 million or 1.0 per cent on the level at 30 June 1991.

- The ratio of **net equity and other liabilities** at 30 June 1992 to **GDP** for the year ended 30 June 1992 was 12.7 per cent, compared to 12.9 per cent a quarter earlier and 12.6 per cent at 30 June 1991.

Net investment income payable abroad during the June quarter was \$3,966 million, up \$675 million, or 20.5 per cent, on the amount payable in the March quarter, and down \$287 million, or 6.8 per cent, on the amount payable in the June quarter 1991.

- The increase of \$675 million in net investment income payable abroad resulted from a rise (up \$313 million) in **income payable on foreign investment in Australia**, combined with a fall (down \$363 million) in **income receivable on Australian investment abroad**.
- Of total net investment income payable abroad during the June quarter, \$2,819 million (71 per cent) was **income payable on net foreign debt** and \$1,146 million (29 per cent) was **income payable on net equity and other investment**.
- The ratio of **interest payable on net foreign debt to exports of goods and services** (the debt service ratio) for the year ended 30 June 1992 was 16.4 per cent, compared to 17.1 per cent a quarter earlier and 19.6 per cent for the year ended 30 June 1991.

GRAPH 1: AUSTRALIA'S NET FOREIGN LIABILITIES (a)
AT END OF QUARTER



(a) Level of foreign investment in Australia less level of Australian investment abroad.

ANALYSIS OF RESULTS

INTERNATIONAL INVESTMENT POSITION — SUMMARY
(\$A million)

	Level at 31 Mar 1992	Changes in levels during June quarter 1992			Level at 30 Jun 1992	Investment Income during Jun quarter 1992
		Capital Transactions	Exchange rate Variations	Other Changes		
Foreign Investment in Australia						
Equity Liabilities	105,620	1,603	-35	272	107,460	1,364
Borrowing(a)	179,265	2,342	3,241	949	185,797	3,278
Other Investment	6,468	-333	26	-221	5,940	10
Total	291,353	3,612	3,232	1,000	299,198	4,652
Australian Investment Abroad						
Equity Assets	55,503	547	1,633	22	57,705	217
Reserve Assets	21,314	-462	1,277	111	22,240	397
Lending	11,593	632	680	603	13,507	61
Other Investment	7,195	-388	14	-64	6,757	11
Total	95,605	329	3,604	671	100,209	686
Net International Investment Position and Income(b)						
Net Equity Liabilities	50,117	1,056	-1,668	250	49,755	1,147
Net Debt(c)	146,358	2,173	1,284	235	150,050	2,819
Net Other Investment	-727	55	12	-156	-817	-1
Net Foreign Liabilities	195,748	3,284	-372	329	198,989	3,966

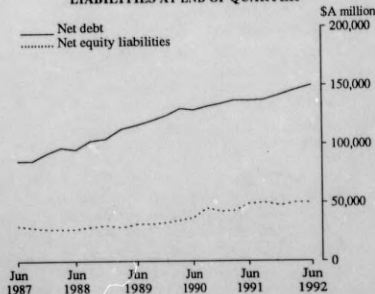
(a) Gross foreign debt.(b) Net international investment position equals foreign investment in Australia less Australian investment abroad.(c) Foreign borrowing by Australian residents less the sum of reserve assets and lending abroad.

Australia's international investment position at 30 June 1992

Australia's net international investment position at 30 June 1992 was net foreign liabilities of \$198,989 million. This was an increase of \$3,241 million (or 1.7%) on the position recorded a quarter earlier and an increase of \$14,220 million (or 7.7%) on the position a year earlier.

The increase of \$3,241 million in Australia's net foreign liabilities during the March quarter resulted from:

- net capital transactions of \$3,284 million;
- exchange rate variations of -\$372 million associated with the depreciation of the Australian dollar against other currencies; and
- other changes of \$329 million.

GRAPH 2: NET FOREIGN DEBT AND EQUITY LIABILITIES AT END OF QUARTER

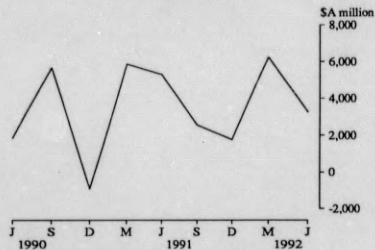
The ratio of net foreign liabilities to GDP for the year ended 30 June 1992 was 51.7 per cent, up 0.4 percentage points on the ratio a quarter earlier.

The level of net foreign liabilities consisted of:

- net foreign debt of \$150,050 million (or 75%);
- net equity liabilities of \$49,755 million (or 25%); and
- net other investment of -\$817 million.

During the June quarter 1992, the level of net foreign debt rose 2.5 per cent and the level of net equity liabilities fell 0.7 per cent.

GRAPH 3: NET CAPITAL TRANSACTIONS DURING QUARTER (a)

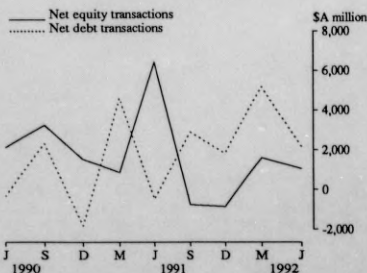


(a) Net capital transactions cover net equity, net debt and net other investment transactions.

The inflow of investment from net capital transactions during the June quarter 1992 resulted from:

- a net inflow of \$3,612 million, due to an increase in foreign investment in Australia, which was partly offset by
- a net outflow of \$329 million, due to an increase in Australian investment abroad.

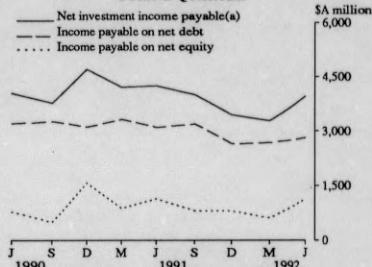
GRAPH 4: NET EQUITY AND DEBT TRANSACTIONS DURING QUARTER



Making up the net capital transactions during the June quarter were inflows of:

- \$2,173 million in respect of net foreign debt;
- \$1,056 million in respect of net equity investment; and
- \$55 million in respect of net other investment.

GRAPH 5: NET INVESTMENT INCOME DURING QUARTER



(a) Net investment income payable covers income payable on net debt, net equity and net other investment.

Net investment income payable abroad during the June quarter 1992 was \$3,966 million, which was equal to income payable on foreign investment in Australia of \$4,652 million less income receivable on Australian investment abroad of \$686 million. Net investment income payable rose by \$675 million, or 20.5 per cent, on the amount recorded for the March quarter 1992.

Net investment income payable abroad consisted of:

- \$2,819 million (or 71%) interest payable on net foreign debt; and
- \$1,147 million (or 29%) investment income payable on net equity liabilities.

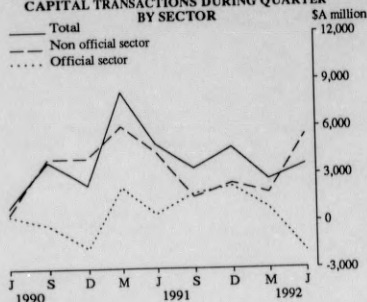
For the year ended June quarter 1992, the ratio of net investment income payable abroad to exports of goods and services was 21.3 per cent, compared to 22.0 per cent a quarter earlier. The ratio of interest payable on net foreign debt to exports of goods and services for the year ended March quarter 1992 was 16.4 per cent, compared to 17.1 per cent a quarter earlier.

Capital transactions (investment flows) in the June quarter 1992

Foreign Investment in Australia

A net inflow of \$3,612 million was recorded for foreign investment in Australia during the June quarter 1992. This was an increase of \$943 million on the net inflow recorded for the previous quarter.

GRAPH 6: FOREIGN INVESTMENT IN AUSTRALIA:
CAPITAL TRANSACTIONS DURING QUARTER
BY SECTOR



Foreign investment in the official sector recorded a net outflow (withdrawal of investment) of \$1,895 million, a turnaround of \$2,755 million on the net inflow of \$860 million in the March quarter 1992. Foreign investment in the non-official sector recorded a net inflow of \$5,508 million, up \$3,699 million on the net inflow of \$1,809 million in the March quarter.

The decrease in foreign investment in the official sector resulted from:

- a turnaround in general government borrowing domiciled in Australia, from a net inflow of \$518 million to a net outflow of \$3,462 million; partly offset by
- an increase of \$1,227 million in general government borrowing domiciled abroad, from a net inflow of \$373 million to a net inflow of \$1,600 million.

The increase of \$3,699 million in non-official sector transactions reflected:

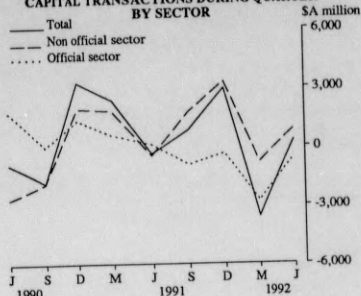
- an increase in direct investment inflows, from \$1,852 million in the March quarter to \$2,535 million in the June quarter; and
- turnarounds, from outflows to inflows, of \$1,230 million and \$1,440 million in portfolio investment in corporate equities and public sector borrowing respectively.

Australian investment abroad

A net outflow of Australian investment abroad of \$329 million was recorded in the June quarter 1992, a turnaround of \$3,904 million on the net inflow recorded for the previous quarter.

Australian investment abroad by the official sector recorded a net inflow (withdrawal of investment) of \$554 million in the June quarter following a net inflow (withdrawal) of \$2,784 million in the March quarter. The June quarter result was largely due to a net inflow of \$462 million from the sales of reserve assets, following net sales of \$2,807 million in the previous quarter.

GRAPH 7: AUSTRALIAN INVESTMENT ABROAD:
CAPITAL TRANSACTIONS DURING QUARTER
BY SECTOR



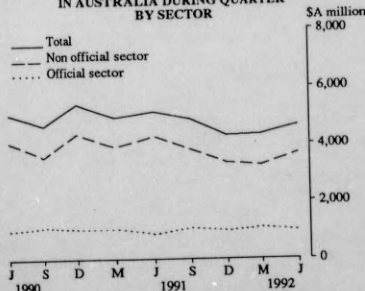
The non-official sector recorded a net outflow of \$883 million, a turnaround of \$1,674 million from the net inflow of \$791 million recorded in the March quarter 1992. This movement largely reflected a turnaround of \$1,755 million in lending abroad by the private sector to unrelated enterprises, from a net inflow of \$742 million in the March quarter to a net outflow of \$1,012 million in the June quarter.

Investment income in the June quarter 1992

Income payable on foreign investment in Australia

Income payable on foreign investment in Australia was \$4,652 million in the June quarter 1992, up \$313 million (or 7.2%) on the March quarter estimate. Interest payable on foreign borrowing accounted for \$3,278 million (or 70%) of the total investment income payable.

GRAPH 8: INCOME PAYABLE ON FOREIGN INVESTMENT
IN AUSTRALIA DURING QUARTER
BY SECTOR

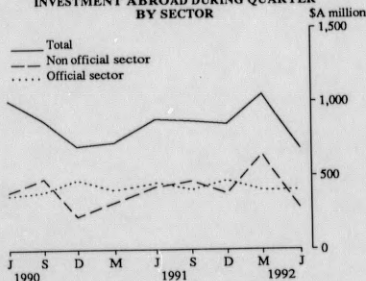


Income payable by the *official sector* was \$966 million, down \$117 million on the previous quarter. This sector accounted for 21 per cent of total investment income payable by Australia in the June quarter 1992. Income payable by the *non-official sector* increased by \$430 million, to \$3,686 million, mainly due to rises in direct investment dividends (up \$153 million), remitted profits (up \$130 million) and interest (up \$113 million).

Income receivable on Australian investment abroad

Income receivable on Australian investment abroad during the June quarter 1992 was \$686 million, a decrease of \$363 million (or 35%) on the previous quarter's estimate. Income receivable by the *official sector* (most of which was interest on reserve assets) accounted for \$397 million, or 58 per cent of the total investment income receivable.

GRAPH 9: INCOME RECEIVABLE ON AUSTRALIAN INVESTMENT ABROAD DURING QUARTER BY SECTOR



Levels of investment at 30 June 1992

Foreign investment in Australia

The level of foreign investment in Australia was \$299,198 million at 30 June 1992, an increase of \$7,845 million on the level at 31 March 1992.

The increase took account of:

- a net inflow of \$3,612 million from capital transactions;
- exchange rate variations of \$3,232 million; and
- other changes of \$1,000 million.

The *official sector* accounted for \$45,233 million, or 15 per cent, of the total level of foreign investment in Australia at 30 June 1992. The *non-official sector* accounted for the remaining \$253,965 million, or 85 per cent.

When analysed by instrument of investment, foreign investment in Australia, at 30 June 1992, consisted of the following:

- *foreign borrowing* of \$185,797 million (or 62 per cent);
- *equity investment* of \$107,460 million (or 36 per cent); and

- *other investment* of \$5,940 million (or 2 per cent).

Australian investment abroad

The level of Australian investment abroad was \$100,209 million at 30 June 1992, an increase of \$4,604 million (4.8%) on the level at 31 March 1992.

The increase resulted from:

- a net inflow of \$329 million from capital transactions;
- exchange rate changes of \$3,604 million associated with the depreciation of the Australian dollar against other currencies; and
- other changes of \$671 million.

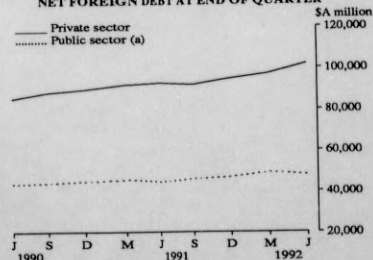
Levels of investment abroad by the *official* and *non-official sectors* rose during the June quarter 1992; *official sector* investment by \$1,221 million (or 5%) to \$25,656 million; and *non-official sector* investment by \$3,383 million (or 5%) to \$74,553 million. Investment abroad by the *official sector* (mainly comprising holdings of reserve assets) represented 26 per cent of the total level of Australian investment abroad while the *non-official sector* accounted for the remaining 74 per cent. Corporate equities accounted for 76 per cent of the level of non-official sector investment abroad.

Australia's foreign debt

At 30 June 1992, Australia's *net foreign debt* was \$150,050 million, of which the public sector (official and non-official) comprised \$47,940 million or 32 per cent of the total. The net foreign debt of the *official sector* was \$22,247 million, or 15 per cent of total net foreign debt. *Non-official public sector trading and financial enterprises* accounted for \$25,693 million (or 17% of total net foreign debt) and *private sector trading and financial enterprises*, \$102,110 million (or 68% of total net foreign debt). Australia's net foreign debt at 30 June was up \$3,692 million (or 2.5%) on the level at 31 March 1992.

The ratio of *net foreign debt* at 30 June 1992 to GDP for the year ended 30 June 1992 was 39.0 per cent, 0.7 percentage points higher than the ratio a quarter earlier.

GRAPH 10: LEVELS OF PUBLIC AND PRIVATE SECTORS NET FOREIGN DEBT AT END OF QUARTER



(a) Includes official and non-official public sector.

As the table on page 2 shows, the net inflow from capital transactions contributed \$2,173 million to the level of *net foreign debt*, exchange rate variations, \$1,284 million, and other changes, \$235 million.

The level of *net foreign debt* at 30 June 1992 was made up of borrowing from non-residents (*gross foreign debt*) of \$185,797 million, partly offset by reserve assets and Australian lending abroad of \$35,747 million.

