COMMONWEALTH BUREAU OF CENSUS AND STATISTICS CANBERRA
AUSTRALIA

THE AUSTRALIAN BALANCE OF PAYMENTS

1948-49, 1949-50 AND FIRST HALF 1950-51

PREPARED UNDER INSTRUCTIONS FROM
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THE AUSTRALIAN BALANCE OF PAYMENTS 1948-49, 1949-50 AND FIRST HALF 1950-51.

Introduction

This statement brings the estimates contained in "The Australian Balance of Payments 1946-47 to 1949-50" up to the half year ended December, 1950 and incorporates revisions to the estimates for 1948-49 and 1949-50 in that publication. Various subsidiary tables have been omitted on this occasion but fuller details are contained in "The Australian Balance of Payments, 1946-47 to 1949-50" and "The Australian Balance of Payments, 1928-29 to 1948-49."

The presentation of half yearly estimates of the Australian balance of payments has been introduced in this statement which includes a preliminary estimate for the first half of 1950-51 (i.e. July - December, 1950). For purposes of comparison, the estimates for 1949-50 have been divided into their component half years. In order to avoid complications introduced by purely seasonal factors, direct comparison is made, in the notes which follow, between the two July - December periods rather than between the two halves of 1950.

Minor revisions have been made to the estimates for 1948-49 and 1949-50 published in "The Australian Balance of Payments, 1946-47 to 1949-50". In the case of the preliminary estimate for 1949-50 the unfavourable current account balance of £34.6 million previously estimated has been increased to £37.4. Of this total increase of £2.8 million, £1.7 million is due to revisions to trade statistics and the remaining £1.1 million to revisions to various invisible items.

General

Table I presents a summary of estimates which appear in more detail in later tables.

TABLE I.

AUSTRALIA - BALANCE OF PAYMENTS - SUMMARY 1948-49, 1949-50 AND FIRST HALF 1950-51.

	1948-49	1949-50	1949-50 First Half	1949-50 Second Half	1950-51 First Half (Preliminary)
			Current Account		
Exports f.o.b.	521.7	594.7	253.5	341.2	378.1
Imports f.o.b.	-415.1	-538.1	-241.3	-296.8	-334.3
Trade Balance	106.6	56.6	12.2	44.4	43.8
Invisible Credits	67.3	77.8	37.0	40.8	38.5
Invisible Debits	-146.4	-171.8	- 83.7	- 88.1	- 89.9
Invisible Balance	- 79.1	- 94.0	- 46.7	- 47.3	- 51.4
Balance on Current Account	27.5	- 37.4	- 34.5	- 2.9	- 7.6
			Capital Account		
Net Increase in Australian Assets or Decrease (+) in Australian Liabilities					
International Reserves	178.0	185.7	43.9	141.8	26.0
Public Authority Debt Domiciled Overseas (decrease +)	14.0	29.7	23.9	5.8	16.4
Net transactions with International Monetary Fund and International Bank for Reconstruction and Development	-	- 8.9	- 8.9	-	-
Net Investment in Joint Organisation (Wool)	- 17.4	- 6.5	- 0.4	- 6.1	- 2.1
Other (including errors and omissions)	-147.1	-237.4	- 93.0	-144.4	- 47.9
Balance on Capital Account	27.5	- 37.4	- 34.5	- 2.9	- 7.6

The favourable balance of trade in the first half of 1950-51 was £43.8 million and this combined with an unfavourable invisible balance of £51.4 million to produce a net deficit on current account of £7.6 million compared with an unfavourable current account balance of £34.5 million in the first half of 1949-50. This improvement was due mainly to the increase in the value of exports between the two periods.

Between the first halves of 1949-50 and 1950-51, the value of exports increased by £124.6 million (an increase of 49 per cent) and the value of imports by £93.0 million (an increase of 39 per cent). The net effect on the favourable balance of trade was an increase from £12.2 million to £43.8 million.

The movement between the two periods in the invisible balance was unfavourable but less pronounced. Invisible credits increased by £1.5 million and invisible debits rose by £6.2 million. It should be noted however that a gift to the United Kingdom of £10 million is included in invisible debits for the first half of 1949-50. The increase in other invisible debits was thus £16.2 million and the major element in this increase was a rise of £11.6 million in freight and insurance charges on imports.

Australia's balance of payments on capital account for July - December, 1950 shows that, despite an unfavourable current account balance of £7.6 million and the repayment of over £16 million of public authority debt domiciled overseas, Australia's international reserves increased by £26.0 million. The major factor in this increase was the movement of permanent and temporary capital into Australia. This movement is included in "other" in Table I.

