



Dec Qtr 1993
International Investment
Position
Australia

Catalogue No. 5306.0

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**INTERNATIONAL INVESTMENT POSITION, AUSTRALIA
DECEMBER QUARTER 1993**

IAN CASTLES
Australian Statistician

AUSTRALIAN BUREAU OF STATISTICS

CATALOGUE NO. 5306.0

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CONTENTS

<i>Table</i>	<i>Page</i>
.. Main Features	1
.. Analysis of results	2
.. Next release date	6
.. Revisions	7
Main Aggregates —	
1 Australia's net international investment position and income	8
2 Foreign investment in Australia - summary	9
3 Australian investment abroad - summary	10
4 Capital transactions	11
5 Investment income	12
6 Levels of investment at end of period	13
7 Levels of foreign debt at end of period	14
8 Interest payable on foreign debt	15
Ratios —	
9 Net foreign liabilities - ratios to GDP	16
10 Net investment income - ratios to exports	16
Foreign investment in Australia —	
11 Foreign investment in Australia, by country	17
12 Foreign investment in Australia, by industry	18
Foreign borrowing —	
13 Foreign borrowing: capital transactions and levels by domicile	19
14 Foreign borrowing: levels at end of period by currency	19
15 Foreign borrowing domiciled abroad: maturity of drawings, repayments and levels	20
Historical tables —	
16 International investment position at end of period	21
17 Capital transactions	22
18 Investment income	23
19 Levels of foreign debt at end of period	24
20 Foreign investment ratios	25
.. Explanatory notes	26
.. List of articles of interest in previous international investment and balance of payments publications	29

INQUIRIES

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- *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

	Sep qtr 1993	Dec qtr 1993	Percentage Change	
			Sep qtr 1993 to Dec qtr 1993	Dec qtr 1992 to Dec qtr 1993
	— \$A million —		— per cent —	
Net foreign liabilities at end of quarter —				
Net equity	61,534	72,154	17.3	58.9
Net debt (a)	174,164	171,980	-1.3	5.2
Net other	195	406	108.2	17.7
Total	235,893	244,540	3.7	16.9
Net investment income payable abroad during quarter	3,106	3,379	8.8	5.3

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

December quarter 1993

Net foreign liabilities of Australian residents at 31 December 1993 totalled \$244,540 million. This was an increase of \$8,647 million, or 3.7 per cent, on the position one quarter earlier.

- The increase consisted of: an inflow of \$4,516 million due to *net capital transactions* (the *balance on capital account* in the balance of payments); *exchange rate variations* of -\$691 million associated with the appreciation of the Australian dollar against other currencies; and *other changes* of \$4,822 million in the value of net foreign liabilities mainly reflecting share price increases on the domestic share market.
- The main cause of the increase was a higher level of *foreign investment in Australia* (up \$7,303 million), reflecting increases in the level of equity held by non-residents in Australian enterprises (up \$12,410 million) partially offset by a reduction in foreign borrowing (down \$5,413 million). The rise in net foreign liabilities was also due to a lower level of *Australian investment abroad* which fell \$1,344 million during the quarter.

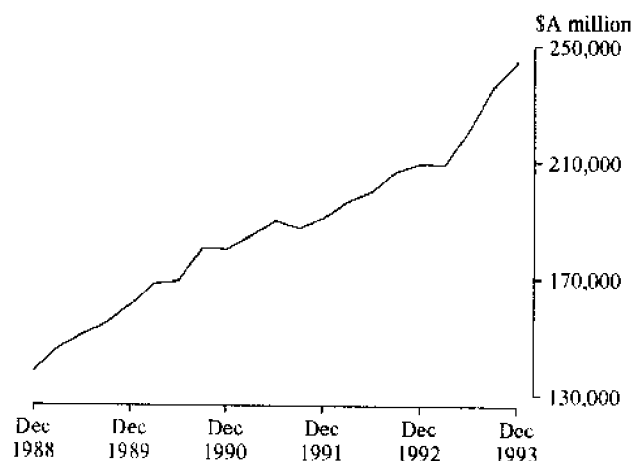
Net foreign debt at 31 December 1993 was \$171,980 million, down \$2,184 million, or 1.3 per cent, on the position a quarter earlier.