At 30 June 1992, 59 per cent (\$109,739 million) of Australia's foreign borrowing was denominated in foreign currencies and 41 per cent (\$76,058 million) in Australian dollars. US dollars represented the largest currency of borrowing, comprising \$74,781 million or 68 per cent of foreign currency borrowing. Of the amount denominated in Australian dollars, \$46,013 million (or 60%) was domiciled abroad with the remaining \$30,045 million domiciled in Australia.

REVISIONS

Since the last issue of this publication, revisions have been made to international investment estimates for the September and December quarters 1991 and the March quarter 1992, as a result of further processing of the March quarter 1992 Survey of Foreign Investment. The revisions to the three quarters have been largely caused by

late or incorrect reporting by some survey respondents. The December quarter estimates have also been affected by a change in methodology used to value non-equity securities. The revisions are summarised in the table below.

SUMMARY OF REVISIONS

(\$A million)

	<i>Changes in this publication</i>		
	<i>September quarter 1991</i>	<i>December quarter 1991</i>	<i>March quarter 1992</i>
Capital transactions			
Foreign investment in Australia	-662	205	204
Australian investment abroad	192	478	940
Net	-855	-273	-737
Investment income			
Foreign investment in Australia	-17	37	76
Australian investment abroad	56	3	136
Net	-19	34	73
Level of debt			
Foreign investment in Australia	-1,854	-3,033	-2,067
Australian investment abroad	-66	-77	-302
Net	-1,787	-2,956	-1,766
Level of equity and other investment			
Foreign investment in Australia	167	610	112
Australian investment abroad	730	1,307	1,911
Net	-563	-697	-1,799
Total level of investment			
Foreign investment in Australia	-1,687	-2,423	-1,955
Australian investment abroad	664	1,230	1,609
Net	-2,351	-3,652	-3,564

CHANGES IN THIS ISSUE

Commencing with this issue, four historical tables are included in the publication (tables 16 to 19). These tables contain historical data outlined below.

Table 16: foreign investment in Australia, Australian investment abroad and the net international investment position, by broad instrument.

Table 17: levels of foreign debt by sector.

Table 18: income payable on foreign investment in Australia, income receivable on Australian investment

abroad and net investment income payable, for selected instruments.

Table 19: ratio of net foreign liabilities to GDP and ratios of net investment income payable, to exports.

Tables 16 to 18 provide annual data from 1979-80 onwards and quarterly data from 1986-87. Table 19 provides annual data commencing 1983-84 and quarterly data commencing March quarter 1987.

Release date for September quarter 1992 issue

The expected release date for the September quarter 1992 issue of *International Investment Position, Australia* (5306.0) is Tuesday, 1 December 1992.

FOREIGN OWNERSHIP OF EQUITY IN AUSTRALIAN ENTERPRISE GROUPS

1. Introduction

This article analyses developments in foreign ownership of Australian equity over the last few years using data from the newly published *Australian National Accounts, Financial Accounts* (5232.0), which covers the period September quarter 1989 to June quarter 1991. It explains the relationship between these measures and measures derived from earlier foreign participation studies. It also provides measures of foreign influence and identifies a number of other possible analyses that could be undertaken.

2. The financial accounts and how they can be used to derive estimates of foreign ownership of equity in Australian enterprise groups

The Financial Accounts are components of the Australian National Accounts. The overall system is an integrated portrayal of the nation's production, consumption and accumulation of wealth. The financial accounts provide data within a national accounting framework for the analysis of the saving and investment behaviour of each sector of the economy, the relationships between the financial and 'real' sides of the economy and the levels of inter-sectoral financial claims.

Australia's financial accounts are presented in four parts. Part I shows the level (stock) of financial assets and liabilities in the economy. Part II uses the same information but rearranges it to show the market for each of the conventional financial instruments. Part III shows inter-sectoral transactions in financial assets and liabilities classified by financial instrument. Part IV provides the information necessary to reconcile the net transactions data in Part III with the changes in levels which may be calculated from Part I. More information about the financial accounts is provided in the "Introduction to the Financial Accounts" and the "Explanatory Notes" contained in publication 5232.0 and in Section 20 of *Australian National Accounts: Concepts, Sources and Methods* (5216.0).

For the purposes of this article, the data contained in Part II, and in particular, Table 21, The Share Market, are relevant. This table shows - as far as possible - the whole equity market, covering equities (shares and equivalent equity interests in unincorporated enterprises) and units in trusts, at market prices. The total value of equity issued by enterprises in Australia is broken down by the institutional sector of the entity issuing the equity, which in turn is broken down by the institutional sector of the counterparty holding the equity. Claims by enterprises in the same company group (within a sub-sector) are consolidated whereas claims by enterprises outside the company group but inside the same sub-sector are not consolidated. For example, claims between the trading and savings arms of a banking group are eliminated on consolidation, but not claims between banking groups.

One of the sectors identified in Table 21 of the financial accounts publication as holding equity is the "Rest of World". This sector consists of all non-resident entities regardless of their nature. *Non-residents* are defined as

any individual, enterprise or other organisation ordinarily domiciled in a country other than Australia. These data are sourced from ABS international investment statistics and are consistent with those presented in this issue of *International Investment Position, Australia* (5306.0).

By expressing the value of equity issued by a particular sector to the rest of the world (non-residents) as a percentage of the total value of all equity issued by that sector, it is possible to derive an estimate of the percentage of foreign ownership in that sector. For example, at 30 June 1989, equity held by "Rest of world" in Banks was \$5,281 million, or 17 per cent of the total equity of \$31,797 million issued by banks. Likewise, an estimate of total foreign ownership of equity in all Australian enterprises can be derived by summing the equity held by non-residents across all sectors and dividing this by the total value of equity issued by all sectors. Estimates of foreign ownership by sector are shown in Table A on the next page.

3. Analysis of results

The value of equity on issue by Australian enterprise groups at 30 June 1991 stood at \$290,981 million. Of this total, 73 per cent was shares or equivalent equity interests issued by private corporate trading enterprises (see Section 4 below regarding qualifications pertaining to these data). Lesser amounts were issued by banks (14% of the total), non-bank deposit taking institutions (4%) and other financial institutions (4%).

Of the total equity on issue at 30 June 1991, non-residents held equity valued at \$101,867 million (35%), and residents held \$189,114 million (65%).

FOREIGN OWNERSHIP OF AUSTRALIAN ENTERPRISE GROUPS BY SECTOR

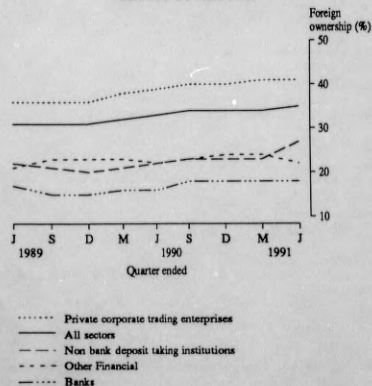


TABLE A. OWNERSHIP OF EQUITY(a) IN AUSTRALIAN ENTERPRISE GROUPS
(\$A million)

	Value of equity outstanding at end of quarter														
	1988-89					1989-90					1990-91				
	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun						
Public Trading Enterprises															
Amount issued (b)	7,882	7,942	9,052	9,168	10,273	10,613	10,628	10,596	11,352						
Amount held by rest of the world	-	-	-	-	-	-	-	-	-	-					
Percentage foreign ownership	-	-	-	-	-	-	-	-	-	-					
Private Corporate Trading Enterprises															
Amount issued (c)	205,733	209,976	213,037	210,381	210,323	208,833	212,225	212,790	211,550						
Amount held by rest of the world (d)	73,441	75,005	77,572	79,571	80,980	83,879	84,784	86,264	87,600						
Percentage foreign ownership	36%	36%	36%	38%	39%	40%	40%	41%	41%						
Banks															
Amount issued (c)	31,797	34,247	35,320	36,388	37,087	37,864	40,813	40,434	41,072						
Amount held by rest of the world (d)	5,281	5,167	5,403	5,775	5,852	6,871	7,403	7,407	7,371						
Percentage foreign ownership	17%	15%	15%	16%	16%	18%	18%	18%	18%						
Non-bank Deposit Taking Institutions															
Amount issued (c)	13,615	13,347	13,677	13,674	13,412	13,090	12,346	12,468	11,654						
Amount held by rest of the world	3,043	2,747	2,779	2,920	2,983	2,962	2,885	2,892	3,177						
Percentage foreign ownership	22%	21%	20%	21%	22%	23%	23%	23%	27%						
Life Offices and Superannuation Funds															
Amount issued (c)	1,256	1,211	1,278	1,275	1,517	1,538	1,565	1,605	1,646						
Amount held by rest of the world	1,018	956	1,028	1,032	1,217	1,219	1,232	1,235	1,252						
Percentage foreign ownership	81%	79%	80%	81%	80%	79%	79%	77%	76%						
Other Financial Institutions															
Amount issued (c)	9,555	10,078	10,170	10,436	10,604	9,900	9,950	10,452	11,155						
Amount held by rest of the world	1,993	2,362	2,374	2,386	2,383	2,272	2,399	2,479	2,467						
Percentage foreign ownership	21%	23%	23%	23%	22%	23%	24%	24%	22%						
General Government and Reserve Bank															
Amount issued (b)	2,266	2,266	2,266	2,266	2,266	2,552	2,553	2,552	2,552						
Amount held by rest of the world	-	-	-	-	-	-	-	-	-						
Percentage foreign ownership	-	-	-	-	-	-	-	-	-						
All Sectors															
Amount issued	272,104	279,067	284,800	283,588	285,482	284,390	290,080	290,897	290,981						
Amount held by rest of the world	84,776	86,237	89,156	91,684	93,415	97,203	98,703	100,277	101,867						
Percentage foreign ownership	31%	31%	31%	32%	33%	34%	34%	34%	35%						

(a) Includes units in trusts. (b) Book values. (c) These estimated market values are considered to be of poor quality. They should be used cautiously. See Section 4 of this article for further details. (d) These series differ from those shown in Table 21 of 5232.0 for the four quarters of 1989-90 due to the reclassification of some holdings from private corporate trading enterprises to banks.

Source: Australian National Accounts, Financial Accounts September quarter 1989 to June quarter 1991 (5232.0).

Foreign ownership of equity grew steadily over the period shown in the tables, from 31 per cent at 30 June 1989 to 35 per cent at 30 June 1991. Of the \$18,876 million increase in the total value of equities on issue between 30 June 1989 and 30 June 1991, \$11,166 million (or 59%) was due to transactions (new issues) and the remaining \$7,710 million, due to price movements and other changes. In comparison, equity held by non-residents rose \$17,091 million, of which \$15,059 million (or 88%) was due to transactions and \$2,032 million was due to price movements and other changes.

When analysed by sector, it can be seen that equity held by non-residents in *private corporate trading enterprises* rose steadily over the period, from 36 per cent at 30 June 1989 to 41 per cent at 30 June 1991.

While the value of non-residents' equity in *banks* also rose steadily, it remained relatively flat as a proportion of the total equity issued by banks. The dip in percentage foreign ownership in 1989-90 reflects the build-up of cross shareholdings between Australian banks in the same year. These positions appear to have been largely unwound between 30 June and 30 September 1990, as bank holdings of bank shares fell back between those dates.

Non-resident equity holdings in *non-bank deposit taking institutions* remained fairly constant in dollar terms, but rose as a proportion of the amount on issue, from 20 per cent at 31 December 1989 to 27 per cent at 30 June 1991. This was due to the decrease in the level of equity on issue by these institutions. This fall may have been due in part to enterprises formerly belonging to this sector becoming banks (eg. Challenge Bank, Metway Bank and Town and Country Bank) and others becoming insolvent.

The estimates of equity issued by *life offices and superannuation funds* shown in Table A above only include shares in Australian incorporated companies and net equity of foreign incorporated companies in their Australian branches. They do not include policyholders' claims on the technical reserves of life offices and pension funds. Foreign ownership of equity in these enterprises has declined, as a proportion of their total equity on issue, from 81 per cent at 30 June 1989 to 76 per cent at 30 June 1991.

The *other financial institutions* sector largely comprises general insurers. Foreign ownership of equity in these enterprises has remained around 23 per cent (using annual averages) over the period.

4. Problems with the data that may impact on the analysis

The estimated market value of equity issued by some sectors is considered to be of poor quality. In particular, estimates of the market value of the amount issued by private corporate trading enterprises are considered poor because they are largely built up from counterpart and other information obtained from ABS Surveys of Foreign Investment and Balance Sheet Information. This sector covers equity issued by both listed and unlisted private corporate trading enterprises, of which there are over half a million. Alternative information sources and methodologies for deriving these estimates are being investigated.

In terms of the analysis undertaken here, errors in the estimated market value of equity on issue will impact on the accuracy of estimates of the proportion of that equity owned by non-residents.

A further concern relates to valuation. While both financial accounts and international investment statistics (from which the rest of the world data are sourced) are on a market value basis in principle, collection and estimation methods differ between the two sets of statistics. In the financial accounts, estimates of the value of equity issued are derived largely from balance sheet information and therefore are closer to a net worth or net asset value basis. In international investment statistics, shares in listed companies are valued at their traded price. Where recent transactions prices are not available, in the case of shares in unlisted companies for example, a close approximation to market value is sought. The most common proxy used is net asset value and respondents are asked to value assets at market prices. Because of the differences in the methodologies used, it is possible that there could be more variability in the market value estimates of equity held by the rest of the world than in the estimated market value of the equity on issue, thus causing some variation in the foreign ownership series derived from these data.

5. Relationship with other foreign participation measures

There are no international standards for defining foreign participation and no standard international practice for measuring foreign participation. In Australia's case, a number of foreign participation concepts and a variety of measures have been adopted in past studies in this field. In the studies conducted by the ABS during the 1980s the main concepts used were *foreign ownership*, *foreign control* and *degree of foreign influence*.

Foreign ownership statistics provided a measure of the beneficial equity interest held by non-residents (individuals and companies) in enterprises in Australia. Foreign control statistics provided a measure of the potential control, through ownership of voting shares, that non-residents may have over the key policy decisions of enterprises in Australia. Foreign influence statistics provided a measure of the potential influence, through ownership of voting shares, that non-residents may have on decision making within enterprises in Australia without regard to whether the influence was sufficient to control the enterprise.

Generally, earlier measures of foreign participation were derived by applying the ownership, control or influence characteristics of each of the units involved in the industry/activity being studied to certain data collected in respect of those units. The characteristics of each unit were determined by examining the ownership of equity in the legal entities to which the units belonged to determine the proportion owned by non-residents and where potential control lay. Information about the ownership of equity was generally obtained from the ABS Survey of Shareholdings, conducted on an irregular basis specifically for foreign participation purposes. The most recent Survey of Shareholdings was conducted in respect of 30 June 1987.

To measure the aggregate levels of foreign (and Australian) ownership in a particular industry, amounts reported for selected data items (such as value added,

premiums received, assets, employment and capital expenditure) for each statistical unit were apportioned between foreign and Australian ownership in proportion to the percentages of foreign and Australian ownership in that unit. Data on each item were then aggregated for all units to obtain totals of foreign and Australian ownership. Measures based on different data items could vary significantly within a particular industry.

To measure the levels of control in an industry (or economic activity), the total amounts reported for the selected data items for each statistical unit were allocated to the control category (foreign controlled, joint foreign and Australian controlled, naturalised or naturalising or Australian controlled) of that unit. Data for each item were then aggregated for all units to obtain totals for the industry (or economic activity) attributable to each of the four control categories listed above.