BALANCE OF PAYMENTS ON CURRENT ACCOUNT (Table II)

Table II contains a more detailed presentation of the balance of payments on current account.

The most important change in receipts on current account between the first halves of 1949-50 and 1950-51 was the increase of £124.6 million in the value of exports. Most of this increase was in respect of wool and sheepskins, the value of which increased by £112.5 millions, an increase of 90 per cent, despite the fact that the number of bales of greasy wool shipped in the first half of 1950-51 was only 1.35 million compared with 1.64 million in the first half of 1949-50. The average price per lb. of wool sold at Australian auctions was 54.73d. per lb. (greasy and scoured) for the first half of 1949-50 and 127.22d. per lb. for the first half of 1950-51 and this was the major factor influencing Australia's balance of payments during the latter period.

Of the increase in imports of £93.0 million between the two periods, £38.2 million consisted of increases in the value of imports of metals, metal manufactures and machinery. Most other categories of imports also showed increases of varying magnitudes.

Freight charges on imports increased by £11.0 million between the two periods, due both to the increased volume of imports and to a general increase of approximately 10 per cent in overseas freight charges commencing in October, 1950.

Of the other invisible items, the only significant movement between the two periods was the decrease of £9.4 million in "Donations and Reparations" (debit). As explained above, this was due mainly to the gift to the United Kingdom of £10 million in the first half of 1949-50 which was not repeated in the first half of 1950-51.

BALANCE OF PAYMENTS ON CAPITAL ACCOUNT (Table III)

Table III provides a more detailed estimate of Australia's balance of payments on capital account.

Australia's international reserves increased by £43.9 million in the first half of 1949-50, £141.8 million in the second half of 1949-50 and £26.0 million in the first half of 1950-51.

In all these periods, this increase in international reserves occured despite unfavourable balances on current account and despite substantial repayments of overseas debt. The increases were due mainly to a group of items (items 3, 4, 15, 18, 19 and 20 in Table III) which may be classified as "net private capital movements (including errors and omissions in other items)". The value of these items was £94.0 million and £143.6 million respectively in the first and second halves of 1949-50 but it fell to £47.4 million in the first half of 1950-51. A significant element in the high level for the second half of 1949-50 was the increase of £41.0m. in item 15 (Australian Currency Holdings of Foreign Banks and Governments).

Repayment of public authority debt domiciled overseas decreased from £23.9 million in the first half of 1949-50 to £16.4 million in the first half of 1950-51 and transactions with the International Monetary Fund, which included the purchase of $20 million in the former period, were insignificant in the latter period. There were no movements of any importance in other capital items between the two periods.

<u>BALANCE OF PAYMENTS ON CURRENT ACCOUNT - VARIOUS COUNTRIES (Table IV)</u>

This table is a revised version of that appearing in "The Australian Balance of Payments 1946-47 to 1949-50" and incorporates the revisions mentioned above to the balance of payments on current account for 1948-49 and 1949-50.

AUSTRALIA. BALANCE OF PAYMENTS ON CURRENT ACCOUNT, 1948-49, 1949-50 AND FIRST HALF 1950-51.

TABLE II

(£A million)