- The decrease resulted from an inflow of \$1,554 million due to *net capital transactions* being more than offset by *exchange rate variations* of -\$2,982 million; and *other changes* of -\$756 million.
- The main contributor to the lower net debt level was the \$5,413 million fall in the level of *foreign borrowing* which largely reflected the appreciation of the Australian dollar against all major currencies during the quarter. Decreases in lending abroad (of \$2,185 million) and reserve assets (of \$1,045 million) partly offset the fall in the net level of foreign borrowing.

Net investment income payable abroad during the December quarter was \$3,379 million, up \$273 million (8.8%) on the amount payable in the September quarter 1993, and up \$171 million (5.3%) on the amount payable in the December quarter 1992.

- The increase resulted from a rise of \$142 million in *income payable on foreign investment in Australia* combined with a fall of \$131 million in *income receivable on Australian investment abroad*. The rise in income payable abroad was due to a rise of \$542 million on direct investment income payable partially offset by a fall of \$402 million in income payable on portfolio and other investment (due to falls in public and private sector interest). The fall in income receivable from abroad was due mainly to a fall of \$84 million in Reserve Bank income and a fall of \$32 million on dividends receivable from related foreign enterprises.
- The ratio of net investment income to exports of goods and services for the year ended December 1993 was 16.5 per cent, down 0.1 percentage points on the ratio a quarter earlier.

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)

	Changes in levels during December quarter 1993				Level at 31 Dec 1993	Investment Income during Dec quarter 1993
	Level at 30 Sep 1993	Capital Transactions	Exchange Rate Variations	Other Changes		
Foreign Investment in Australia						
Equity Liabilities	132,967	3,763	45	8,601	145,376	2,096
Borrowing(a)	215,553	587	-5,454	-546	210,140	2,488
Other Investment	8,027	413	-31	-76	8,333	5
Total	356,546	4,763	-5,441	7,980	363,849	4,589
Australian Investment Abroad						
Equity Assets	71,433	1,002	-2,248	3,035	73,222	700
Reserve Assets	22,023	90	-1,339	204	20,978	289
Lending	19,366	-1,058	-1,133	6	17,181	214
Other Investment	7,831	213	-29	-87	7,927	7
Total	120,653	247	-4,749	3,158	119,309	1,210
Net International Investment Position and Income(b)						
Net Equity Liabilities	61,534	2,761	2,293	5,566	72,154	1,397
Net Debt(c)	174,164	1,554	-2,982	-756	171,980	1,984
Net Other Investment	195	201	-2	12	406	-2
Net Foreign Liabilities	235,893	4,516	-691	4,822	244,540	3,379

(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 Australian lending abroad.

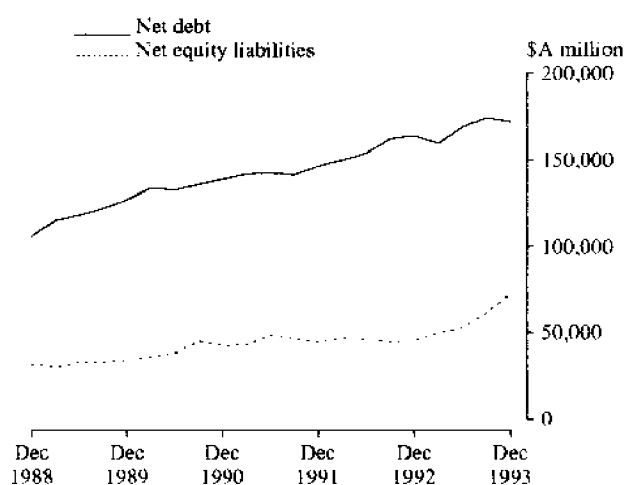
Australia's international investment position at 31 December 1993

Australia's *net international investment position* at 31 December 1993 was net foreign liabilities of \$244,540 million. This was an increase of \$8,647 million (or 3.7%) on the position recorded a quarter earlier and an increase of \$35,306 million (or 16.9%) on the position a year earlier.

The increase of \$8,647 million in Australia's net foreign liabilities during the December quarter resulted from:

- *net capital transactions* of \$4,516 million;
- *exchange rate variations* of -\$691 million associated with the appreciation of the Australian dollar against other currencies; and
- *other changes* of \$4,822 million mainly reflecting increases in the price of shares on the domestic share market.