The degree of foreign influence was measured by the strength of the chain of ownership links connecting the major foreign investor to the relevant enterprise engaged in the activity being studied. To measure the levels of foreign influence, each statistical unit was classified to a particular "degree of influence" category (eg. under 10 %, 10 % to 50 % and 50 % and over) and the whole of the amount reported for the selected data items were allocated to that category.

Table B below compares selected results of earlier foreign participation studies with estimates of foreign ownership of equity in Australian enterprise groups at 30 June 1989, 1990 and 1991, derived from the financial accounts. To the extent possible, the comparison is made between studies of the same or similar sector. However, in the case of private corporate trading enterprises, no foreign participation studies have been conducted that cover this entire sector so the results of studies conducted in respect of two of the more significant industries in this sector are shown.

It is also important to note that in earlier studies of foreign ownership, ownership of equity was applied to other variables to provide a measure of ownership, whereas, in financial accounts data, ownership of equity itself is the measure used. For example, foreign ownership of items such as value added or assets were used to calculate foreign ownership in earlier studies. These are different types of measures; they are only comparable where a fixed relationship exists between equity and the other variables. The Technical Note at the end of this article provides further detail, illustrating the relationship between the current and earlier measures.

By and large, the estimates of foreign ownership obtained using the financial accounts data are in the same "ball

TABLE B. COMPARISON OF MEASURES OF FOREIGN OWNERSHIP

Foreign Ownership of Australian Industries: Earlier Foreign Participation Studies (%)						Foreign Ownership of Australian Enterprise Groups: Derived From Financial Accounts (%)			
Industry/ activity	1982-83	1983-84	1984-85	1985-86	1986-87	Sector	1988-89	1989-90	1990-91
Manufacturing (a)	33	n.a.	n.a.	n.a.	31	Private Trading (c)	36	39	41
Mining (a)	n.a.	n.a.	45	n.a.	n.a.	Banks (c)	17	16	18
Banks (b)	n.a.	n.a.	n.a.	21	n.a.	Non Bank deposit taking institutions (c)	22	22	27
Registered Financial Corporations (b)	n.a.	36	n.a.	38	n.a.	Life Office and Superannuation Funds (c) (d)	81	80	76
Life Office and Superannuation Funds (b) (d)	n.a.	33	n.a.	n.a.	n.a.	Other Financial Institutions (c)	21	22	22
General Insurance (b)	n.a.	30	n.a.	n.a.	n.a.				

n.a. not available. (a) Ownership measure used is value added. (b) Ownership measure used is assets at 30 June. (c) Ownership measure used is equity at 30 June. (d) For the reasons discussed in Section 5 of this article, it is not valid to compare the two sets of results for Life Office and Superannuation Funds.

Sources: *Foreign Ownership and Control of the Manufacturing Industry, Australia 1986-87* (5322.0), *Foreign Ownership and Control of the Mining Industry, Australia 1984-85* (5317.0), *Foreign Ownership and Control of the Banking Industry, Australia June 1986* (5347.0), *Foreign Ownership and Control of Registered Financial Corporations, Australia June 1986* (5334.0), *Foreign Ownership and Control of the Life Insurance Industry, Australia 1983-84* (5311.0), *Foreign Ownership and Control of the General Insurance Industry, Australia 1983-84* (5309.0), *Australian National Accounts, Financial Accounts, Australia September quarter 1989 to June quarter 1991* (5232.0).

park" as those from earlier foreign participation studies of the same (or similar) industry (with the exception of those for life insurance offices and superannuation funds). The differences arise for a variety of reasons. The most obvious are the different measures used between the current and earlier estimates, different scope of the industry/sectors being compared and changes affecting the level of foreign ownership in enterprises over time (such as births and deaths and transactions in equity).

In the case of *private corporate trading enterprises*, it is difficult to draw a close link between the results of earlier studies and those derived from the financial accounts because no foreign participation studies were conducted that covered this entire sector and the results of the earlier studies of selected industries were in respect of different time periods or dates. While the results of studies of the manufacturing and mining industries are shown in Table B, they by no means cover the whole sector. In addition, the measure of foreign participation used for these two industries was *value added* as opposed to *equity* (the latter being the measure obtainable from the financial accounts).

The bank, non-bank deposit taking institutions and other financial enterprises sectors, for which data from the financial accounts are shown, correspond exactly or very closely in scope with those covered by earlier studies shown in Table B. However, for these earlier studies, the variable used to reflect foreign ownership was *assets*, rather than *equity*. However, if enterprises within a sector are similarly geared, regardless of the degree of foreign ownership, then these measures should give similar results (since the difference between assets and equity measured on a net asset value basis, is liabilities).

At 30 June 1986, non-residents owned an estimated 21 per cent of *bank assets*. This compares with ownership of around 18 per cent of equity in banks at 30 June 1991. This difference is due to the combination of both the use of a different measure at each date and changes that might have affected foreign ownership between the two dates. An examination of bank balance sheet data supplied in the ABS Survey of Balance Sheet Information indicates that banks with significant foreign ownership and Australian owned banks are similarly geared. However, there were changes in the banking sector between 30 June 1986 and 30 June 1991 that may have impacted on the degree of foreign ownership, including the establishment of new, largely Australian owned banks and new share issues by existing banks.

The estimates of foreign ownership of equity in *non-bank deposit taking institutions* are compared with results of earlier studies in respect of registered financial corporations. At 30 June 1986, non-residents owned an estimated 38 per cent of the assets of non-bank deposit taking institutions. This compares with ownership of around 27 per cent of equity in this sector at 30 June 1991. Like banks, the differences in foreign ownership between the earlier studies and the current estimates are due to the combination of both the different measures used and changes that might have affected foreign ownership over time. The changes that have occurred between 30 June 1986 and 30 June 1991 that may have impacted on the degree of foreign ownership of non-bank deposit taking institutions include the collapse of enterprises in this sector and the reclassification of others from non-banks to banks.

Because the earlier studies of foreign participation in *life insurance offices and superannuation funds* took account of the technical reserves of mutual life insurers (which are owned by their policy holders), whereas the measures derived from the financial accounts do not, it is not valid to compare the two sets of results. The technical reserves of mutual life insurers are very large relative to the equity on issue by life offices and superannuation funds, and, as these reserves are attributed entirely to households, the inclusion of these reserves along with equity would have the effect of substantially reducing the proportion of foreign ownership in this sector.

Foreign ownership of equity in *other financial enterprises* (primarily general insurance companies) is estimated to have been around 21 to 22 per cent between 30 June 1989 and 30 June 1991. The study of foreign participation in the general insurance industry in 1983-84 estimated that 30 per cent of the assets of enterprises in this industry were foreign owned at 30 June 1984.

6. Advantages and disadvantages of each approach

The major advantages of the methodology for deriving estimates of foreign ownership from financial accounts data in the way described in this article are that:

- it provides a measure of foreign ownership of the total economy (this was not possible using the alternative industry/activity based studies);
- uniform measures of components of the economy are available at a single point in time (this was not possible using the alternative industry/activity based studies);
- measures are available on a regular and frequent basis; and
- the estimates are much more timely and less costly to produce than measures which rely on the conduct of surveys of shareholdings coincident with the host collections in respect of the industry/activity being studied.

The disadvantages are that:

- at present, estimates can only be derived at the institutional sector level shown in Table A above, not at the industry or activity level possible using the approach taken in earlier studies; and
- it does not provide as much information about the relationships between foreign ownership and behaviour/performance as is possible using the approach taken in earlier studies.

To summarise, the financial accounts provide an inexpensive and easy means of monitoring levels of foreign ownership of equity in Australian enterprise groups across all sectors of the economy. However, for more detailed analysis of the impact of foreign ownership on specific industries/activities, an alternative methodology needs to be adopted.

By making use of the comprehensive information about the rest of the world sector from the international investment database, it is possible to supplement the information on foreign ownership derived from the financial accounts. Some examples are given below.

TABLE C. FOREIGN EQUITY HOLDINGS BY DEGREE OF FOREIGN INFLUENCE
AND TYPE OF EQUITY (a) AT 30 JUNE 1991

	Direct Investment Enterprise Groups						Other Enterprises Groups	All Enterprise Groups			
	10 - 50 Percent Owned by direct foreign investor(s)			Over 50 Percent Owned by direct foreign investor(s)				Total	Direct	Portfolio	Total
	Direct	Portfolio	Total	Direct	Portfolio	Total					
———— \$A million ————											
Private Corporate Trading Enterprises											
<i>Equity held by the rest of the world</i>	3,157	1,497	4,654	62,676	1,273	63,950	18,996	65,833	21,767	87,600	
Banks											
<i>Equity held by the rest of the world</i>	-	-	-	3,577	10	3,587	3,785	3,577	3,795	7,371	
Non-bank Deposit Taking Institutions											
<i>Equity held by the rest of the world</i>	114	78	192	2,725	-	2,725	260	2,839	338	3,177	
Life Offices and Superannuation Funds											
<i>Equity held by the rest of the world</i>	-	-	-	1,249	-	1,249	4	1,249	4	1,252	
Other Financial Institutions											
<i>Equity held by the rest of the world</i>	-	-	-	2,143	4	2,147	320	2,143	324	2,467	
All Sectors											
<i>Equity held by the rest of the world</i>	3,271	1,575	4,846	72,369	1,287	73,656	23,365	75,640	26,227	101,867	
———— % ————											
<i>Proportion of total equity on issue to all sectors including the rest of the world</i>	1	1	2	25	-	25	8	26	9	35	
<i>Proportion of total equity held by the rest of the world</i>	3	2	5	71	1	72	23	74	26	100	

- nil or rounded to zero. (a) The type of equity dissection in the table shows foreign direct investment equity holdings separately from foreign portfolio investment equity holdings. Direct investment equity holdings refer to holdings of direct investors; that is, investors who own 10 per cent or more of the voting shares of an enterprise. Portfolio investment equity holdings refer to holdings of all other investors, covering their holdings in both direct investment enterprise groups and other enterprise groups.

Source: *International Investment Position, Australia*, June quarter 1992 (\$306.0)

7. Regional analysis

It is possible to further disaggregate holdings of equity in Australian enterprise groups according to the country of residence of the holder using international investment statistics compiled on a financial accounts basis.

At 30 June 1991, UK residents owned \$33,571 million of equity in Australian enterprise groups, accounting for 12 per cent of total equity on issue. This was followed by the USA with \$27,487 million (or 9%), Japan with \$9,457 million (or 3%) and New Zealand with \$5,911 million (or 2%). Two years earlier, these proportions had stood at 12 per cent (UK), 8 per cent (USA), 2 per cent (Japan) and 1 per cent (New Zealand).

Data are also available to undertake this type of analysis by sector. For example, the proportion of the total equity of Australian banks on issue at 30 June 1991 attributable to residents of the UK was 6 per cent; 5 per cent was owned by residents of the USA; 3 per cent by New Zealand residents; and 2 per cent by residents of Japan.

8. Significant foreign influence

The concept of *direct investment* is broadly one of capital invested in an enterprise by an investor having a *significant influence*, either actually or potentially exercised, over the key policies of the enterprise (called a *direct investment enterprise*). Ownership of 10 per cent or more of the voting shares (or an equivalent equity interest) is regarded as indicative of significant influence by an investor.

Three enterprise group dissections are shown in Table C on the previous page and these can be associated with three different levels of foreign influence: *foreign control*; *significant foreign influence but not necessarily foreign control*; and *other foreign influence*. First, direct investment enterprise groups over 50 per cent owned by their direct foreign investors are groups in which there is significant foreign influence that is clearly sufficient to allow foreign control. Second, direct investment enterprise groups 10-50 per cent owned by their direct foreign investors are groups in which there is significant foreign influence but it is not necessarily sufficient to allow foreign control. Third, other enterprise groups are groups in which there are foreign equity interests that are not large enough to allow significant foreign influence, as no foreign investor holds 10 per cent or more of the equity. Analysis of data on equity issued by direct and other investment enterprise groups in Australia as a proportion of total equity on issue provides an indication of the amount of influence non-residents have as a result of their equity holdings.

Of the equity holdings of the rest of the world of \$101,867 million at 30 June 1991, \$75,640 million (or 74 per cent) was in the form of direct investment, with the remaining \$26,227 million being portfolio investment. These amounts represented 26 per cent and 9 per cent respectively, of the total equity on issue. These proportions are up from 23 per cent and 8 per cent at 30 June 1989. These proportions vary significantly across sectors, as is evident from Table C.

In other words, 26 per cent of the total equity on issue at 30 June 1991 was held by non-residents who had significant influence in the issuing Australian enterprise. This influence in most cases was sufficient to provide control, as nearly all the equity held by these non-residents was in enterprises where they had a majority interest.

It can be seen in Table C, that at 30 June 1991, enterprises with greater than 50 per cent direct foreign ownership accounted for \$72,369 million or 96 per cent of the \$75,640 million direct investment equity, and \$73,656 million or 72 per cent of the \$101,867 total foreign equity in Australian enterprise groups. At 30 June 1991, foreign equity in enterprises with greater than 50 per cent direct foreign ownership accounted for 25 per cent of the total equity on issue by Australian enterprise groups.

One could also compare characteristics of direct investment enterprise groups (DIEGs) (eg. equity outstanding, foreign borrowing and lending abroad) with those of non-DIEGs. Again, it would be possible to separate majority owned DIEGs (ie. foreign controlled) from other DIEGs, as has been done in Table C and compare the characteristics of these enterprise groups with those of other DIEGs and non-DIEGs.

Taking this type of analysis one step further, it is also possible to relate equity in groups in which there is significant foreign ownership (ie. DIEGs) to information about the same entities from other collections. This approach is similar to that taken in earlier foreign participation studies, except that the influence and control characteristics are different and are obtained from international investment statistics rather than from surveys of shareholdings. DIEGs can be allocated to different categories of influence/control on the basis of their percentage foreign ownership. To measure the aggregate level of foreign influence/control in a particular industry/activity, data for each statistical unit in the host collection would be allocated to the influence/control category of that unit.

The ABS has plans to undertake a foreign participation study in respect of research and development expenditure using this methodology.

While few countries produce foreign participation statistics, the approach the ABS proposes for the study in respect of research and development is similar to that taken by the United States in their measurement of foreign participation.

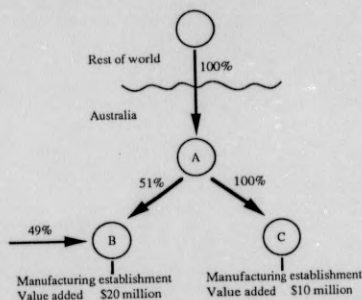
9. For more information

The data used in these analyses are available from the International Investment Section of the ABS. For more information about the types of foreign participation analysis that can be undertaken or the availability of related unpublished statistics, contact Colin Nagle on Canberra (06) 252 5601. For information about other ABS information and services, please refer to the back page of this publication.

Technical Note

In earlier studies of foreign ownership, ownership of equity was applied to other variables to provide an overall measure of ownership, whereas using financial accounts data, ownership of equity itself is the measure used. In the earlier studies, the strength of ownership links was generally measured by reference to the number of voting shares beneficially held. Using the financial accounts, ownership is measured by reference to the market value of shares held directly.

While in concept, equity ownership is the same in each case, in practice, the application of these equity ownership characteristics to different measures does lead to different results. This was shown in earlier studies and is further illustrated in the example below.