	1948-49		1949-50		1949-50 First Half		1949-50 Second Half		1950-51 First Half (Preliminary)	
CREDITS										
1. Exports f.o.b.		521.7		594.7		253.5		341.2		378.1
2. Gold Production		9.4		11.7		5.6		6.1		6.2
3. Transportation										
(a) Freight earnings of Australian Ships	0.8		0.8		0.4		0.4		0.4	
(b) Expenditure by Overseas Ships in Australian Ports	23.1		26.1		12.4		13.7		14.9	
		23.9		26.9		12.8		14.1		15.3
4. Foreign Travel		3.4		3.9		2.0		1.9		1.7
5. Income from Investment										
(a) Direct Investment	1.1		1.7		0.8		0.9		1.0	
(b) Other	4.1		5.5		2.8		2.7		3.2	
		5.2		7.2		3.6		3.6		4.2
6. Government Transactions										
(a) Recoveries from Other Administrations	3.3		2.8		0.4		2.4		-0.8	
(b) Other	1.7		2.0		1.0		1.0		1.1	
		5.0		4.8		1.4		3.4		0.3
7. Miscellaneous		6.0		4.4		2.1		2.3		2.2
8. Donations and Reparations										
(a) Immigrants' Funds and Household Effects	10.6		14.0		7.0		7.0		6.6	
(b) Other	3.8		4.9		2.5		2.4		2.0	
		14.4		18.9		9.5		9.4		8.6
9. Total Credits		589.0		672.5		290.5		382.0		416.6
DEBITS										
10. Imports f.o.b.		415.1		538.1		241.3		296.8		334.3
11. Transportation										
(a) Freight on imports	43.0		64.0		28.3		35.7		39.3	
(b) Insurance on imports	2.9		3.8		1.7		2.1		2.3	
(c) Expenditure by Australian Ships in Overseas Ports	0.3		0.3		0.2		0.1		0.2	
		46.2		68.1		30.2		37.9		41.8
12. Foreign Travel		5.9		12.1		4.1		8.0		5.0
13. Income from Investment										
(a) Public Authority Interest	19.7		19.1		9.7		9.4		9.1	
(b) Income from Direct Investment	12.6		14.8		7.8		7.0		8.7	
(c) Income from Portfolio Investment	4.0		3.7		2.1		1.6		2.5	
(d) Undistributed Income	8.5		10.0		5.0		5.0		5.0	
		44.8		47.6		24.6		23.0		25.3
14. Government Transactions										
(a) Public Authority Defence Expenditure	6.3		3.2		0.9		2.3		1.4	
(b) Other	10.5		9.6		2.9		6.7		3.2	
		16.8		12.8		3.8		9.0		4.6
15. Miscellaneous		11.5		11.2		5.8		5.4		7.4
16. Donations and Reparations										
(a) Gifts to United Kingdom	10.0		10.0		10.0		-		-	
(b) U.N.R.R.A., U.N.I.C.E.F. and International Post-War Relief	4.0		2.5		1.3		1.2		1.1	
(c) Other	7.2		7.5		3.9		3.6		4.7	
		21.2		20.0		15.2		4.8		5.8
17. Total Debits		561.5		709.9		325.0		384.9		424.2
Balance on Current Account		27.5		-37.4		-34.5		- 2.9		- 7.6

AUSTRALIA - BALANCE OF PAYMENTS ON CAPITAL ACCOUNT.

1948-49, 1949-50 AND FIRST HALF 1950-51.

TABLE III

(£A million)

	1948-49	1949-50	1949-50 First Half	1949-50 Second Half	1950-51 First Half (Preliminary)
INCREASE IN ASSETS					
1. New Zealand Public Debt Domiciled in Australia	- 0.3	- 0.4	- 0.2	- 0.2	-
2. Overseas Assets of National Debt Sinking Fund	0.1	-	-	-	-
3. Direct Investment Overseas					
(a) Branches	0.7	(a)	(a)	(a)	(a)
(b) Subsidiaries	0.4				
4. Portfolio Investment Overseas	0.1				
5. Wool Credits to Czechoslovakia	-	0.6	1.2	- 0.6	- 0.5
6. Investment in Joint Organization etc.	14.1	- 6.4	-16.9	10.5	10.0(b)
7. Subscription to I.M.F. and I.B.R.D.	-	31.0	31.0	-	-
8. Marketable Australian Securities held in London by the Commonwealth Bank	1.5	-	-	-	-
9. Commonwealth and State Government Bank Balances held overseas with Trading Banks	- 0.2	-	0.1	- 0.1	-
10. Monetary Gold Holdings	- 0.1	(c)0.4	(c)0.2	0.2	26.0
11. Foreign Exchange Holdings	178.3	(c)185.3	(c)43.6	141.7	
12. Total Increase in Assets	193.9	210.5	59.0	151.5	35.5
INCREASE IN LIABILITIES					
13. Public Authority Debt					
(a) Commonwealth - Long-term	-	- 4.5	- 4.1	- 0.4	- 0.8
(b) Commonwealth - Short-term	- 0.3	- 0.3	- 0.3	-	- 0.3
(c) States - Long-term	-11.8	-19.0	-17.9	- 1.1	-15.2
(d) States - Short-term	-	-	-	-	-
(e) Local Authorities	- 1.4	- 5.9	- 1.6	- 4.3	- 0.1
14. Discounts and Cash Bonuses on the Conversion of Public Debt	-	-	-	-	-
15. Australian Currency Holdings of Foreign Banks and Governments	2.8	46.6	5.6	41.0	3.9
16. Joint Organization Investments etc. in Australia	31.5	0.1	-16.5	16.6	12.1
17. I.M.F. and I.B.R.D. Assets in Australia	-	39.9	39.9	-	-
18. Direct Investment in Australia					
(a) Branches	10.7	(d)10.0	(d)5.0	(d)5.0	(d)5.0
(b) Subsidiaries	22.5				
19. Portfolio Investment in Australia	0.7				
20. Errors and Omissions (including unidentified private capital movements)	111.7	181.0	83.4	97.6	38.5
21. Total Increase in Liabilities	166.4	247.9	93.5	154.4	43.1
22. Net Increase in Assets	27.5	-37.4	-34.5	- 2.9	- 7.6