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



The level of net foreign liabilities at 31 December 1993 represented the difference between the level of:

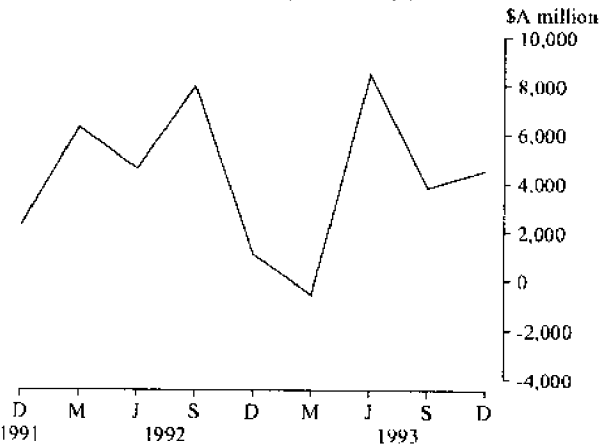
- foreign investment in Australia of \$363,849 million; and
- Australian investment abroad of \$119,309 million.

The level of net foreign liabilities consisted of:

- *net foreign debt* of \$171,980 million (70%);
- *net equity liabilities* of \$72,154 million (30%); and
- *net other investment* of \$406 million.

During the December quarter 1993, the level of net foreign debt fell 1.3 per cent and the level of net equity liabilities rose 17.3 per cent.

GRAPH 3: NET CAPITAL TRANSACTIONS DURING QUARTER (a)

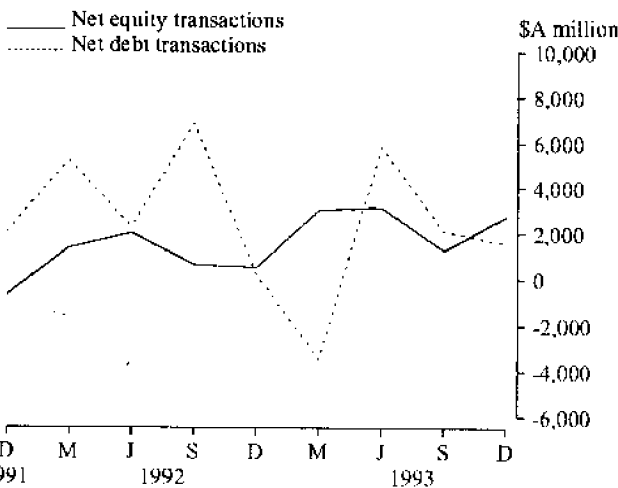


(a) Net capital transactions cover net equity, net debt and net other investment transactions

The inflow of investment from *net capital transactions* during the December quarter 1993 resulted from:

- a net inflow of \$4,763 million, due to additional liabilities incurred on foreign investment in Australia, which was partly offset by
- a net outflow of \$247 million, due to an expansion of Australian investment abroad.

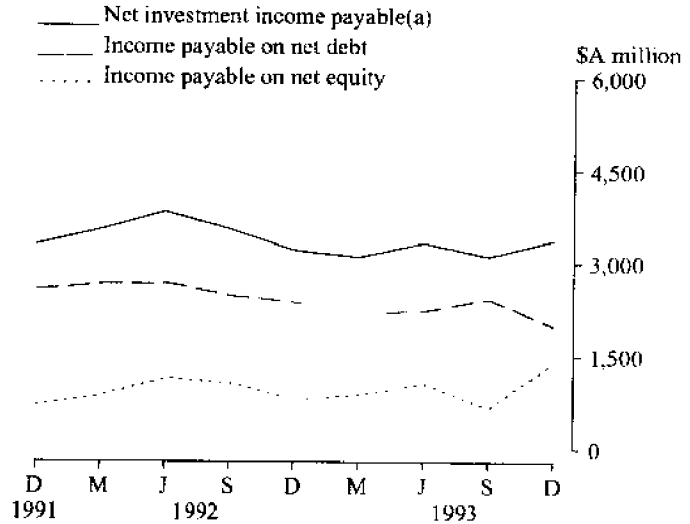
GRAPH 4: NET EQUITY AND DEBT TRANSACTIONS DURING QUARTER