Assume an enterprise group in Australia consisting of a wholly foreign owned holding company (Company A) with two subsidiaries, one 51 per cent owned by A (Company B) and, the other 100 per cent owned by A (Company C). Companies B and C each have one manufacturing establishment. Assume also, that Companies B and C both have issued 100 million shares with a market value of \$2.00 each. Thus the market value of each company is \$200 million. As Company A holds 51 per cent of the shares in B and 100 per cent of the shares in C, its market value is assumed to be \$302 million. The total market value of A, B and C as a consolidated group, would be \$400 million, of which, \$302 million or 75.5 per cent is attributable to non-residents and \$98 million or 24.5 per cent attributable to residents. These proportions would be the same if they were calculated using the number of shares instead of the market value of shares.

Foreign ownership, using value added as the measure, would have been calculated in earlier studies by applying the percentage beneficial foreign ownership of each enterprise to its value added and summing the results. Using the example above, this would give:

for Company B;

$$100\% * 51\% * \text{value added of } \$20 \text{ million} = \$10.2 \text{ million}$$

and for Company C;

$$100\% * 100\% * \text{value added of } \$10 \text{ million} = \$10.0 \text{ million}$$

Total

$$\underline{\$20.2 \text{ million}}$$

Foreign ownership in terms of value added is therefore 67.3 per cent. This compares with foreign ownership of 75.5 per cent in terms of equity.

TABLE 1. AUSTRALIA'S NET INTERNATIONAL INVESTMENT POSITION AND INCOME (a)
(\$A million)

Period	Levels of investment at beginning of period	Reinvestment of earnings by direct investors (b)	Changes in levels of investment during the period			Total	Levels of investment at end of period	Investment Income (c)
			Other transactions	Exchange rate variations	Other changes			
NET EQUITY								
Year—								
1989-90	32,113	-260	4,480	-179	1,225	5,266	37,378	3,236
1990-91	37,378	207	11,826	133	-290	11,876	49,255	4,093
1991-92	49,255	205	850	-2,112	1,558	501	49,755	3,369
Quarter ended—								
1990-91								
March	42,772	52	801	1,140	-1,480	513	43,285	882
June	43,285	52	6,363	754	-1,199	5,970	49,255	1,144
1991-92								
September	49,255	52	-800	262	1,289	804	50,058	815
December	50,058	51	-898	-1,883	255	-2,475	47,583	799
March	47,583	51	1,542	1,177	-236	2,534	50,117	607
June	50,117	51	1,005	-1,668	250	-362	49,755	1,147
NET FOREIGN DEBT (d)								
Year—								
1989-90	116,601	..	13,852	-891	-333	12,628	129,229	12,552
1990-91	129,229	..	4,646	1,767	1,568	7,981	137,210	12,807
1991-92	137,210	..	12,060	1,618	-837	12,840	150,050	11,355
Quarter ended—								
1990-91								
March	134,511	..	4,610	-749	-752	3,109	137,620	3,322
June	137,620	..	-472	57	4	-410	137,210	3,101
1991-92								
September	137,210	..	2,883	-2,010	-196	676	137,886	3,196
December	137,886	..	1,826	2,780	-818	3,788	(e)141,674	2,654
March	141,674	..	5,179	-436	-58	4,685	146,358	2,686
June	146,358	..	2,173	1,284	235	3,692	150,050	2,819
NET OTHER INVESTMENT								
Year—								
1989-90	-24	..	-1,435	118	-999	-2,316	-2,340	216
1990-91	-2,340	..	-778	52	1,370	644	-1,695	50
1991-92	-1,695	..	736	-26	169	879	-817	-3
Quarter ended—								
1990-91								
March	-1,406	..	407	27	-142	292	-1,114	9
June	-1,114	..	-655	13	61	-582	-1,695	8
1991-92								
September	-1,695	..	418	31	382	831	-865	-3
December	-865	..	790	-46	39	783	-82	2
March	-82	..	-528	-23	-95	-646	-727	-2
June	-727	..	55	12	-156	-89	-817	-1
NET INTERNATIONAL INVESTMENT POSITION								
Year—								
1989-90	148,690	-260	16,897	-952	-107	15,578	164,268	16,004
1990-91	164,268	207	15,694	1,952	2,649	20,501	184,769	16,949
1991-92	184,769	205	13,645	-521	890	14,220	198,989	14,720
Quarter ended—								
1990-91								
March	175,877	52	5,818	418	-2,374	3,914	179,791	4,213
June	179,791	52	5,236	824	-1,133	4,978	184,769	4,253
1991-92								
September	184,769	52	2,501	-1,717	1,474	2,310	187,080	4,008
December	187,080	51	1,718	850	-524	2,096	189,175	3,455
March	189,175	51	6,193	718	-389	6,573	195,748	3,291
June	195,748	51	3,233	-372	329	3,241	198,989	3,966

(a) Australia's net international investment position equals Foreign Investment in Australia less Australian Investment Abroad. (b) Comprehensive data are only collected annually for this item and hence estimates for the most recent periods are derived by extrapolating earlier estimates. Quarterly estimates are derived by evenly distributing the annual estimates. (c) Includes reinvestment of earnings of direct investors. Investment income is calculated before the deduction of withholding tax. (d) Foreign borrowing by Australian residents less the sum of reserve assets and Australian lending abroad. (e) As a result of a change in the methodology used to value non-equity securities issued on foreign capital markets, levels of net foreign debt from the end of December quarter 1991 are not strictly comparable with levels for earlier periods. The change in methodology accounts for \$973 million of the amount shown as 'other changes' in the December quarter 1991.

TABLE 2. FOREIGN INVESTMENT IN AUSTRALIA — SUMMARY
(\$A million)

Period	Levels of investment at beginning of period	Reinvestment of earnings by direct investors (a)	Changes in levels of investment during the period				Levels of investment at end of period	Investment Income (b)
			Other transactions	Exchange rate variations	Other changes	Total		
EQUITY								
Year—								
1989-90	84,776	1,105	5,246	72	2,217	8,639	93,416	5,172
1990-91	93,416	551	9,813	-9	-1,875	8,480	101,895	5,029
1991-92	101,895	548	4,306	63	647	5,565	107,460	4,590
Quarter ended—								
1990-91								
March	98,730	138	1,686	-2	-245	1,576	100,305	1,058
June	100,305	138	2,848	-16	-1,379	1,590	101,895	1,411
1991-92								
September	101,895	137	1,054	52	651	1,895	103,790	1,106
December	103,790	137	1,252	37	468	1,894	105,684	1,072
March	105,684	137	534	9	-743	-64	105,620	1,048
June	105,620	137	1,466	-35	272	1,840	107,460	1,364
BORROWING								
Year—								
1989-90	145,701	—	16,652	-1,224	-1,528	13,900	159,601	14,293
1990-91	159,601	—	9,518	2,414	1,418	13,350	172,950	14,938
1991-92	172,950	—	9,648	4,604	-1,405	12,847	185,797	13,551
Quarter ended—								
1990-91								
March	166,634	—	6,173	-1,958	-86	4,128	170,763	3,842
June	170,763	—	2,197	-6	-3	2,188	172,950	3,692
1991-92								
September	172,950	—	1,805	-1,981	-1,207	-1,383	171,567	3,763
December	171,567	—	2,755	5,300	-987	7,068	(c)178,635	3,225
March	178,635	—	2,746	-1,956	-160	630	179,265	3,286
June	179,265	—	2,342	3,241	949	6,532	185,797	3,278
OTHER INVESTMENT								
Year—								
1989-90	7,254	—	-1,475	99	-360	-1,737	5,517	372
1990-91	5,517	—	-570	50	982	461	5,979	170
1991-92	5,979	—	-122	19	64	-39	5,940	39
Quarter ended—								
1990-91								
March	6,126	—	238	16	-94	159	6,286	37
June	6,286	—	-253	2	-56	-307	5,979	34
1991-92								
September	5,979	—	381	-19	353	715	6,694	11
December	6,694	—	578	-5	-67	506	7,200	12
March	7,200	—	-748	17	-1	-732	6,468	6
June	6,468	—	-333	26	-221	-528	5,940	10
TOTAL								
Year—								
1989-90	237,732	1,105	20,422	-1,053	328	20,802	258,534	19,837
1990-91	258,534	551	18,760	2,455	525	22,290	280,824	20,137
1991-92	280,824	548	13,833	4,686	-693	18,374	299,198	18,180
Quarter ended—								
1990-91								
March	271,490	138	8,096	-1,945	-426	5,863	277,354	4,938
June	277,354	138	4,791	-21	-1,438	3,470	280,824	5,137
1991-92								
September	280,824	137	3,241	-1,948	-203	1,227	282,051	4,880
December	282,051	137	4,585	5,332	-586	9,467	291,518	4,308
March	291,518	137	2,532	-1,930	-904	-165	291,353	4,339
June	291,353	137	3,475	3,232	1,000	7,844	299,198	4,652

(a) Comprehensive data are only collected annually for this item and hence estimates for the most recent periods are derived by extrapolating earlier estimates. Quarterly estimates are derived by evenly distributing the annual estimates. (b) Includes reinvestment of earnings of direct investors. Investment income is calculated before the deduction of withholding tax. (c) As a result of a change in the methodology used to value non-equity securities issued on foreign capital markets, levels of borrowing from the end of December quarter 1991 are not strictly comparable with levels for earlier periods. The change in methodology accounts for \$971 million of the amount shown as 'other changes' in the December quarter 1991.

TABLE 3. AUSTRALIAN INVESTMENT ABROAD — SUMMARY
(\$A million)

Period	Levels of investment at beginning of period	Changes in levels of investment during the period				Total	Levels of investment at end of period	Investment Income (b)
		Reinvestment of earnings by direct investors (a)	Other transactions	Exchange rate variations	Other changes			
EQUITY								
Year—								
1989-90	52,663	1,365	765	252	992	3,374	56,037	1,936
1990-91	56,037	343	-2,013	-142	-1,585	-3,397	52,640	937
1991-92	52,640	343	3,456	2,176	-911	5,065	57,705	1,221
Quarter ended—								
1990/91								
March	55,958	86	884	-1,142	1,234	1,063	57,021	176
June	57,021	86	-3,515	-770	-181	-4,380	52,640	268
1991/92								
September	52,640	85	1,854	-210	-638	1,091	53,731	291
December	53,731	86	2,150	1,920	213	4,369	58,100	272
March	58,100	86	-1,008	-1,167	-507	-2,597	55,503	441
June	55,503	86	461	1,633	22	2,202	57,705	217
LENDING								
Year—								
1989-90	8,690	..	644	42	-876	-190	8,500	480
1990-91	8,500	..	3,426	16	-249	3,193	11,693	558
1991-92	11,693	..	1,518	699	-403	1,814	13,507	542
Quarter ended—								
1990/91								
March	7,134	..	1,665	-238	988	2,415	9,550	151
June	9,550	..	2,296	-145	-7	2,144	11,693	183
1991/92								
September	11,693	..	-1,022	-98	-728	-1,848	9,845	165
December	9,845	..	1,533	470	-338	1,665	(c)11,510	115
March	11,510	..	375	60	82	593	12,513	201
June	11,593	..	632	680	603	1,914	13,507	61
RESERVE ASSETS								
Year—								
1989-90	20,410	..	2,156	-375	-320	1,461	21,871	1,261
1990-91	21,871	..	1,446	631	99	2,176	24,047	1,573
1991-92	24,047	..	-3,929	2,287	-165	-1,807	22,240	1,654
Quarter ended—								
1990/91								
March	24,089	..	-102	-972	-322	-1,396	23,593	369
June	23,593	..	372	82	—	454	24,047	408
1991/92								
September	24,047	..	-56	128	-283	-211	23,836	402
December	23,836	..	-604	2,050	169	1,155	25,451	456
March	25,451	..	-2,807	-1,168	-162	-4,137	21,314	399
June	21,314	..	-462	1,277	111	926	22,240	397
OTHER INVESTMENT								
Year—								
1989-90	7,278	..	-41	-19	639	579	7,857	156
1990-91	7,857	..	208	-2	-388	-183	7,674	120
1991-92	7,674	..	-858	45	-105	-917	6,757	42
Quarter ended—								
1990/91								
March	7,532	..	-169	-11	47	-133	7,399	29
June	7,399	..	402	-11	-117	275	7,674	26
1991/92								
September	7,674	..	-37	-50	-29	-116	7,559	14
December	7,559	..	-213	42	-106	-277	7,281	10
March	7,281	..	-220	40	95	-86	7,195	8
June	7,195	..	-388	14	-64	-439	6,757	11
TOTAL								
Year—								
1989-90	89,041	1,365	3,525	-100	435	5,224	94,266	3,833
1990-91	94,266	343	3,067	503	-2,124	1,789	96,055	3,188
1991-92	96,055	343	1,888	5,207	-1,584	4,154	100,209	3,459
Quarter ended—								
1990/91								
March	95,613	86	2,278	-2,362	1,948	1,949	97,563	725
June	97,563	86	-445	-844	-305	-1,508	96,055	884
1991/92								
September	96,055	85	739	-230	-1,678	-1,084	94,971	872
December	94,971	86	2,867	4,482	-63	7,372	102,343	853
March	102,343	86	-3,661	-2,648	-514	-6,183	95,605	1,049
June	95,605	86	243	3,604	671	4,604	100,209	686

(a) Comprehensive data are only collected annually for this item and hence estimates for the most recent periods are derived by extrapolating earlier estimates. Quarterly estimates are derived by evenly distributing the annual estimates. (b) Includes reinvestment of earnings of direct investment. Investment income is calculated before the deduction of withholding tax. (c) As a result of a change in the methodology used to value non-equity securities issued on foreign capital markets, levels of lending from the end of December quarter 1991 are not strictly comparable with levels for earlier periods. The change in methodology accounts for \$2 million of the amount shown as 'other changes' in the December quarter 1991.