(a) Not available
(b) Tentative
(c) Excluding increase due to revaluation of holdings following devaluation of the Australian pound in September, 1949.
(d) Incomplete. A contra-entry for the estimate of undistributed income shown as Item 13(d) in Current Account - Table II.

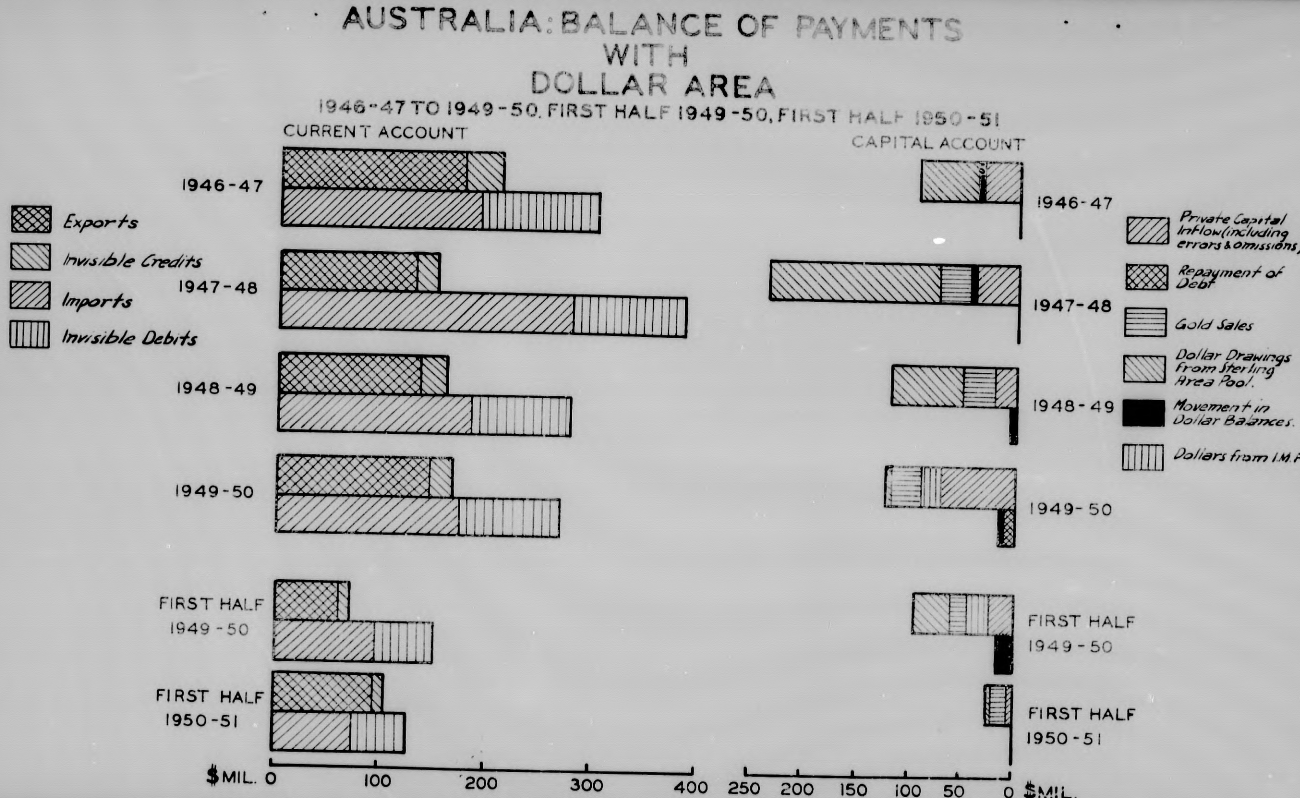
AUSTRALIA : BALANCE OF PAYMENTS ON CURRENT ACCOUNT - VARIOUS COUNTRIES.