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

- \$2,761 million in respect of net equity investment;
- \$1,554 million in respect of net foreign debt; and
- \$201 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 December quarter 1993 was \$3,379 million, which was equal to income payable on foreign investment in Australia of \$4,589 million less income receivable on Australian investment abroad of \$1,210 million. Net investment income payable rose by \$273 million, or 9 per cent, on the amount recorded for the September quarter 1993 (due to an increase of \$142 million in income payable on foreign investment in Australia and a decrease of \$131 million in income receivable on Australian investment abroad).

Net investment income payable abroad consisted of:

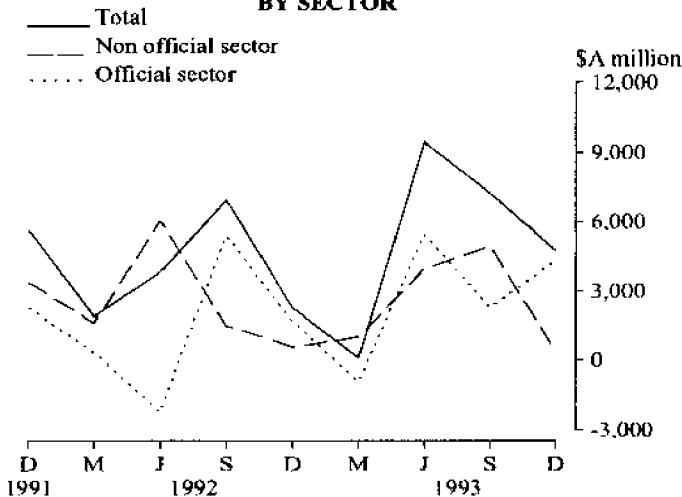
- \$1,984 million interest payable on net foreign debt; and
- \$1,395 million investment income payable on net equity and other liabilities.

Capital transactions (investment flows) in the December quarter 1993

Foreign investment in Australia

A net inflow of \$4,763 million was recorded for foreign investment in Australia during the December quarter 1993. This was a decrease of \$2,492 million on the net inflow of \$7,255 million recorded for the previous quarter, resulting from a decrease of \$2,803 million in borrowing, which was partially offset by an increase of \$310 million in equity and other investment in Australia.

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



Foreign investment in the *official sector* increased due to:

- a turnaround of \$3,545 million in *general government borrowing domiciled in Australia*, from a net outflow of \$1,667 million to a net inflow of \$1,878 million; and
- a fall of \$1,752 million in *general government borrowing domiciled abroad*, from a net inflow of \$4,032 million to a net inflow of \$2,280 million.

Foreign investment in the *non-official sector* increased only marginally in the December quarter compared with an increase of \$4,958 million in the September quarter. This was due to:

- a turnaround of \$3,032 million in borrowing from unrelated foreign lenders, from a net inflow (drawings) of \$520 million to a net outflow (repayments) of \$2,512 million; and
- a turnaround of \$1,615 million in borrowing from related foreign lenders, from a net inflow (drawings) of \$545 million to a net outflow (repayments) of \$1,070 million.

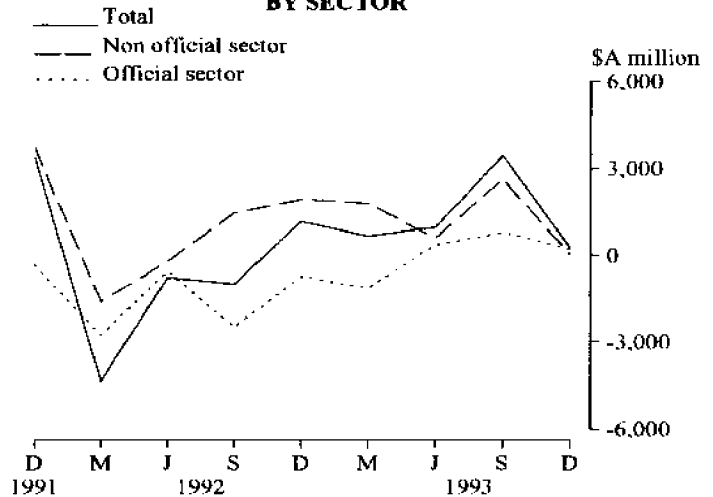
Australian investment abroad

A net outflow of Australian investment abroad of \$247 million was recorded in the December quarter 1993, representing a decrease of \$3,207 million on the net outflow of \$3,454 million for the previous quarter.