TABLE 4. CAPITAL TRANSACTIONS (a)
(\$A million)

	Year			Quarter ended					
	1989-90	1990-91	1991-92	1990-91			1991-92		
				March	June	September	December	March	June
FOREIGN INVESTMENT IN AUSTRALIA									
OFFICIAL —									
General Government —									
Borrowing —									
Domiciled abroad	15	644	3,130	330	284	459	698	373	1,600
Domiciled in Australia	3,671	98	-86	1,791	196	1,397	1,461	518	-3,462
Total	3,686	742	3,044	2,122	480	1,856	2,158	891	-1,862
Other	-72	-5	-29	-37	96	-45	102	-38	-48
Total	3,614	737	3,015	2,085	576	1,811	2,260	853	-1,910
Reserve bank	24	-22	21	87	-97	-8	7	7	15
Total official	3,638	715	3,036	2,172	479	1,803	2,267	860	-1,895
NON-OFFICIAL —									
Direct investment —									
Reinvestment of earnings	1,105	551	548	138	138	137	137	137	137
Corporate equities	2,428	5,095	3,417	829	999	399	934	1,190	894
Net equity in branches	1,562	1,549	726	197	417	352	90	142	142
Borrowing	1,941	1,507	2,645	-496	723	-1	63	954	1,629
Other	-913	-357	88	387	-359	430	494	-571	-266
Total	6,123	8,345	7,423	1,055	1,917	1,318	1,719	1,852	2,535
Portfolio and other investment —									
Corporate equities	1,255	3,168	163	659	1,432	303	228	-799	431
Borrowing —									
Public sector	5,073	-830	-1,232	-1,095	-1,763	-180	-1	-1,246	194
Private sector	5,929	8,121	5,171	5,555	2,853	137	527	2,140	2,367
Total	11,001	7,291	3,939	4,460	1,091	-43	527	895	2,561
Accounts payable/prepayments received —									
Public sector	37	-22	26	-10	-12	15	-21	-25	57
Private sector	-527	-187	-206	-101	22	-19	3	-114	-75
Total	-490	-208	-180	-112	10	-4	-19	-139	-18
Total	11,766	10,251	3,922	5,008	2,533	256	736	-43	2,973
Total non-official	17,889	18,596	11,345	6,062	4,450	1,574	2,454	1,809	5,508
TOTAL	21,527	19,311	14,381	8,234	4,929	3,378	4,722	2,669	3,612
AUSTRALIAN INVESTMENT ABROAD									
OFFICIAL —									
Reserve assets	2,156	1,446	-3,929	-102	372	-56	-604	-2,807	-462
Lending	-43	-210	-221	201	-391	-325	36	76	-7
Accounts receivable/prepayments made	-307	382	-69	107	78	-8	77	-53	-85
Other	100	401	-389	364	39	-532	143	—	—
Total official	1,905	2,019	-4,608	570	98	-922	-348	-2,784	-554
NON-OFFICIAL —									
Direct investment —									
Reinvestment of earnings	1,365	343	343	86	86	85	86	86	86
Corporate equities	2,817	-5,032	1,497	-672	-3,887	314	1,772	-813	224
Net equity in branches	-177	149	-289	3	99	-186	279	-298	-85
Lending	-2,120	2,694	-544	850	1,942	-1,088	693	486	-635
Other	-144	86	-32	-55	277	124	-83	-7	-66
Total	1,741	-1,760	975	213	-1,484	-751	2,748	-546	-476
Portfolio and other investment —									
Corporate equities	-2,034	2,503	2,781	1,189	362	2,258	99	102	322
Lending —									
Public sector	577	-250	1,389	-522	-121	26	546	556	262
Private sector	2,231	1,192	893	1,136	866	366	258	-743	1,012
Total	2,808	942	2,282	614	745	392	804	-187	1,274
Accounts receivable/prepayments made —									
Public sector	280	-422	-1,010	-77	-194	-235	-476	-28	-271
Private sector	127	110	-144	113	82	126	-132	34	34
Total	407	-294	-900	-222	-81	-153	-350	-160	-237
Total	1,243	3,150	4,164	1,581	1,027	2,497	553	-245	1,359
Total non-official	2,984	1,391	5,139	1,794	-457	1,746	3,301	-791	883
TOTAL	4,890	3,410	531	2,364	-359	824	2,953	-3,575	329

(a) A negative value denotes a net withdrawal of investment.

TABLE 5. INVESTMENT INCOME
(\$A million)

	Year			Quarter ended					
	1989-90	1990-91	1991-92	1990-91			1991-92		
				March	June	September	December	March	June
INCOME PAYABLE ON FOREIGN INVESTMENT IN AUSTRALIA									
OFFICIAL									
General Government —									
Interest on borrowing domiciled abroad	1,928	2,114	2,034	506	483	525	509	488	512
Interest on borrowing domiciled in Australia	2,149	1,888	2,017	523	371	534	451	586	445
Other income	—	—	—	—	—	—	—	—	—
Total	4,077	4,002	4,051	1,029	854	1,059	960	1,074	957
Reserve Bank	34	39	34	10	9	9	9	8	8
Total official	4,111	4,041	4,085	1,039	863	1,068	969	1,083	966
NON-OFFICIAL									
Direct investment income —									
Reinvested earnings	1,105	551	548	138	138	137	137	137	137
Distributed earnings —									
Dividends	2,129	2,101	1,538	356	499	370	351	332	485
Remitted profits	680	1,314	1,413	362	458	402	226	328	458
Interest	1,435	1,491	1,228	375	465	323	279	279	346
Total	4,244	4,907	4,179	1,093	1,421	1,095	857	939	1,289
Total, direct investment income	5,349	5,457	4,727	1,231	1,559	1,232	994	1,076	1,426
Portfolio and other investment income —									
Dividends	1,258	1,063	1,090	202	317	197	357	251	284
Interest —									
Public Sector	2,778	3,128	2,658	805	865	829	646	648	535
Private Sector	6,341	6,448	5,619	1,661	1,534	1,554	1,344	1,281	1,441
Total	9,118	9,575	8,278	2,466	2,399	2,383	1,989	1,930	1,976
Total, portfolio and other investment income	10,377	10,639	9,368	2,668	2,716	2,580	2,346	2,181	2,260
Total non-official	15,726	16,096	14,095	3,899	4,275	3,812	3,340	3,256	3,686
TOTAL	19,837	20,137	18,180	4,938	5,137	4,880	4,308	4,339	4,652
INCOME RECEIVABLE ON AUSTRALIAN INVESTMENT ABROAD									
OFFICIAL									
General Government	118	154	36	35	48	5	16	4	11
Reserve Bank	1,261	1,573	1,654	369	408	402	456	399	397
Total official	1,378	1,728	1,691	404	455	407	472	404	408
NON-OFFICIAL									
Direct investment income —									
Reinvested earnings	1,365	343	343	86	86	85	86	86	86
Distributed earnings —									
Dividends	191	240	491	10	67	117	60	276	38
Remitted profits	47	65	15	14	26	7	7	4	-3
Interest(a)	-117	-198	-97	-33	-7	-12	-41	49	-93
Total(a)	122	108	409	-9	87	111	27	329	-58
Total, direct investment income	1,487	451	752	77	173	196	113	415	28
Portfolio and other investment income —									
Dividends	332	282	372	66	86	83	119	75	96
Interest	636	727	645	179	171	186	149	155	154
Total, portfolio and other investment income	968	1,009	1,017	244	256	269	268	230	250
Total non-official	2,455	1,460	1,769	321	429	466	381	645	277
TOTAL	3,833	3,188	3,459	725	884	872	853	1,049	686

(a) A negative value denotes an excess of income payable by direct investors in Australia to their direct investment groups abroad, over income receivable by direct investors in Australia from their direct investment groups abroad.

TABLE 6. LEVELS OF INVESTMENT AT END OF PERIOD
(\$A million)

	Year			Quarter ended					
	1989-90	1990-91	1991-92	1990-91		1991-92			
				March	June	September	December	March	June
FOREIGN INVESTMENT IN AUSTRALIA									
OFFICIAL									
General Government —									
Borrowing(a) —									
Domiciled abroad	19,858	20,950	25,240	20,699	20,950	21,146	22,674	22,519	25,240
Domiciled in Australia	19,811	20,269	19,996	20,074	20,269	21,336	22,940	23,458	19,996
Total	39,669	41,218	45,236	40,773	41,218	42,481	45,614	45,977	45,236
Other	-20	-28	-57	-124	-28	-73	29	-9	-57
Total	39,649	41,190	45,179	40,649	41,190	42,408	45,643	45,968	45,179
Reserve Bank	55	33	54	130	33	25	32	39	54
Total official	39,704	41,223	45,233	40,779	41,223	42,433	45,675	46,007	45,233
NON-OFFICIAL —									
Direct investment —									
Corporate equities	58,338	61,508	63,875	60,486	61,508	61,572	62,423	63,361	63,875
Net equity in branches	12,017	14,132	14,586	14,116	14,132	14,553	14,775	15,017	14,586
Borrowing(a)	18,457	19,730	23,542	18,984	19,730	19,567	20,117	20,984	23,542
Other	2,241	2,617	2,940	3,000	2,617	3,366	3,775	3,241	2,940
Total	91,052	97,988	104,943	96,586	97,988	99,059	101,090	102,603	104,943
Portfolio and other investment —									
Corporate equities	23,061	26,255	28,999	25,704	26,255	27,664	28,486	27,242	28,999
Borrowing(a) —									
Public sector	32,687	33,465	33,156	35,178	33,465	32,461	33,807	31,924	33,156
Private sector	68,734	78,503	83,810	75,697	78,503	77,033	79,065	80,341	83,810
Total	101,421	111,968	116,966	110,876	111,968	109,494	112,872	112,265	116,966
Accounts payable/prepayments received	3,296	3,390	3,057	3,410	3,390	3,401	3,396	3,236	3,057
Total portfolio and other investment	127,777	141,613	149,022	139,990	141,613	140,559	144,753	142,743	149,022
Total non-official	218,830	239,601	253,965	236,575	239,601	239,618	245,843	245,346	253,965
TOTAL	258,534	280,824	299,198	277,354	280,824	282,051	291,518	291,353	299,198
AUSTRALIAN INVESTMENT ABROAD									
OFFICIAL —									
Reserve assets	21,871	24,047	22,240	23,593	24,047	23,836	25,451	21,314	22,240
Lending(a)	849	675	803	1,068	675	341	381	423	803
Accounts receivable/prepayments made	945	1,316	1,247	1,238	1,316	1,308	1,385	1,332	1,247
Other	1,358	1,755	1,366	1,716	1,755	1,223	1,366	1,366	1,366
Total official	25,024	27,794	25,656	27,616	27,794	26,708	28,583	24,435	25,656
NON-OFFICIAL —									
Direct investment —									
Corporate equities	39,959	35,009	37,328	39,380	35,009	34,525	37,445	35,868	37,328
Net equity in branches	1,610	1,607	1,149	1,540	1,607	1,346	1,515	1,197	1,149
Lending(a)	-3,210	-914	-1,354	-2,792	-914	-2,165	-1,928	-1,530	-1,354
Other	209	303	248	108	303	350	232	301	248
Total	38,568	36,005	37,371	38,235	36,005	34,055	37,263	35,836	37,371
Portfolio and other investment —									
Corporate equities	14,302	15,491	19,229	15,480	15,491	17,861	19,141	18,438	19,229
Lending(a)	10,861	11,932	14,058	11,273	11,932	11,670	13,057	12,699	14,058
Accounts receivable/prepayments made	5,510	4,832	3,896	4,959	4,832	4,678	4,299	4,197	3,896
Total	30,673	32,256	37,182	31,712	32,256	34,208	36,497	35,334	37,182
Total non-official	69,242	68,261	74,553	69,947	68,261	68,264	73,760	71,170	74,553
TOTAL	94,266	96,055	100,209	97,563	96,055	94,971	102,343	95,605	100,209

(a) As a result of a change in the methodology used to value non-equity securities issued on foreign capital markets, levels from December quarter 1991 are not strictly comparable with levels from earlier periods. (b) 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.

TABLE 7. LEVELS OF FOREIGN DEBT AT END OF PERIOD
(\$A million)

	Year			Quarter ended					
	1989-90	1990-91	1991-92	1990-91			1991-92		
				March	June	September	December	March	June
FOREIGN BORROWING (GROSS DEBT)(a)									
OFFICIAL —									
Commonwealth Government	19,654	16,530	15,424	18,027	16,530	16,648	19,090	17,335	15,424
and Reserve Bank									
State Government	20,069	24,721	29,866	22,876	24,721	25,858	26,556	28,682	29,866
Total official	39,724	41,251	45,290	40,903	41,251	42,506	45,646	46,016	45,290
NON-OFFICIAL —									
Financial Enterprises —									
Public sector	20,334	20,251	20,829	21,386	20,251	19,869	21,012	20,110	20,829
Private sector	35,980	45,999	56,564	44,202	45,999	51,146	52,372	52,808	56,564
Total	56,314	66,250	77,393	65,588	66,250	71,015	73,384	72,918	77,393
Trading Enterprises —									
Public sector	12,353	13,214	12,327	13,793	13,214	12,591	12,795	11,815	12,327
Private sector	51,210	52,235	50,788	50,480	52,235	45,455	46,810	48,516	50,788
Total	63,563	65,449	63,114	64,273	65,449	58,046	59,605	60,331	63,114
Total non-official	119,877	131,699	140,507	129,860	131,699	129,061	132,989	133,249	140,507
TOTAL	159,601	172,950	185,797	170,763	172,950	171,567	178,635	179,265	185,797
Of which —									
Public sector									
Official	39,724	41,251	45,290	40,903	41,251	42,506	45,646	46,016	45,290
Non-official	32,687	33,465	33,156	35,178	33,465	32,461	33,807	31,924	33,156
Total	72,410	74,717	78,446	76,081	74,717	74,967	79,453	77,941	78,446
Private sector	87,190	98,234	107,351	94,682	98,234	96,600	99,182	101,324	107,351
AUSTRALIAN LENDING ABROAD AND RESERVE ASSETS(a)									
OFFICIAL —									
Reserve assets	21,871	24,047	22,240	23,593	24,047	23,836	25,451	21,314	22,240
Lending	849	675	803	1,068	675	341	381	423	803
Total official	22,720	24,722	23,043	24,661	24,722	24,177	25,832	21,737	23,043
NON-OFFICIAL —									
Financial enterprises	9,852	10,194	12,181	10,716	10,194	8,709	9,665	10,781	12,181
Trading enterprises	-2,200	824	524	-2,235	824	796	1,465	388	524
Total non-official	7,651	11,018	12,704	8,481	11,018	9,505	11,129	11,170	12,704
TOTAL	30,371	35,740	35,747	33,143	35,740	33,681	36,961	32,907	35,747
Of which—									
Public sector									
Official	22,720	24,722	23,043	24,661	24,722	24,177	25,832	21,737	23,043
Non-official	5,846	5,568	7,463	5,739	5,568	4,867	6,759	7,092	7,463
Total	28,566	30,291	30,506	30,400	30,291	29,044	32,591	28,829	30,506
Private sector	1,805	5,450	5,241	2,743	5,450	4,637	4,370	4,078	5,241
NET FOREIGN DEBT(a)(b)									
OFFICIAL	17,003	16,529	22,247	16,241	16,529	18,330	19,814	24,279	22,247
NON-OFFICIAL —									
Financial enterprises	46,462	56,056	65,212	54,871	56,056	62,306	63,719	62,137	65,212
Trading enterprises	65,764	64,625	62,591	66,507	64,625	57,250	58,140	59,943	62,591
Total non-official	112,226	120,681	127,803	121,379	120,681	119,556	121,859	122,079	127,803
TOTAL	129,229	137,210	150,050	137,620	137,210	137,886	141,674	146,358	150,050
Of which—									
Public sector									
Official	17,003	16,529	22,247	16,241	16,529	18,330	19,814	24,279	22,247
Non-official	26,841	27,897	25,693	29,440	27,897	27,594	27,048	24,833	25,693
Total	43,844	44,426	47,940	45,681	44,426	45,923	46,862	49,112	47,940
Private sector	85,385	92,784	102,110	91,939	92,784	91,963	94,811	97,247	102,110

(a) As a result of a change in the methodology used to value non-equity securities on foreign capital markets, levels from December quarter 1991 are not strictly comparable with levels from earlier periods. (b) Foreign borrowing by Australian residents less the sum of Australian lending abroad and reserve assets.