1948-49 AND 1949-50

(Payments -)
(£A million)

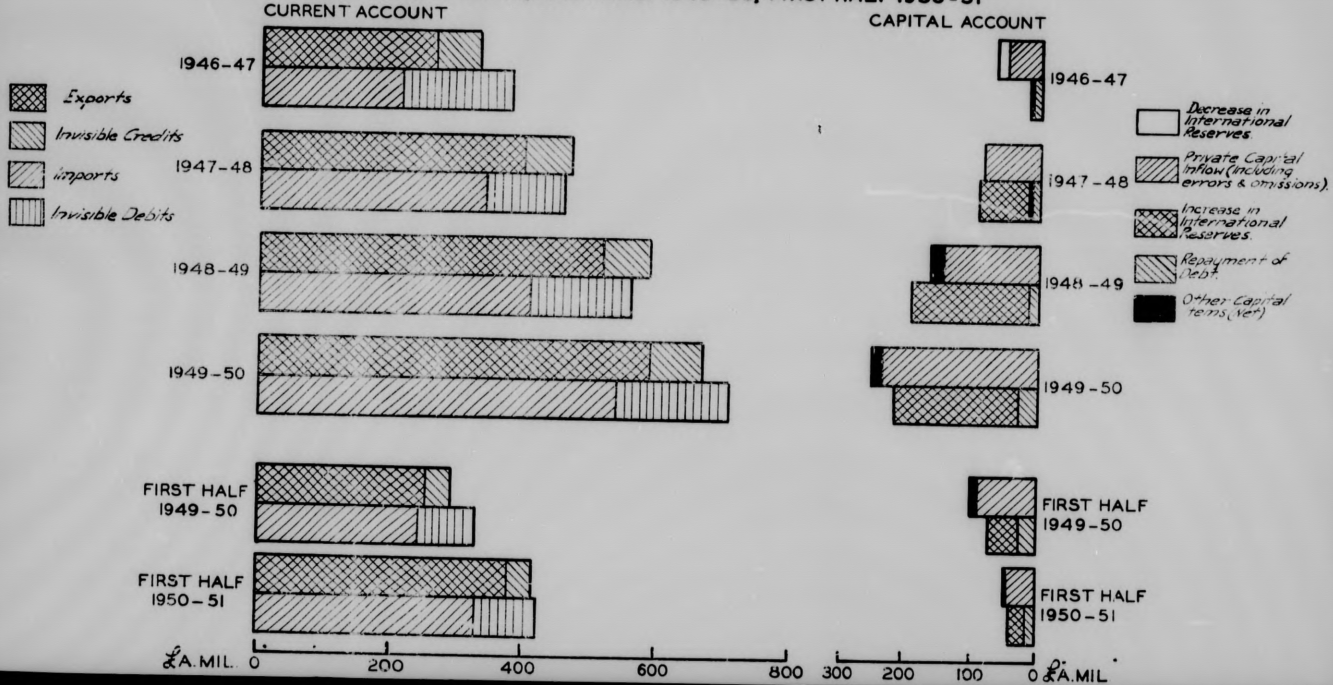
TABLE IV

	1948-49				1949-50			
	Exports f.o.b.	Imports f.o.b.	Invisibles	Total Current Account	Exports f.o.b.	Imports f.o.b.	Invisibles	Total Current Account
Sterling Area								
United Kingdom	207.8	-215.1	-53.2	-60.5	219.9	-287.0	-57.3	-124.4
India	28.3	- 26.2	- 1.5	0.6	37.0	- 27.9	- 1.7	7.4
Ceylon	9.3	- 7.5	- 0.5	1.3	6.1	- 9.0	- 0.7	- 3.6
New Zealand	17.3	- 3.7	4.0	17.6	21.3	- 5.1	1.2	17.4
Malaya	6.3	- 4.0	0.1	2.4	5.6	- 4.9	- 0.2	0.5
Singapore	7.4	- 4.8	- 1.0	1.6	8.1	- 7.4	- 1.7	- 1.0
South Africa	5.1	- 2.7	- 0.2	2.2	2.8	- 3.6	- 0.1	- 0.9
Other	27.7	- 19.7	- 2.4	5.6	29.3	- 24.8	- 3.2	1.3
Total Sterling Area	309.2	-283.7	-54.7	-29.2	330.1	-369.7	-63.7	-103.3
Dollar Area								
United States of America	32.3	- 43.8	-14.7	-26.2	49.6	- 54.9	-19.6	- 24.9
Canada and Newfoundland	8.7	- 12.5	- 3.4	- 7.2	9.0	- 13.7	- 3.3	- 8.0
Other	1.5	- 0.4	- 0.2	0.9	2.5	- 0.2	- 0.1	2.2
Total Dollar Area	42.5	- 56.7	-18.3	-32.5	61.1	- 68.8	-23.0	- 30.7
Non-sterling O.E.E.C. Countries								
France (M.A.)	48.7	- 4.2	0.1	44.6	41.9	- 11.0	- 1.2	29.7
Belgium (M.A.)	20.0	- 4.2	- 0.5	15.3	27.6	- 5.1	- 0.7	21.8
Italy	29.1	- 3.[illegible]	- 1.6	23.7	19.4	- 9.2	- 2.0	8.2
Netherlands	4.5	- 3.9	1.1	1.7	9.9	- 3.4	0.7	7.2
Sweden	4.5	- 9.3	- 0.6	- 5.4	5.0	- 7.9	- 1.1	- 4.0
Switzerland	1.3	- 2.4	- 0.2	- 1.3	1.6	- 2.8	- 0.4	- 1.6
Portugal (M.A.)	0.9	- 0.2	-	0.7	1.0	- 0.2	-	0.8
Norway	0.3	- 4.4	-	- 4.1	1.4	- 3.1	1.3	- 0.4
Western Germany	4.1	- 1.8	- 0.2	2.1	16.6	- 6.6	- 0.5	9.5
Other	6.3	- 0.6	- 0.1	5.6	5.8	- 0.8	0.1	5.1
Total Non-Sterling O.E.E.C. Countries	119.7	- 35.0	- 1.8	82.9	130.2	- 50.1	- 3.8	76.3
Other Non-Sterling Area								
Czechoslovakia	0.7	- 4.2	- 0.4	- 3.9	3.1	- 4.5	- 0.3	- 1.7
Japan	6.4	- 1.7	-	4.7	23.2	- 7.1	- 0.4	15.7
China	1.4	- 2.5	- 0.3	- 1.4	0.5	- 1.5	- 0.2	- 1.2