Australian investment abroad by the *official sector* decreased by \$585 million, from a net outflow of \$801 million in the September quarter to a net outflow of \$216 million in the December quarter. The December quarter result was due to:

- a decrease of \$624 million in net purchases of *reserve assets* from \$714 million in the September quarter to \$90 million in the December quarter; and
- a turnaround in *official lending* of \$224 million, from a net outflow of \$173 million in the September quarter to a net inflow of \$51 million in the December quarter.

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



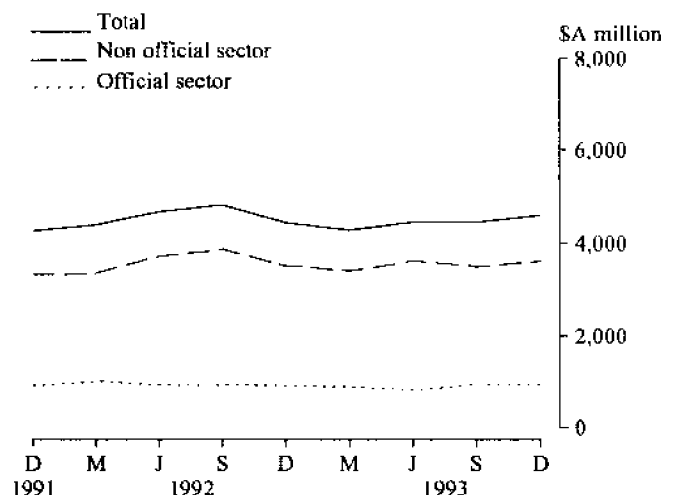
A decrease was also recorded for investment abroad by the *non-official sector*, from a net outflow of \$2,654 million in the September quarter to a net outflow of \$31 million in the December quarter. The December quarter result was mainly due to a turnaround in lending to related foreign enterprises from a net outflow of \$566 million in the September quarter to a net inflow of \$1,821 million in the December quarter.

Investment income in the December quarter 1993

Income payable on foreign investment in Australia

Income payable on foreign investment in Australia was \$4,589 million in the December quarter 1993, up \$142 million (3%) on the September quarter estimate. Interest payable on foreign borrowing accounted for \$2,488 million (54%) of the total investment income payable, down \$536 million (18%) on the previous quarter's estimate.

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



Income payable by the *official sector* was \$968 million, equal to the amount payable during the previous quarter. Income payable by the *non-official sector* rose \$142 million (4%), to \$3,621 million. The largest rises were recorded for:

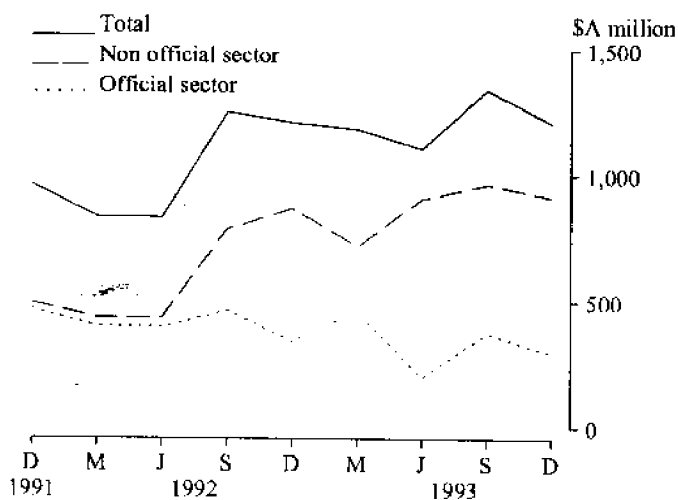
- *dividends* payable on both direct investment and portfolio investment in Australian corporate equities (up \$245 million and \$127 million respectively); and
- *remitted profits* (up \$315 million).