TABLE 8. INTEREST PAYABLE ON FOREIGN DEBT
(\$A million)

	Year			Quarter ended					
	1989-90	1990-91	1991-92	1990-91			1991-92		
				March	June	September	December	March	June
INTEREST PAYABLE ON FOREIGN BORROWING									
OFFICIAL —									
Commonwealth Government	2,040	1,967	1,727	547	337	407	506	479	334
and Reserve Bank	2,072	2,074	2,358	492	526	660	462	604	631
State Government									
Total official	4,111	4,041	4,085	1,039	863	1,068	969	1,083	966
NON-OFFICIAL —									
Financial Enterprises —									
Public sector	1,658	2,018	1,648	531	545	560	390	426	272
Private sector	2,772	3,340	3,222	839	882	864	687	760	910
Total	4,430	5,358	4,869	1,369	1,427	1,424	1,077	1,186	1,183
Trading Enterprises —									
Public sector	1,118	1,110	1,011	274	320	269	255	223	263
Private sector	4,634	4,429	3,586	1,160	1,083	1,003	924	794	866
Total	5,752	5,539	4,597	1,434	1,402	1,272	1,179	1,017	1,129
Total non-official	10,181	10,897	9,466	2,803	2,829	2,696	2,256	2,203	2,312
TOTAL	14,293	14,938	13,551	3,842	3,692	3,763	3,225	3,286	3,278
Of which —									
Public sector									
Official	4,111	4,041	4,085	1,039	863	1,068	969	1,083	966
Non-official	2,776	3,128	2,658	805	865	829	646	648	535
Total	6,887	7,169	6,743	1,844	1,727	1,896	1,614	1,731	1,501
Private sector	7,406	7,769	6,808	1,998	1,965	1,867	1,611	1,554	1,777
INTEREST RECEIVABLE ON AUSTRALIAN LENDING ABROAD AND RESERVE ASSETS									
OFFICIAL —									
Reserve assets	1,261	1,573	1,654	369	408	402	456	399	397
Lending	107	142	36	32	43	5	16	4	11
Total official	1,368	1,715	1,691	401	451	407	472	404	408
NON-OFFICIAL —									
Financial enterprises	445	724	531	217	170	145	132	178	75
Trading enterprises	-72	-308	-25	-98	-30	15	-34	18	-25
Total non-official	373	416	505	119	140	160	99	196	50
TOTAL	1,741	2,131	2,196	520	591	567	571	600	458
Of which —									
Public sector									
Official	1,368	1,715	1,691	401	451	407	472	404	408
Non-official	320	489	394	128	120	98	108	105	83
Total	1,689	2,204	2,084	529	570	504	580	509	491
Private sector	53	-73	112	-9	20	63	-9	91	-33
NET INTEREST PAYABLE(a)									
OFFICIAL	2,744	2,326	2,394	638	412	661	496	679	557
NON-OFFICIAL —									
Financial enterprises	3,985	4,634	4,339	1,152	1,257	1,278	945	1,008	1,108
Trading enterprises	5,823	5,847	4,622	1,532	1,432	1,257	1,213	998	1,154
Total non-official	9,808	10,481	8,961	2,684	2,689	2,535	2,157	2,006	2,262
TOTAL	12,552	12,807	11,355	3,322	3,101	3,196	2,654	2,686	2,819
Of which —									
Public sector									
Official	2,744	2,326	2,394	638	412	661	496	679	557
Non-official	2,456	2,639	2,265	677	745	731	538	543	453
Total	5,198	4,965	4,659	1,315	1,157	1,392	1,034	1,223	1,010
Private sector	7,352	7,842	6,696	2,007	1,944	1,804	1,620	1,463	1,809

(a) Income payable on foreign borrowing less income receivable on Australian lending abroad and reserve assets.

TABLE 9. NET FOREIGN LIABILITIES — RATIOS TO GDP

Period	Annual GDP at current prices	Net foreign liabilities at end of period - \$A million -			Ratios of net foreign liabilities to GDP(a) - per cent -		
		Total	Foreign debt	Equity & other investment	Total	Foreign debt	Equity & other investment
Year—							
1989-90	369,749	164,268	129,229	35,039	44.4	35.0	9.5
1990-91	378,413	184,769	137,210	47,559	48.8	36.3	12.6
1991-92	384,871	198,989	150,050	48,938	51.7	39.0	12.7
Year ended(b) —							
1991 — Mar.	378,373	179,791	137,620	42,171	47.5	36.4	11.1
June	378,413	184,769	137,210	47,559	48.8	36.3	12.6
Sept.	378,566	187,080	137,886	49,194	49.4	36.4	13.0
Dec.	379,190	189,175	141,674	47,502	49.9	37.4	12.5
1992 — Mar.	381,657	195,748	146,358	49,390	51.3	38.3	12.9
June	384,871	198,989	150,050	48,938	51.7	39.0	12.7

(a) These ratios are derived by expressing net foreign liabilities at a particular date as a percentage of GDP for the year preceding this date. (b) Estimates of annual GDP refer to the sum of the four quarters ended with the quarters indicated.

TABLE 10. NET INVESTMENT INCOME — RATIOS TO EXPORTS

Period	Exports of goods & services	Net investment income payable abroad - \$A million -			Ratios of net investment income to exports(a) - per cent -		
		Total	Foreign debt	Equity & other investment	Total	Foreign debt	Equity & other investment
Year—							
1989-90	60,324	16,004	12,552	3,452	26.5	20.8	5.7
1990-91	65,379	16,949	12,807	4,142	25.9	19.6	6.3
1991-92	69,034	14,720	11,355	3,365	21.3	16.4	4.9
Year ended(b) —							
1991 — Mar.	64,111	16,745	12,917	3,828	26.1	20.1	6.0
June	65,379	16,949	12,807	4,142	25.9	19.6	6.3
Sept.	66,649	17,178	12,733	4,445	25.8	19.1	6.7
Dec.	67,498	15,929	12,274	3,655	23.6	18.2	5.4
1992 — Mar.	68,109	15,007	11,637	3,370	22.0	17.1	4.9
June	69,034	14,720	11,355	3,365	21.3	16.4	4.9

(a) These ratios are derived by expressing net investment income payable as a percentage of exports of goods and services for the year preceding this date. (b) Estimates of annual exports of goods and services and net investment income payable refer to the sum of the four quarters ended with the quarters indicated.

TABLE 11. FOREIGN INVESTMENT IN AUSTRALIA, BY COUNTRY
(\$A million)

Country of investor	Year			Quarter ended					
	1989-90	1990-91	1991-92	1990-91			1991-92		
				March	June	September	December	March	June
CAPITAL TRANSACTIONS(a)									
OECD —									
USA	1,745	7,262	4,969	2,869	2,921	602	989	1,755	1,623
Japan	6,694	2,116	13	2,156	-738	546	1,768	-119	-2,182
Switzerland	485	-1,000	-173	-160	-1	-217	-172	57	158
EC —									
UK	-570	3,883	1,071	1,523	2,591	87	539	506	-61
Other	781	-859	-957	106	985	138	-1,234	1,002	-863
Total	211	3,024	114	1,629	3,576	225	-695	1,508	-924
Other OECD	6	2,196	334	298	520	-323	116	-226	767
Total OECD	9,141	13,598	5,257	6,791	6,277	833	2,006	2,976	-558
ASEAN	594	-1,079	420	-348	-338	505	-683	-97	696
Other countries	542	1,703	1,815	750	-630	125	841	-624	1,472
International capital markets	9,253	1,843	4,268	1,084	-522	2,226	550	359	1,133
International institutions	-30	757	82	-144	-925	103	662	-419	-263
Unallocated	2,026	2,490	2,539	101	1,067	-414	1,347	474	1,132
TOTAL	21,527	19,311	14,381	8,234	4,929	3,378	4,722	2,669	3,612
INVESTMENT INCOME(b)									
OECD —									
USA	4,345	3,866	2,978	891	1,025	908	632	751	687
Japan	3,685	3,456	3,036	927	913	738	648	897	753
Switzerland	526	463	316	97	126	52	85	99	79
EC —									
UK	3,230	2,618	1,821	586	613	489	381	383	568
Other	1,430	984	910	235	185	136	344	195	236
Total	4,660	3,600	2,731	820	798	624	724	578	804
Other OECD	367	378	240	107	108	21	11	11	197
Total OECD	13,583	11,764	9,302	2,843	2,970	2,343	2,101	2,336	2,521
ASEAN	676	544	343	185	96	113	76	89	65
Other countries	630	938	745	215	235	208	205	154	177
International capital markets	3,918	4,952	4,332	1,183	1,338	1,387	983	965	997
International institutions	34	39	25	10	9	9	—	9	8
Unallocated	996	1,899	3,433	501	490	820	943	787	884
TOTAL	19,837	20,137	18,180	4,938	5,137	4,880	4,308	4,339	4,652
LEVELS OF INVESTMENT AT END OF PERIOD									
OECD —									
USA	46,648	54,237	57,798	52,691	54,237	53,842	55,164	56,354	57,798
Japan	46,412	50,189	50,810	50,639	50,189	51,074	53,052	52,444	50,810
Switzerland	7,529	7,194	7,170	7,226	7,194	6,905	6,903	6,768	7,170
EC —									
UK	46,291	49,147	52,150	47,459	49,147	48,599	50,560	52,690	52,150
Other	22,263	21,168	20,784	20,362	21,168	21,084	20,293	21,658	20,784
Total	68,554	70,315	72,934	67,821	70,315	69,683	70,853	74,348	72,934
Other OECD	9,327	11,899	11,567	11,833	11,899	11,533	12,001	11,498	11,567
Total OECD	178,470	193,835	200,278	190,209	193,835	193,036	197,973	201,412	200,278
ASEAN	7,549	6,523	7,222	6,866	6,523	7,033	6,243	6,334	7,222
Other countries	11,953	13,147	15,260	13,874	13,147	12,638	14,147	13,842	15,260
International capital markets	45,290	48,020	50,423	47,986	48,020	48,916	49,677	48,358	50,423
International institutions	257	1,014	1,097	1,940	1,014	1,117	1,779	1,360	1,097
Unallocated	15,015	18,285	24,918	16,479	18,285	19,310	21,700	20,047	24,918
TOTAL	258,534	280,824	299,198	277,354	280,824	282,051	291,518	291,353	299,198

(a) From September quarter 1991, 'Reinvestment of earnings' is not classified by country and is therefore included in 'Unallocated'. (b) From September quarter 1991, 'Reinvested earnings' is not classified by country and is therefore included in 'Unallocated'.

TABLE 12. FOREIGN INVESTMENT IN AUSTRALIA, BY INDUSTRY(a)
(\$A million)

Industry of investment	Year			Quarter ended					
	1989-90	1990-91	1991-92	1990-91		1991-92			
				March	June	September	December	March	June
CAPITAL TRANSACTIONS									
Mining	1,461	1,605	520	1,059	455	-48	18	78	472
Manufacturing	1,459	2,421	1,357	578	1,231	78	-199	714	764
Electricity, gas and water	146	-190	125	-106	22	-162	22	-176	441
Wholesale and retail trade	1,269	1,777	1,530	412	-528	-146	1,489	-153	340
Transport and storage	723	1,148	-468	28	499	-126	-21	34	-355
Finance, property etc.(b)	14,717	15,108	11,178	6,399	4,018	3,076	1,286	3,362	3,454
Other industries(c)	835	-2,441	-1,898	-74	-914	290	1,370	-1,172	-2,388
Unallocated(d)(e)	918	-117	2,038	-61	145	415	756	-17	884
TOTAL	21,527	19,311	14,381	8,234	4,929	3,378	4,722	2,669	3,612
INVESTMENT INCOME									
Mining	1,945	1,981	1,568	510	540	453	274	408	433
Manufacturing	3,813	2,946	1,450	755	680	449	376	375	249
Electricity, gas and water	295	317	274	52	131	74	55	52	94
Wholesale and retail trade	2,038	1,305	849	207	320	275	147	157	270
Transport and storage	815	748	513	164	179	133	150	110	120
Finance, property etc.(b)	6,699	9,220	8,748	2,309	2,468	2,454	1,866	2,158	2,270
Other industries(c)	2,796	2,074	1,939	560	362	470	584	509	376
Unallocated(d)(e)	1,436	1,547	2,838	379	456	571	857	570	840
TOTAL	19,837	20,137	18,180	4,938	5,137	4,880	4,308	4,339	4,652
LEVELS OF INVESTMENT AT END OF PERIOD									
Mining	28,681	28,959	30,027	28,951	28,959	28,882	29,705	29,500	30,027
Manufacturing	47,878	50,066	51,160	49,358	50,066	48,712	49,054	49,624	51,160
Electricity, gas and water	5,290	5,211	5,647	5,215	5,211	5,138	5,388	5,091	5,647
Wholesale and retail trade	24,046	26,829	28,011	27,655	26,829	26,130	27,776	27,365	28,011
Transport and storage	8,267	9,049	8,745	8,660	9,049	8,801	8,996	8,962	8,745
Finance, property etc.(b)	111,930	131,591	144,002	127,935	131,591	133,242	136,235	138,986	144,002
Other industries(c)	25,388	23,671	24,105	24,815	23,671	25,094	27,246	25,678	24,105
Unallocated(d)(e)	7,054	5,449	7,501	4,764	5,449	6,052	7,117	6,147	7,501
TOTAL	258,534	280,824	299,198	277,354	280,824	282,051	291,518	291,353	299,198

(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, paragraph 18. (b) Includes Reserve Bank and the State government component of General government.

(c) Includes Commonwealth government component of General government. (d) From September quarter 1991 'Reinvestment of earnings' is not classified by industry and is included in 'Unallocated'. (e) From September quarter 1991, investment in trading enterprises placed through nominees and brokers is not classified by industry and is also included in 'Unallocated'.

TABLE 13. FOREIGN BORROWING:
CAPITAL TRANSACTIONS AND LEVELS BY DOMICILE
(\$A million)

	Year			Quarter ended					
	1989-90	1990-91	1991-92	1990-91			1991-92		
				March	June	September	December	March	June
Capital transactions —									
Domiciled abroad(a) —									
Foreign currency	2,475	4,248	9,078	3,020	1,817	680	48	2,898	5,453
Australian currency	9,100	2,626	1,733	700	-1,046	48	2,092	-1,159	751
Total	11,574	6,874	10,811	3,720	770	728	2,141	1,738	6,204
Domiciled in Australia									
Securities	23,694	27,300	50,266	9,026	10,358	11,653	15,610	13,675	9,328
Purchases by non-residents	19,628	26,128	51,413	6,097	9,373	10,525	14,317	12,894	13,677
Sales by non-residents	4,066	1,172	-1,147	2,929	985	1,128	1,292	781	-4,349
Net	1,012	1,472	-16	-477	442	-52	-678	227	487
Deposits(a)	5,078	2,644	-1,162	2,452	1,426	1,077	615	1,008	-3,862
Total	16,652	9,518	9,648	6,173	2,197	1,805	2,755	2,746	2,342
Total	16,652	9,518	9,648	6,173	2,197	1,805	2,755	2,746	2,342
Levels at end of period —									
Domiciled abroad(a)(b)(c) —									
Foreign currency	91,598	100,886	108,693	97,861	100,886	95,359	98,727	100,539	108,693
Australian currency	39,075	40,211	46,013	42,466	40,211	43,287	45,997	43,762	46,013
Total	130,674	141,096	154,706	140,327	141,096	138,646	144,724	144,302	154,706
Domiciled in Australia									
Securities	24,063	25,521	24,522	24,537	25,521	26,649	28,046	28,871	24,522
Deposits(a)	4,864	6,333	6,570	5,898	6,333	6,271	5,865	6,092	6,570
Total	28,927	31,854	31,092	30,436	31,854	32,921	33,911	34,963	31,092
Total	159,601	172,950	185,797	170,763	172,950	171,567	178,635	179,265	185,797

(a) Prior to 30 September 1991, some deposits are classified as borrowing domiciled abroad. From December quarter 1991 these are classified as deposits domiciled in Australia. At 30 September 1991, the value of these deposits was \$267 million. (b) For a definition of domicile, see Explanatory Notes, paragraph 16. (c) As a result of a change in the methodology used to value non-equity securities issued on foreign capital markets, levels from December quarter 1991 are not strictly comparable with levels from earlier periods.