Egypt	10.3	- 0.9	-	9.4	9.7	- 0.2	0.1	9.6
Russia	12.4	- 0.2	-	12.2	11.2	- 0.7	- 0.2	10.3
Finland	0.2	- 1.8	- 0.4	- 2.0	1.5	- 1.4	- 0.5	- 0.4
Poland	7.7	- 0.3	- 0.1	7.3	13.2	- 0.2	-	13.0
Other	11.2	- 28.1	- 7.9	-24.8	10.9	-33.9	-10.5	- 33:5
Total Other Non-Sterling Area	50.3	- 39.7	- 9.1	1.5	73.3	-49.5	-12.0	11.8
International Bodies	-	-	- 4.6	- 4.6	-	-	- 3.2	- 3.2
Gold Production	-	-	9.4	9.4	-	-	11.7	11.7
GRAND TOTAL	521.7	-415.1	-79:1	27.5	594.7	-538.1	-94.0	- 37.4


AUSTRALIA: BALANCE OF PAYMENTS WITH DOLLAR AREA
1946-47 TO 1949-50, FIRST HALF 1949-50, FIRST HALF 1950-51
CURRENT ACCOUNT
CAPITAL ACCOUNT
1946-47
1947-48
1948-49
1949-50
FIRST HALF 1949-50
FIRST HALF 1950-51
Exports
Invisible Credits
Imports
Invisible Debits
Private Capital Inflow (including errors & omissions).
Repayment of Debt
Gold Sales
Dollar Drawings from Sterling Area Pool.
Movement in Dollar Balances.
Dollars from I.M.F.
$MIL. 0
100
200
300
400
250
200
150
100
50
0 $MIL.

AUSTRALIA: BALANCE OF PAYMENTS WITH REST OF WORLD

1946-47 TO 1949-50, FIRST HALF 1949-50, FIRST HALF 1950-51



BALANCE OF PAYMENTS WITH THE DOLLAR AREA

Tables V and VI present estimates of Australia's balance of payments with the dollar area in Australian currency and in United States dollars respectively.

It will be noted that the previous estimate in "The Australian Balance of Payments, 1946-47 to 1949-50 of $1 million for Australia's net drawings of dollars from the Sterling Area Dollar Pool in 1949-50 has now been revised to $2 million. Minor revisions have also been made to other items in the original estimate for 1949-50.

There was a considerable improvement in Australia's dollar balance of payments between the first halves of 1949-50 and 1950-51 and Australia's estimated net drawings of dollars from the Sterling Area Dollar Pool decreased from $35 million in the former period to $2 million in the latter period.