The rises in these two components of income payable by the non-official sector were partially offset by a decrease in interest payable on borrowing from unrelated foreign lenders (down \$529 million).

Income receivable on Australian investment abroad

Income receivable on Australian investment abroad during the December quarter 1993 was \$1,210 million, a decrease of \$131 million (10%) on the previous quarter's estimate. Income receivable by the *official sector* (almost entirely interest on reserve assets) fell by \$83 million (22%). Income receivable by the non-official sector fell by \$48 million (5%), due mainly to a fall in dividends receivable on direct investment abroad.

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



Exchange rate variations in the December quarter 1993

During the December quarter 1993, the Australian dollar appreciated 5 per cent against the United States dollar, 7 per cent against the Swiss franc, 7 per cent against the United Kingdom pound, 12 per cent against the German mark and 12 per cent against the Yen. On a trade weighted basis, the Australian dollar appreciated 7 per cent.

These movements in the Australian dollar against other currencies have resulted in quite substantial negative *exchange rate variations* being recorded for both foreign financial assets and liabilities.

Other changes in levels in the December quarter 1993

Apart from capital transactions and exchange rate variations, there were also *other changes* in Australia's net foreign liabilities during the quarter of \$4,822 million. This represented the difference between *other changes* in the level of foreign investment in Australia of \$7,980 million and *other changes* in the level of Australian investment abroad of \$3,158 million.

Of the other changes in the level of foreign investment in Australia during the quarter, \$8,601 million was due to other changes in equity levels (largely share price increases on the domestic share market); and -\$546 million was due to other changes in the level of borrowing (mainly revisions relating to earlier periods which will be allocated to the correct periods in the next issue of this publication).

Other changes in the level of Australian investment abroad in the quarter were mainly due to other changes in equity levels of \$3,035 million, largely due to additional equity investment abroad of \$1,776 million identified as a result of data confrontation work between the Survey of Foreign Investment and another ABS survey, the Survey of Balance Sheet Information, and share price increases on international share markets.

Levels of investment at 31 December 1993

Foreign investment in Australia

The level of foreign investment in Australia was \$363,849 million at 31 December 1993, an increase of \$7,303 million on the level at 30 September 1993.

The increase was comprised of:

- a net inflow of \$4,763 million from capital transactions;
- exchange rate variations of -\$5,441 million; and
- other changes of \$7,980 million.

The *official sector* accounted for \$63,708 million, or 18% per cent, of the total level of foreign investment in Australia at 31 December 1993. The *non-official sector* accounted for the remaining \$300,141 million, or 82 per cent.

When analysed by instrument of investment, foreign investment in Australia, at 31 December 1993, consisted of the following:

- *foreign borrowing* of \$210,140 million (58%);
- *equity investment* of \$145,376 million (40%); and
- *other investment* of \$8,333 million (2%).

Australian investment abroad

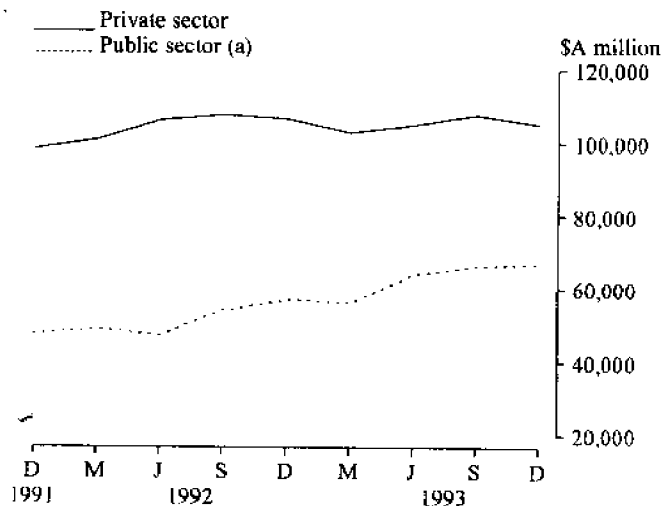
The level of Australian investment abroad was \$119,309 million at 31 December 1993, a decrease of \$1,344 million on the level at 30 September 1993.