TABLE 14. FOREIGN BORROWING:
LEVELS AT END OF PERIOD BY CURRENCY(a)
(\$A million)

	Year			Quarter ended					
	1989-90	1990-91	1991-92	1990-91			1991-92		
				March	June	September	December	March	June
Foreign currencies —									
United States Dollars	58,624	63,838	74,781	61,771	63,838	59,515	65,422	65,288	74,781
Pounds Sterling	3,302	2,908	2,938	3,100	2,908	2,682	2,774	3,364	2,938
Swiss Francs	4,821	4,115	3,518	4,396	4,115	3,880	3,787	3,316	3,518
Deutsche Marks	3,353	2,523	1,985	2,645	2,523	2,171	1,999	1,808	1,985
Japanese Yen	13,101	16,511	16,063	15,503	16,511	15,683	16,374	16,325	16,063
Other(b)	8,949	11,616	10,455	11,120	11,616	11,999	8,839	99,195	101,069
Total foreign currencies	92,150	101,512	109,739	98,537	101,512	95,930	99,195	101,069	109,739
Australian Dollars	67,451	71,438	76,058	59,737	71,438	75,637	79,440	78,196	76,058
Total	159,601	172,950	185,797	170,763	172,950	171,567	178,635	179,265	185,797

(a) As a result of a change in the methodology used to value non-equity securities issued on foreign capital markets, levels from December quarter 1991 are not strictly comparable with levels from earlier periods. (b) Includes unallocated foreign currency borrowing.

TABLE 15. FOREIGN BORROWING DOMICILED ABROAD (a) : MATURITY OF DRAWINGS, REPAYMENTS AND LEVELS
(\$A million)

	Year			Quarter ended					
	1989-90	1990-91	1991-92	1990-91		1991-92			
				March	June	September	December	March	June
DRAWINGS									
CONTRACTUALLY DUE FOR REPAYMENT									
Within 3 months	146,547	176,373	206,352	51,201	46,370	39,711	45,847	50,440	70,354
3 months to less than 6 months	34,227	26,576	36,454	6,386	8,315	8,518	10,174	7,685	10,076
6 months to less than 1 year	14,873	18,993	15,367	5,611	5,458	4,721	2,938	3,429	4,279
1 year to less than 2 years	7,615	3,592	3,566	896	1,072	1,102	832	1,210	423
2 years to less than 5 years	12,441	9,163	8,051	2,079	2,013	1,964	1,399	2,154	2,533
5 years to less than 10 years	7,283	6,441	9,579	1,445	2,061	2,328	2,370	2,492	2,388
10 years or more	3,065	2,418	3,447	344	256	313	1,661	716	757
REPAYABLE AT CALL OR OF INDEFINITE MATURITY									
Expected to be repaid —	2,554	5,324	6,782	1,489	1,128	956	2,200	2,047	1,579
Within 1 year from drawdown									
1 year or more from drawdown	1,258	2,414	1,959	205	645	253	547	243	916
UNALLOCATED(b)	-7,965	377	-6,718	-66	569	-587	-1,487	-651	-3,993
TOTAL	221,897	251,669	284,837	69,591	67,888	59,280	66,481	69,764	89,312
REPAYMENTS									
TIME ELAPSED SINCE DRAWDOWN									
Less than 3 months	142,482	173,406	194,780	47,860	46,358	41,379	44,913	47,118	61,371
3 months to less than 6 months	36,620	26,692	45,013	6,720	7,682	8,074	10,727	12,731	13,482
6 months to less than 1 year	17,570	21,028	17,130	5,370	6,778	3,993	3,866	4,559	4,711
1 year to less than 2 years	6,559	6,237	4,905	2,050	1,049	1,032	903	1,367	1,604
2 years to less than 5 years	7,561	9,653	8,913	1,666	2,815	2,395	2,275	1,836	2,407
5 years to less than 10 years	6,880	4,721	7,368	1,264	1,412	1,853	2,018	1,265	2,232
10 years or more	1,217	3,316	2,723	836	818	300	1,212	694	517
UNALLOCATED(b)	-8,566	-257	-6,806	106	205	-474	-1,572	-1,544	-3,217
TOTAL	210,323	244,796	274,026	65,870	67,117	58,552	64,341	68,026	83,108
LEVELS AT END OF PERIOD(c)									
BORROWING WITH CONTRACTUAL TERMS —									
Less than 1 year to maturity	44,650	55,820	61,275	51,801	55,820	56,780	60,027	58,913	61,275
1 year to less than 2 years	10,622	10,840	12,405	12,839	10,840	11,560	12,708	11,999	12,405
2 years to less than 5 years	33,695	26,914	28,659	29,049	26,914	26,830	25,252	27,116	28,659
5 years to less than 10 years	21,977	20,842	28,104	21,938	20,842	25,117	26,545	25,020	28,104
10 years or more	7,125	6,345	4,934	5,778	6,345	3,813	4,403	4,575	4,934
AT CALL OR INDEFINITE BORROWING									
Expected to be repaid —									
Within 1 year	1,089	2,924	5,516	2,830	2,924	2,535	3,213	5,560	5,516
1 year or more	7,481	11,320	12,325	11,170	11,320	11,547	12,282	10,565	12,325
UNALLOCATED(b)	4,035	6,091	1,487	4,921	6,091	464	295	554	1,487
TOTAL	130,674	141,096	154,706	140,327	141,096	138,646	144,724	144,302	154,706

(a) For a definition of domiciled abroad see Explanatory Notes, paragraph 16. (b) Includes the impact of lending by direct investment enterprises to their direct investors abroad.
(c) As a result of a change in the methodology used to value non-equity securities issued on foreign capital markets, levels from December quarter 1991 are not strictly comparable with levels from earlier periods.

TABLE 16. INTERNATIONAL INVESTMENT POSITION AT END OF PERIOD
(\$A million)

	Foreign investment in Australia				Australian investment abroad				Net international investment position(a)			
	Equity	Borrowing	Other	Total	Equity	Reserve assets and lending	Other	Total	Net equity	Net debt	Net other	Net foreign liabilities
ANNUAL												
1979-80	23,215	13,498	3,168	39,881	3,789	6,635	3,123	13,547	19,426	6,863	45	26,331
1980-81	28,130	15,219	3,437	46,786	4,080	6,666	3,329	14,075	24,050	8,553	108	32,711
1981-82	26,389	24,350	4,356	55,095	5,275	7,803	3,442	16,520	21,114	16,547	914	38,575
1982-83	30,598	35,891	4,446	70,935	6,478	12,507	3,533	22,518	24,120	23,384	913	48,417
1983-84	32,221	44,101	5,551	81,873	8,018	14,208	4,481	26,706	24,203	29,893	1,070	55,166
1984-85	37,262	67,473	6,583	111,618	11,687	16,265	5,808	33,760	25,575	51,208	774	77,858
1985-86	40,503	92,550	6,884	140,587	20,253	17,005	6,024	43,283	20,249	75,545	859	97,304
1986-87	65,290	107,417	7,441	180,148	34,876	21,279	6,616	62,771	30,414	86,138	825	117,377
1987-88	69,278	122,398	7,489	199,164	41,531	26,406	6,353	74,291	27,747	95,991	1,136	124,873
1988-89	84,776	145,701	7,254	237,732	52,663	29,100	7,278	89,041	32,113	116,601	-24	148,690
1989-90	93,416	159,601	5,517	258,534	56,037	30,371	7,857	94,266	37,378	129,229	-2,340	164,268
1990-91	101,895	172,950	5,979	280,824	52,640	35,740	7,674	96,055	49,255	137,210	-1,695	184,769
QUARTERLY												
1986-87												
September	45,596	103,620	7,551	156,766	23,964	17,493	6,108	47,564	21,632	86,127	1,443	109,202
December	51,116	103,828	7,545	162,489	26,613	20,091	6,314	53,019	24,503	83,737	1,230	109,470
March	57,575	106,917	6,898	171,390	29,785	19,520	6,295	55,600	27,789	87,398	603	115,790
June	65,290	107,417	7,441	180,148	34,876	21,279	6,616	62,771	30,414	86,138	825	117,377
1987-88												
September	67,623	111,755	7,938	187,317	38,737	25,429	6,565	70,731	28,886	86,326	1,374	116,586
December	63,800	118,124	8,415	190,339	36,408	25,432	7,068	68,908	27,392	92,692	1,347	121,431
March	65,700	121,056	7,774	194,530	38,382	23,537	6,710	68,628	27,319	97,519	1,064	125,902
June	69,278	122,398	7,489	199,164	41,531	26,406	6,353	74,291	27,747	95,991	1,136	124,873
1988-89												
September	73,340	130,482	7,112	210,933	44,025	27,067	6,791	77,883	29,315	103,415	320	133,050
December	76,195	130,479	7,123	213,797	45,636	25,467	6,635	77,738	30,559	105,012	488	136,059
March	78,343	140,199	7,217	225,759	49,314	26,663	6,994	82,971	29,028	113,537	222	142,787
June	84,776	145,701	7,254	237,732	52,663	29,100	7,278	89,041	32,113	116,601	-24	148,690
1989-90												
September	86,240	149,930	7,287	243,457	54,270	29,430	7,989	91,689	31,970	120,500	-702	151,768
December	89,159	153,588	6,969	249,715	55,850	28,760	7,977	92,586	33,309	124,828	-1,008	157,129
March	91,686	162,561	5,914	260,161	56,369	31,853	8,124	96,346	35,317	130,708	-2,210	163,815
June	93,416	159,601	5,517	258,534	56,037	30,371	7,857	94,266	37,378	129,229	-2,340	164,268
1990-91												
September	97,230	161,890	6,702	265,822	51,857	29,512	7,367	88,736	45,373	132,379	-665	177,086
December	98,730	166,634	6,126	271,490	55,958	32,123	7,532	95,613	42,772	134,511	-1,406	175,877
March	100,305	170,763	6,286	277,354	57,021	33,143	7,399	97,563	43,285	137,620	-1,114	179,791
June	101,895	172,950	5,979	280,824	52,640	35,740	7,674	96,055	49,255	137,210	-1,695	184,769
1991-92												
September	103,790	171,567	6,694	282,051	53,731	33,681	7,559	94,971	50,058	137,886	-865	187,080
December	105,684	178,635	7,200	291,518	58,100	36,961	7,281	102,343	47,583	141,674	-82	189,175
March	105,620	179,265	6,468	291,353	55,503	32,907	7,195	95,605	50,117	146,358	-727	195,748
June	107,460	185,797	5,940	299,198	57,705	35,747	6,757	100,209	49,755	150,050	-817	198,989

(a) Equals foreign investment in Australia less Australian investment abroad.

TABLE 17. LEVELS OF FOREIGN DEBT AT END OF PERIOD
(\$A million)

	Public Sector Borrowing				Private sector borrowing	Total foreign borrowing	Reserve assets	Lending abroad	Net foreign debt(a)
	Commonwealth government and Reserve Bank	State government	Public trading and financial enterprises	Total					
	ANNUAL								
1979-80	5,687	—	—	5,687	6,314	13,498	5,681	954	6,863
1980-81	4,816	—	—	4,816	8,410	15,219	5,709	957	8,553
1981-82	5,692	—	—	5,692	15,090	24,350	6,517	1,286	16,547
1982-83	7,682	—	—	7,682	21,684	35,891	10,748	1,760	23,384
1983-84	8,534	339	8,907	17,781	26,320	44,101	12,417	1,791	29,893
1984-85	12,982	1,901	14,982	29,865	37,608	67,473	13,517	2,748	51,208
1985-86	19,753	3,855	19,009	42,618	49,933	92,550	13,024	3,981	75,545
1986-87	23,678	6,684	19,589	49,951	57,466	107,417	17,594	3,685	86,138
1987-88	22,909	10,627	23,581	57,117	65,280	122,398	20,182	6,224	95,991
1988-89	18,607	18,584	28,055	65,247	80,454	145,701	20,410	8,690	116,601
1989-90	19,654	20,069	32,687	72,410	87,190	159,601	21,871	8,500	129,229
1990-91	16,530	24,721	33,465	74,717	98,234	172,950	24,047	11,693	137,210
QUARTERLY									
1986-87									
September	20,894	4,623	21,566	47,083	56,536	103,620	12,615	4,878	86,127
December	21,621	4,888	20,845	47,354	56,474	103,828	15,561	4,530	83,737
March	22,419	5,746	20,868	49,034	57,884	106,917	13,866	5,654	87,398
June	23,678	6,684	19,589	49,951	57,466	107,417	17,594	3,685	86,138
1987-88									
September	23,400	7,960	20,875	52,235	59,521	111,755	19,558	5,871	86,326
December	24,639	7,867	21,392	53,899	64,225	118,124	17,431	8,001	92,692
March	25,347	10,398	22,757	58,502	62,554	121,056	17,331	6,206	97,519
June	22,909	10,627	23,581	57,117	65,280	122,398	20,182	6,224	95,991
1988-89									
September	21,278	12,772	24,535	58,584	71,897	130,482	20,628	6,439	103,415
December	20,823	14,906	24,378	60,106	70,373	130,479	19,772	5,695	105,012
March	20,651	17,398	26,533	64,582	75,617	140,199	19,509	7,154	113,537
June	18,607	18,584	28,055	65,247	80,454	145,701	20,410	8,690	116,601
1989-90									
September	18,484	18,611	28,670	65,765	84,166	149,930	20,774	8,656	120,500
December	18,128	20,341	29,231	67,701	85,887	153,588	21,487	7,273	124,828
March	18,691	20,805	31,745	71,242	91,319	162,561	21,065	10,788	130,708
June	19,654	20,069	32,687	72,410	87,190	159,601	21,871	8,500	129,229
1990-91									
September	18,626	21,326	32,329	72,281	89,609	161,890	22,281	7,231	132,379
December	18,311	21,055	36,693	76,059	90,575	166,634	24,989	7,134	134,511
March	18,027	22,876	35,178	76,081	94,682	170,763	23,593	9,550	137,620
June	16,530	24,721	33,465	74,717	98,234	172,950	24,047	11,693	137,210
1991-92									
September	16,648	25,858	32,461	74,967	96,600	171,567	23,836	9,845	137,886
December	19,090	26,556	33,807	79,453	99,182	178,635	25,451	11,510	141,674
March	17,335	28,682	31,924	77,941	101,324	179,265	21,314	11,593	146,358
June	15,424	29,866	33,156	78,446	107,351	185,797	22,240	13,507	150,050

(a) Equals total foreign borrowing less reserve assets and lending abroad.

