AUSTRALIAN BUREAU OF STATISTICS Canberra

CATALOGUE NO. 5320.0 NOON 31 MAY 1978

FOREIGN INVESTMENT IN ENTERPRISES IN AUSTRALIA MARCH QUARTER 1978 (PRELIMINARY)

INQUIRIES	*If you want to know more about these statistics ring Mr Dudley Scoullar on Canberra 525606 or our State office, or write to Information Services, ABS, P.O. Box 10, Belconnen, A.C.T. 2616* *For copies of this publication contact Information Services, Canberra 526627 or State offices.*

MAIN FEATURES

- **Net inflow (excluding undistributed income) of $122m in March quarter 1978 compared with $151m in the previous quarter.**
- **Net inflows of both direct investment ($57m) and portfolio investment and institutional loans ($65m).**
- **Of that part of foreign investment identified by country, the major inflows were from USA ($98m), and Japan ($47m).**
- **Of that part of foreign investment identified by industry, there was a net withdrawal of funds from primary production ($44m) and net inflows in manufacturing ($30m) and other industries ($141m).**

EXPLANATORY NOTES

This bulletin presents preliminary estimates of foreign investment in enterprises in Australia during the March quarter 1978. The statistics are compiled from information collected in quarterly surveys of foreign investment. More reliable and detailed quarterly statistics derived from the same surveys will be published in the bulletin *Foreign Investment in Enterprises in Australia* (5306.0).

Scope and coverage

While it is not possible to publish quarterly the same range and detail as presented in the annual bulletin *Overseas Investment* (5305.0), the statistics in this publication are consistent in terms of scope with the equivalent statistics in the annual bulletin. A detailed description of the scope of foreign investment statistics is contained in that bulletin.

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

Main aggregates

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

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

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

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

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

Equity: ordinary shares or voting stock.

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

Presentation

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

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

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

Other ABS publications

All statistical publications produced by the Canberra and State Offices of ABS are listed in *Catalogue of Publications 1977* (1101.0) which is available free of charge from any of these offices.

R. J. CAMERON
Australian Statistician

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

Period	Direct investment				Portfolio investment and institutional loans			Total
	Equity	Non-equity: Intercompany indebtedness etc. (a)	Non-equity: Other	Total	Equity	Non-equity	Total	
Year –								
1974-75	109	218	82	410	−118	352	234	643
1975-76	129	20	−155	−6	12	165	177	170
1976-77	31	360	4	395	−28	519	492	887
Quarter ended –								
1976								
December	−19	179	−47	113	−5	202	198	311
1977								
March	52	104	29	185	−5	213	208	392
June	−14	122	33	141	−6	136	131	272
September	9	−90	45	−36	−31	61	30	−6
December	70	19	−28	60	−7	97	90	151
1978								
March	30	32	−5	57	−6	71	65	122

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

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

Period	United Kingdom	U.S.A.	Canada	Japan	E.E.C. (excl. U.K.)	Other countries (b)	Unallocated	Total
Year –								
1974-75	24	160	13	58	191	196	..	643
1975-76	24	88	−11	68	9	−7	..	170
1976-77	45	365	42	154	251	30	..	887
Quarter ended –								
1976								
December	125	109	36	74	110	−129	−14	311
1977								
March	−24	208	4	9	83	116	−5	392
June	66	34	−2	34	69	77	−6	272
September	−10	−59	−5	59	34	6	−31	−6
December	9	137	−24	23	22	−9	−7	151
1978								
March	7	98	14	47	−22	−16	−6	122

(a) Most portfolio equity investment is not allocated by country on a quarterly basis. For this reason the sums of the four quarters do not always equal the corresponding annual country totals. (b) Includes bonds etc. issued on international capital markets for which no individual country details are available.

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

Period	Primary production (b)	Manufacturing	Other industries	Unallocated	Total
Year –					
1974-75	68	338	237	..	643
1975-76	−14	130	55	..	170
1976-77	−9	243	652	..	887
Quarter ended –					
1976					
December	−82	65	341	−14	311
1977					
March	82	134	182	−5	392
June	−32	102	207	−6	272
September	−32	−56	112	−31	−6
December	83	5	70	−7	151
1978					
March	−44	30	141	−6	122

(a) Most portfolio equity investment is not allocated by industry on a quarterly basis. For this reason the sums of the four quarters do not always equal the corresponding annual totals for industry groups. (b) Includes, agriculture, forestry, fishing, mining, quarrying and oil exploration and production.