Making up the change in levels were:

- a net outflow of \$247 million from capital transactions;
- exchange rate changes of -\$4,749 million; and
- other changes of \$3,158 million.

Levels of investment abroad by the *official sector* fell by \$938 million (4%) during the quarter, to \$23,954 million. Levels of investment abroad by the *non-official sector* fell by \$407 million during the quarter to \$95,354 million. Investment abroad by the *official sector* (mainly comprising holdings of reserve assets) represented 20 per cent of the total level of Australian investment abroad while the *non-official sector* accounted for the remaining 80 per cent. Corporate equities accounted for 75 per cent of the level of *non-official sector* investment abroad.

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



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

Australia's foreign debt

At 31 December 1993, Australia's *net foreign debt* was \$171,980 million, of which the *public sector (official and non-official)* comprised \$66,912 million or 39 per cent of the total. The net foreign debt of the *official sector* was \$42,404 million, or 25 per cent of total net foreign debt.

Non-official public sector trading and financial enterprises accounted for \$24,508 million (14% of total net foreign debt) and *private sector trading and financial enterprises*, \$105,068 million (61% of total net foreign debt). Australia's net foreign debt at 31 December was down \$2,183 million (1%) on the level at 30 September 1993.

As Table 1 shows there was a net inflow of \$1,554 million from capital transactions during December quarter 1993. Capital transactions during the quarter were more than offset by exchange rate variations of -\$2,982 million and other changes of -\$756 million. Exchange rate variations contributed most to the overall fall of \$2,183 in Australia's net foreign debt.

The level of *net foreign debt* at 31 December 1993 was made up of borrowing from non-residents (*gross foreign debt*) of \$210,140 million, partly offset by reserve assets and Australian lending abroad of \$38,159 million.

At 31 December 1993, 61 per cent (\$128,689 million) of Australia's foreign borrowing was denominated in foreign currencies and 39 per cent (\$81,451 million) in Australian dollars. US dollars represented the largest currency of borrowing, comprising \$94,750 million or 74 per cent of foreign currency borrowing. Of the amount denominated in Australian dollars, \$53,402 million (66%) was domiciled abroad with the remaining \$28,049 million domiciled in Australia.

Release date for March quarter 1994 issue

The expected release date for the March quarter 1994 issue of *International Investment Position, Australia* (\$306.0) is 3 June 1994.

REVISIONS

Since the last issue of this publication, revisions have been made to estimates of capital transactions, levels of international investment and investment income from 1988-89 onwards.

The revisions are as a result of the incorporation of data from the 1992-93 annual Survey of Foreign Investment and revised estimates from quarterly Survey of Foreign Investment respondents. The revisions not resulting from the annual survey have been largely caused by late or incorrect reporting by some survey respondents and the reallocation of amounts previously recorded in *other*

changes. To maintain the timeliness of this publication it is the usual practice to include interim entries, for reconciliation purposes, in *other changes* in levels for the reference quarter. These interim entries cover revisions to levels and changes in levels for earlier periods that are taken into account in the closing levels estimates for the reference quarter, but cannot be incorporated in the estimates for earlier periods in the time available. These interim entries are subsequently reallocated to the appropriate periods and reflected in the revised figures published in the next issue of this publication.

REVISIONS SUMMARY TABLE
(SA million)

	<i>Change in this publication</i>					<i>Sept quarter 1993</i>
	<i>1988-89</i>	<i>1989-90</i>	<i>1990-91</i>	<i>1991-92</i>	<i>1992-93</i>	
Capital transactions						
Foreign investment in Australia	99	1099	806	342	2171	-483
Australian investment abroad	0	-563	-177	-19	1670	-872
Net	99	1662	983	361	501	389
Investment income						
Foreign investment in Australia	44	55	-52	83	1717	765
Australian investment abroad	0	-3	-12	-48	1172	470
Net	44	58	-40	131	545	295
Level of foreign debt						
Foreign investment in Australia	-165	700	624	992	-2787	-3432
Australian investment abroad	0	-467	-1049	183	148	209
Net	-165	1167	1673	809	-2935	-3641
Level of equity and other investment						
Foreign investment in Australia	346	741	612	727	-475	-79
Australian investment abroad	0	0	-15	650	-338	-556
Net	346	741	627	77	-137	477
Total level of investment						
Foreign investment in Australia	181	1441	1236	1719	-3262	-3511
Australian investment abroad	0	-467	-1064	833	-190	-347
Net	181	1908	2300	886	-3072	-3164