TABLE 18. INVESTMENT INCOME
(\$A million)

	Payable on foreign investment in Australia				Receivable on Australian investment abroad				Net investment income payable(a)			
	Interest			Total	Interest			Total	Interest			Total
	Equity income (b)	Borrowing	Other		Equity income (b)	Reserve assets and lending	Other		Net equity income (b)	Net debt	Net other	
ANNUAL												
1979-80	1,998	1,059	49	3,106	n.a.	n.a.	n.a.	659	n.a.	n.a.	n.a.	2,447
1980-81	1,948	1,174	42	3,164	n.a.	n.a.	n.a.	702	n.a.	n.a.	n.a.	2,462
1981-82	1,574	1,812	63	3,449	n.a.	n.a.	n.a.	660	n.a.	n.a.	n.a.	2,789
1982-83	648	2,839	55	3,542	n.a.	n.a.	n.a.	1,054	n.a.	n.a.	n.a.	2,488
1983-84	2,104	3,705	26	5,833	556	821	89	1,468	1,548	2,884	-63	4,365
1984-85	2,227	5,297	-17	7,563	515	914	95	1,525	1,712	4,382	-112	6,038
1985-86	2,423	6,550	-37	9,032	1,146	710	110	1,966	1,277	5,840	-147	7,067
1986-87	2,725	7,892	113	10,730	1,816	678	175	2,669	909	7,214	-62	8,062
1987-88	4,216	8,830	35	13,082	2,479	1,041	104	3,624	1,737	7,789	-69	9,458
1988-89	5,222	10,802	269	16,293	2,540	1,223	104	3,867	2,683	9,578	164	12,425
1989-90	5,172	14,293	372	19,837	1,936	1,741	156	3,833	3,236	12,552	216	16,004
1990-91	5,028	14,938	170	20,135	937	2,131	120	3,188	4,091	12,807	50	16,947
QUARTERLY												
1986-87												
September	617	1,834	29	2,479	375	213	57	644	242	1,621	-28	1,835
December	655	1,916	41	2,613	366	145	46	557	289	1,772	-5	2,056
March	772	2,041	20	2,834	428	174	37	639	344	1,867	-17	2,195
June	680	2,100	23	2,803	648	146	35	829	32	1,954	-12	1,974
1987-88												
September	1,006	1,942	25	2,973	631	243	24	898	375	1,699	1	2,075
December	1,021	2,256	3	3,279	639	285	36	960	381	1,971	-33	2,319
March	1,126	2,334	4	3,463	578	266	24	868	548	2,068	-20	2,596
June	1,064	2,299	3	3,367	631	248	20	898	434	2,051	-16	2,469
1988-89												
September	1,206	2,335	70	3,611	623	218	28	870	584	2,116	41	2,741
December	1,098	2,594	59	3,752	632	223	20	874	466	2,372	40	2,878
March	1,301	2,851	66	4,217	630	390	29	1,050	671	2,460	37	3,167
June	1,618	3,022	73	4,714	655	392	28	1,075	963	2,631	46	3,639
1989-90												
September	876	3,476	133	4,485	459	455	40	954	417	3,021	93	3,531
December	1,349	3,519	81	4,950	485	408	41	935	864	3,111	40	4,015
March	1,638	3,633	71	5,342	468	425	40	933	1,170	3,208	31	4,409
June	1,309	3,664	88	5,060	524	452	35	1,011	785	3,212	52	4,049
1990-91												
September	809	3,803	44	4,656	314	534	30	878	495	3,270	14	3,778
December	1,750	3,601	55	5,406	178	487	35	701	1,572	3,114	19	4,705
March	1,058	3,842	37	4,938	176	520	29	725	882	3,322	9	4,213
June	1,411	3,692	34	5,137	268	591	26	884	1,144	3,101	8	4,253
1991-92												
September	1,106	3,763	11	4,880	291	567	14	872	815	3,196	-3	4,008
December	1,072	3,225	12	4,308	272	571	10	853	799	2,654	2	3,455
March	1,048	3,286	6	4,339	441	600	8	1,049	607	2,686	-2	3,291
June	1,364	3,278	10	4,652	217	458	11	686	1,147	2,819	-1	3,966

(a) Equals income payable on foreign investment in Australia less income receivable on Australian investment abroad. (b) Includes dividends, remitted profits of branches and reinvested earnings of direct investment enterprises attributable to their direct foreign investors.

TABLE 19. FOREIGN INVESTMENT RATIOS
(\$A million)

Period	Ratios of net foreign liabilities to GDP(a) - per cent -			Net international investment position servicing - Ratios of net investment income payable to exports(b) - per cent -		
	Total	Foreign debt	Equity and other investment	Total	Foreign debt	Equity and other investment
ANNUAL						
Year—						
1983-84	28.3	15.3	13.0	15.3	10.1	5.2
1984-85	36.0	23.7	12.2	17.4	12.6	4.6
1985-86	40.5	31.4	8.8	18.3	15.1	2.9
1986-87	44.4	32.6	11.8	18.4	16.2	2.2
1987-88	41.9	32.2	9.7	18.4	15.2	3.3
1988-89	43.8	34.3	9.4	23.3	17.4	5.2
1989-90	44.4	35.0	9.5	26.5	20.8	5.7
1990-91	48.8	36.3	12.6	25.9	19.6	6.3
QUARTERLY						
Year ended(c)—						
1987 — Mar.	45.2	34.1	11.1	26.9	16.2	10.7
June	44.4	32.6	11.8	18.4	16.5	1.9
Sept.	42.7	31.6	11.1	18.4	16.2	2.2
Dec.	43.1	32.9	10.2	18.1	15.9	2.3
1988 — Mar.	43.3	33.6	9.8	17.9	15.3	2.5
June	41.9	32.2	9.7	18.4	15.2	3.3
Sept.	43.2	33.6	9.6	19.3	15.6	3.7
Dec.	42.7	32.9	9.7	20.2	16.3	3.9
1989 — Mar.	43.4	34.5	8.9	21.4	17.1	4.3
June	43.8	34.3	9.4	22.6	17.4	5.2
Sept.	43.5	34.5	9.0	23.3	18.5	4.8
Dec.	44.0	34.9	9.0	24.9	19.5	5.4
1990 — Mar.	45.0	35.9	9.1	26.1	20.1	6.1
June	44.4	35.0	9.5	26.5	20.8	5.7
Sept.	47.4	35.4	12.0	26.5	20.9	5.6
Dec.	46.7	35.7	11.0	26.9	20.3	6.6
1991 — Mar.	47.5	36.4	11.1	26.1	20.1	6.0
June	48.8	36.3	12.6	25.9	19.6	6.3
Sept.	49.4	36.4	13.0	25.8	19.1	6.7
Dec.	49.9	37.4	12.5	23.6	18.2	5.4
1992 — Mar.	51.3	38.3	12.9	22.0	17.1	4.9
June	51.7	39.0	12.7	21.3	16.4	4.9

(a) These ratios are derived by expressing net foreign liabilities at the end of the period shown as a percentage of GDP for the year preceding this date. (b) These ratios are derived by expressing net investment income payable as a percentage of exports of goods and services for the year preceding this date. (c) Estimates of annual GDP and annual exports of goods and services and net investment income payable refer to the sum of the four quarters ended with the quarters indicated.

EXPLANATORY NOTES

Introduction

This publication provides comprehensive statistics on Australia's net international investment position, foreign investment in Australia and Australian investment abroad for the June Quarter 1992, together with revisions to statistics for earlier periods.

2. More detailed annual international investment statistics up to 1990-91 may be found in *International Investment, Australia, 1990-91* (5305.0) released in June 1992. Descriptions of the concepts, definitions, classifications of data items, and sources and methods used in compiling the statistics are presented in *Foreign Investment, Australia: Summary of Concepts, Sources and Methods* (5355.0). That publication also includes an assessment of the accuracy and reliability of the statistics.

Scope and coverage

3. International investment statistics provide information on the levels (stock) of foreign financial assets and liabilities at a particular date; *capital transactions* (investment flows) resulting in increases and decreases in these assets and liabilities (e.g. the purchase or sale by a non 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. International investment statistics are compiled from several sources including the quarterly and annual collections of the Survey of Foreign Investment, and official advices. Coverage of the quarterly foreign investment collections is more limited than the corresponding annual collections and quarterly estimates are revised as results from the annual collections become available. Results from other sources are also revised but generally to a lesser extent. The annual collections are conducted using sampling techniques; for a discussion on the impact of this on foreign investment statistics see 'Introduction of sampling in foreign investment collections' on page 7 of the September quarter 1988 issue of *Foreign Investment, Australia* (5306.0).

Classifications and definitions

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

6. *Australia's net international investment position* is defined as the difference between the level of foreign investment in Australia and the level of Australian investment abroad.

7. *Direction of investment*. 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 non-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 12), 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 non-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. Similarly, netting of assets and liabilities occurs in arriving at Australian direct investment abroad.

8. *Resident institutional sector*. This classification groups statistical units with similar financial roles and behaviour into institutional sectors. Five resident institutional sectors are identified. These are grouped under the headings official and non-official. The official sectors are general government and the Reserve Bank of Australia. The non-official sectors are banks, non-bank financial enterprises, and trading enterprises and households.

9. 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 from this sector and included 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 but includes various 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.

10. For trading and financial enterprises, a further dissection is provided in some tables for public and private sector enterprises. The public sector grouping consists of government owned and/or controlled business enterprises while the private sector grouping consists of all other entities. The official sector is further dissected

into Commonwealth and State Government components in some tables.

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

12. 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, 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. For a detailed discussion of direct investment see paragraphs 4.12 - 4.22 of *Foreign Investment, Australia: Summary of Concepts Sources and Methods* (5355.0).

13. *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*.

14. Many 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*. Similar 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).

15. 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.

16. Several other classifications of *borrowing* are also included in this publication. These include:

- Separate details of borrowing in foreign and Australian currency.
- 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.

- Purchases and sales of securities domiciled in Australia by non-residents. Purchases include both the on-market purchases and the take-up of new issues by non-residents of debt issued in Australia. Sales include both the on-market sales by and the redemption from non-residents of debt issued in Australia.
- 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 and repayments of borrowing domiciled abroad.

17. The *country* dissection of statistics on international 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. The classification includes categories for various country and country groupings as well as categories for international capital markets and international institutions. In some instances, foreign investment activity cannot be classified by country and is therefore classified to *unallocated*. This category includes from September quarter 1991, most new investment through brokers and nominees. These types of investment can only be allocated to country after the results of annual collections are available.

18. The *industry* classification used in international investment statistics is based upon the Australian Standard Industrial Classification (ASIC), 1983 edition. Industry statistics should be treated with some caution as they do not necessarily reflect the industry in which the funds are ultimately employed. 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 and merchant banks which may borrow funds as principals and then on-lend to clients in other industries.

19. An *unallocated* classification also exists for industry statistics. This category includes accounts payable/prepayments received, for which no industry details are available and, from September quarter 1991, new investment through brokers and nominees in the trading enterprise sector. This investment can only be allocated by industry after the results of annual collections are available. Tables 18 to 19 are historical tables.

Presentation

20. Tables 1 to 3 show the main international investment aggregates covering, respectively, Australia's net international investment position, foreign investment in Australia and Australian investment abroad. These tables are presented in the form of a reconciliation between opening and closing levels of investment, supplemented by investment income information. Tables 4 to 8 provide further details of capital transactions, investment income, levels of investment, foreign debt and interest payable on foreign debt. Tables 9 and 10 provide details of ratios of net foreign liabilities to GDP and net investment income to exports. Tables 11 and 12 provide further dissections of foreign investment in Australia by country and by industry. Tables 13 to 15 show additional statistics on foreign borrowing. Tables 16 to 19 are historical tables.

Reliability

21. As mentioned in paragraph 4, quarterly estimates presented in this publication are subject to revision. Revisions can arise for a variety of reasons but two contributing factors are especially worthy of note. The first affects estimates of *reinvested earnings* (income), its offset *reinvestment of earnings* (capital transaction) and *levels of foreign portfolio investment in Australian corporate equities*. Data for these items are only collected annually and hence estimates for the most recent periods are derived by extrapolating earlier entries. While this means that the estimates could be significantly revised at a future date, it is nevertheless considered useful to include them in the relevant tables. The second factor affects estimates of investment in certain categories of *portfolio and other investment* through nominees and brokers. The collection methods used in annual and quarterly collections differ and can result in significant revisions to quarterly data once the results of annual surveys become available.

Related publications

22. This publication complements the annual foreign investment publication *International Investment, Australia* (5305.0). Statistics on international investment capital transactions and income are also published in all balance

of payments publications: the monthly, *Balance of Payments, Australia* (5301.0); the quarterly, *Balance of Payments, Australia* (5302.0) and the annual, *Balance of Payments, Australia* (5303.0). The statistics are presented on a consistent basis in both sets of publications. Information about the concepts, definitions, classifications of data items, and sources and methods used in compiling both sets of statistics are presented in *Foreign Investment, Australia: Summary of Concepts, Sources and Methods* (5355.0) and *Balance of Payments, Australia: Concepts, Sources and Methods* (5331.0).

23. Publications produced at present by the ABS are listed in the *Catalogue of Publications and Products, 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

24. More detailed information is available in the standard release *Foreign Investment, Australia, Supplementary Country by Broad Industry Statistics* (5352.0). Additional information on international investment activity is also available from the ABS on request. A charge may be made for providing these services. Inquiries about the standard release service or about other information should be made to the persons whose names appear in the inquiries box at the front of this publication, or to Information Services in the nearest ABS office.

Symbols and other usages

—	nil or rounded to zero
n.a.	not available
n.y.a.	not yet available
...	not applicable
ABS	Australian Bureau of Statistics
ASEAN	Association of South East Asian Nations
BIS	Bank of International Settlements
EEC	European Economic Community
IMF	International Monetary Fund
OECD	Organisation for Economic Cooperation and Development

25. 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 7 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.

26. As all figures have been rounded, discrepancies may occur between the sum of components and the total.

**SPECIAL ARTICLES IN RECENT FOREIGN INVESTMENT
AND BALANCE OF PAYMENTS PUBLICATIONS**

<i>Article</i>	<i>Publication (ABS Catalogue No.)</i>	<i>Issue</i>	<i>Page Reference</i>
Exchange rates and the trade weighted index	5302.0	June qtr 1987	9
Changed methodology for measuring foreign portfolio investment in Australian corporate equities.	5307.0	June qtr 1987	2
The balance of payments as a record of transactions, not payments.	5302.0	Sept qtr 1987	9-10
Foreign ownership of Australian real estate - treatment in foreign investment statistics.	5306.0	Mar qtr 1988	5-6
Changed methodology for measuring foreign borrowing domiciled in Australia.	5307.0	June qtr 1988	2-3
Foreign debt ratios	5306.0	June qtr 1988	6-7
Changed scope and data source, portfolio and other investment accounts payable/prepayments received and accounts receivable prepayments made.	5306.0	Sept qtr 1988	6
Reliability of quarterly balance of payments estimates	5302.0	Dec qtr 1988	12-15
Introduction of quarterly international investment position and quarterly estimates of levels of foreign portfolio investment in Australian corporate equities.	5307.0	Mar qtr 1989	8-9
Measurement of foreign investment in Australian real estate in foreign investment statistics.	5306.0	Sept qtr 1989	8-10
Measurement of levels of Australian investment abroad	5307.0	Sept qtr 1989	2
Treatment of insurance services in the balance of payments	5302.0	Dec qtr 1989	8-11
Fixed-weighted price indexes	5302.0	Mar qtr 1990	8
Impact of trading days on merchandise trade estimates	5301.0	Mar qtr 1990	5-7
Trends in Australian travellers' expenditure abroad	5302.0	Sept qtr 1990	9
Measurement of Australia's terms of trade	5302.0	Sept qtr 1990	12
The relationship between foreign investment and balance of payments statistics	5306.0	Mar qtr 1991	7-8
Recording of merchandise exports and the impact of the EXIT system	5302.0	Mar qtr 1991	9-11
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Balancing item	5302.0	June qtr 1991	11-13
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The relationship between balance of payments and and national accounts statistics	5302.0	Dec qtr 1991	7-10
The relationship between ABS international investment statistics and Foreign Investment Review Board approvals statistics	5306.0	Mar qtr 1992	9-12
Changed methodology for measuring merchandise exports	5302.0	Mar qtr 1992	7-10
Revised international standards for balance of payments statistics	5302.0	Jun Qtr 1992	7-8

Copies of the above articles may be ordered from Mr Anthony Kraus, Foreign Investment Section (Phone(06) 252 6252). A charge may be made for providing these services.



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