This improvement was due mainly to a favourable trend in the balance of trade with the dollar area. An unfavourable balance of trade of $32 million in the first half of 1949-50 changed to a favourable balance of $17 million in the first half of 1950-51 due mainly to an increase of $31 million in the value of exports to the United States and Canada and a decrease of $16 million in the value of imports from those countries. Of the total increase in exports to the United States and Canada, $23 million consisted of increases in the value of exports of wool and sheep-skins.

The invisible balance on current account with the dollar area also improved and moved from an unfavourable balance of $46 million in the first half of 1949-50 to an unfavourable balance of $39 million in the first half of 1950-51. The total improvement in current account items between the two periods was thus $56 million (trade $49 million and invisibles $7 million).

Estimated private capital inflow (including errors and omissions) was a much more important source of dollars in both halves of 1949-50 than in the first half of 1950-51. It was $23 million and $46 million respectively in the two halves of 1949-50 but only $5 million in the first half of 1950-51. The decrease of $18 million in these capital movements in the first half of 1950-51 compared with those in the first half of 1949-50 offset to some extent the favourable movement of $56 million in the current account deficit and Australia's total dollar deficit (as defined in item 22 of Tables V and VI) in the first half of 1950-51 was $38 million less than that in the first half of 1949-50.

After allowing for purchases of dollars from the International Monetary Fund ($20 million in the first half of 1949-50 and nil in the first half of 1950-51), the increase in Australia's dollar balances ($15 million and nil) and sales of gold to the United Kingdom ($16 million in both periods), this net improvement of $38 million was responsible for a reduction of $33 million in the amount of dollars purchased by Australia from the Sterling Area Dollar Pool (see "Dollar Financing").

Item 22 shows a surplus with the dollar area in the second half of 1949-50 due mainly to an abnormal inflow of short-term capital from the dollar area and to seasonal increases in the value of exports to the dollar area. Australia's trade surplus with the dollar area of about $37 million in January and February, 1951 is an indication that the situation in the second half of 1950-51 should be much more favourable than that in the first half of the year.

AUSTRALIA : BALANCE OF PAYMENTS WITH THE DOLLAR AREA, 1948-49, 1949-50 AND FIRST HALF 1950-51 (AUSTRALIAN CURRENCY)

TABLE V

Credit Items (+),
Debit Items (-)

	1948-49	1949-50	1949-50 First Half	1949-50 Second Half	1950-51 First Half (Preliminary)
	£Am.	£Am.	£Am.	£Am.	£Am.
CURRENT ACCOUNT					
Merchandise Trade					
1. Merchandise exports f.o.b. to U.S.A. and Canada	+41.0	+58.6	+23.9	+34.7	+40.2
2. Merchandise imports f.o.b. from U.S.A. and Canada	-56.3	-68.6	-32.6	-36.0	-33.9
3. Trade balance with U.S.A. and Canada	-15.3	-10.0	- 8.7	- 1.3	+ 6.3
4. Trade balance with other American account countries	+ 1.1	+ 2.3	+ 0.6	+ 1.7	+ 1.2
5. Trade balance with the Dollar Area	-14.2	- 7.7	- 8.1	+ 0.4	+ 7.5
Other Current Transactions					
6. Freight on imports	- 8.3	- 9.6	- 4.6	- 5.0	- 5.2
7. Insurance on imports	- 0.6	- 0.8	- 0.4	- 0.4	- 0.4
8. Expenditure by Australian travellers	- 0.7	- 1.1	- 0.4	- 0.7	- 0.5
9. Expenses of Australian companies in North America	- 0.9	- 1.9	- 1.0	- 0.9	- 1.0
10. Film remittances	- 1.1	- 1.5	- 0.7	- 0.8	- 0.8
11. Profits and dividends remitted	- 2.9	- 3.0	- 2.0	- 1.0	- 2.4
12. Undistributed income accruing to companies incorporated in dollar area	- 2.2	- 2.4	- 1.2	- 1.2	- 1.2
13. Public authority interest payments	- 2.9	- 3.6	- 1.6	- 2.0	- 1.9
14. Other miscellaneous debits	-10.1	-15.2	- 8.2	- 7.0	- 8.4
15. Miscellaneous credits	+ 7.1	+ 9.1	+ 3.2	+ 5.9	+ 4.4
16. Invisible balance with the Dollar Area	-28.6	-30.0	-16.9	-13.1	-17.4
17. BALANCE ON CURRENT ACCOUNT	-36.8	-37.7	-25.0	-12.7	- 9.9
CAPITAL ACCOUNT					
18. Increase in debt of public authorities	- 0.6	- 4.7	- 0.3	- 4.4	- 0.4
19. Identified private capital inflow (including undistributed income)	+ 5.6				
20. Errors and omissions (mainly capital movements)	- 0.3	+27.4	+ 6.8	+20.6	+ 2.3
21. BALANCE ON CAPITAL ACCOUNT	+ 4.7	+22.7	+ 6.5	+16.2	+ 1.9
22. DOLLAR SURPLUS OR DEFICIT	-32.1	-15.0	-18.5	+ 3.5	- 8.0
DOLLAR FINANCING					
23. Purchase of dollars from International Monetary Fund	-	+ 8.9	+ 8.9	-	-
24. Gold sales to United Kingdom	+10.0	+12.5	+ 6.2	+ 6.3	+ 7.1
25. Estimated dollar drawings from or contributions to (-) Sterling Area Dollar Pool	+22.7	- 5.5	+ 9.2	-14.7	+ 0.9
26. Movement in Australian dollar balances (increase -)	- 0.6	- 0.9	- 5.8	+ 4.9	-
27. TOTAL	+32.1	+15.0	+18.5	- 3.5	+ 8.0

AUSTRALIA - BALANCE OF PAYMENTS WITH THE DOLLAR AREA, 1948-49, 1949-50 AND FIRST HALF 1950-51 (UNITED STATES DOLLARS)

TABLE VI.

Credit Items (+)
Debit Items (-)

	1948-49	1949-50	1949-50 First Half	1949-50 Second Half	1950-51 First Half (Preliminary)
	U.S. $m	U.S. $m	U.S. $m	U.S. $m	U.S. $m
CURRENT ACCOUNT					
Merchandise Trade					
1. Merchandise exports f.o.b. to U.S.A. and Canada	+132	+137	+59	+78	+90
2. Merchandise imports f.o.b. from U.S.A. and Canada	-181	-173	-92	-81	-76
3. Trade balance with U.S.A. and Canada	- 49	- 36	-33	- 3	+14
4. Trade balance with other American account countires	+ 4	+ 5	+ 1	+ 4	+ 3
5. Trade balance with the Dollar Area	- 45	- 31	-32	+ 1	+17
Other Current Transactions					
6. Freight on imports	-26.7	-25.3	-13.0	-11.3	-11.7
7. Insurance on imports	- 2.1	- 1.9	- 1.0	- 0.9	- 0.8
8. Expenditure by Australian travellers	- 2.2	- 2.6	- 1.1	- 1.5	- 1.0
9. Expenses of Australian companies in North America	- 2.7	- 4.3	- 2.2	- 2.1	- 2.3
10. Film remittances	- 3.6	- 3.6	- 1.8	- 1.8	- 1.8
11. Profits and dividends remitted	- 9.3	- 8.2	- 6.0	- 2.2	- 5.4
12. Undistributed income accruing to companies incorporated in dollar area	- 7.1	- 6.0	- 3.3	- 2.7	- 2.7
13. Public authority interest payments	- 9.2	- 9.1	- 4.6	- 4.5	- 4.3
14. Other miscellaneous debits	-32.9	-37.5	-22.0	-15.5	-19.0
15. Miscellaneous credits	+23.0	+22.2	+ 8.7	+13.5	+10.0
16. Invisible balance with the Dollar Area	-73	-75	-46	-29	-39
17. BALANCE ON CURRENT ACCOUNT	-118	-106	-78	-28	-22
CAPITAL ACCOUNT					
18. Increase in debt of public authorities	- 2	-11	- 1	-10	- 1
19. Identified private capital inflow (including undistributed income)	+18	+69	+23	+46	+ 5
20. Errors and omissions (mainly capital movements)	- 1				
21. BALANCE ON CAPITAL ACCOUNT	+15	+58	+22	+36	+ 4
22. DOLLAR SURPLUS OR DEFICIT	-103	-48	-56	+ 8	-18
DOLLAR FINANCING					
23. Purchase of Dollars from International Monetary Fund	..	+20	+20	-	-
24. Gold Sales to United Kingdom	+32	+30	+16	+14	+16
25. Estimated dollar drawings from or contributions to (-) Sterling Area Dollar Pool	+73	+ 2	+35	-33	+ 2
26. Movement in Australian dollar balances (increase -)	- 2	- 4	-15	11	-
27. TOTAL	+103	+48	+56	- 8	+18

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