TABLE I. AUSTRALIA'S NET INTERNATIONAL INVESTMENT POSITION AND
INCOME (a)
(SA million)

Period	Changes in levels of investment during the period					Total	Levels of investment at end of period	Investment Income (c)
	Levels of investment at beginning of period	Reinvestment of earnings by direct investors (b)	Other transactions	Exchange rate variations	Other changes			
NET EQUITY								
<i>Year—</i>								
1990-91	37,868	470	11,291	141	-1,358	10,543	48,411	4,376
1991-92	48,411	195	2,191	-2,757	-2,183	-2,554	45,857	3,583
1992-93	45,857	388	6,968	-2,055	1,726	7,027	52,884	3,826
<i>Quarter ended—</i>								
<i>1992-93</i>								
September	45,857	97	545	-1,381	-551	-1,290	44,567	1,065
December	44,567	97	425	1,042	-721	843	45,410	812
March	45,410	97	2,937	856	608	4,498	49,908	876
June	49,908	97	3,061	-2,573	2,390	2,976	52,884	1,072
<i>1993-94</i>								
September	52,884	100	1,168	-1,871	9,253	8,650	61,534	670
December	61,534	100	2,661	2,293	5,566	10,620	72,154	1,397
NET FOREIGN DEBT (d)								
<i>Year—</i>								
1990-91	132,231	..	7,284	1,749	1,207	10,241	142,472	12,655
1991-92	142,472	..	12,506	1,767	3,246	(e)11,027	153,499	11,027
1992-93	153,499	..	9,403	6,674	789	15,288	168,787	9,280
<i>Quarter ended—</i>								
<i>1992-93</i>								
September	153,499	..	6,843	2,167	-687	8,323	161,822	2,475
December	161,822	..	222	1,322	113	1,657	163,479	2,364
March	163,479	..	-3,465	-1,104	122	-4,448	159,031	2,203
June	159,031	..	5,804	4,289	-337	9,756	168,787	2,238
<i>1993-94</i>								
September	168,787	..	2,108	3,211	57	5,376	174,164	2,428
December	174,164	..	1,554	-2,982	-756	2,183	171,980	1,984
NET OTHER INVESTMENT								
<i>Year—</i>								
1990-91	-1,433	..	641	72	769	201	-1,232	50
1991-92	1,232	..	1,551	-30	-110	1,411	179	40
1992-93	179	..	135	-136	-740	741	562	82
<i>Quarter ended—</i>								
<i>1992-93</i>								
September	179	..	443	-22	-552	131	48	16
December	48	..	346	-4	46	297	345	31
March	345	..	139	11	-72	-200	145	16
June	145	..	515	122	-69	-706	-562	19
<i>1993-94</i>								
September	-562	..	424	-16	349	757	195	9
December	195	..	201	2	12	210	406	2
NET INTERNATIONAL INVESTMENT POSITION								
<i>Year—</i>								
1990-91	168,666	470	17,934	1,962	619	20,985	189,651	17,080
1991-92	189,651	195	16,249	-1,020	-5,539	9,885	199,536	14,650
1992-93	199,536	388	16,507	4,483	197	21,574	221,110	13,188
<i>Quarter ended—</i>								
<i>1992-93</i>								
September	199,536	97	7,831	765	-1,790	6,902	206,438	3,557
December	206,438	97	993	2,361	-654	2,796	209,234	3,208
March	209,234	97	-667	237	657	-150	209,084	3,095
June	209,084	97	8,350	1,595	1,984	12,026	221,110	3,330
<i>1993-94</i>								
September	221,110	100	3,701	1,324	9,659	14,784	235,893	3,106
December	235,893	100	4,416	-691	4,822	8,647	244,540	3,379

(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 31 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 1991-92.

TABLE 2. FOREIGN INVESTMENT IN AUSTRALIA — SUMMARY
(SA million)

Period	Changes in levels of investment during the period					Total	Levels of investment at end of period	Investment Income (b)
	Levels of investment at beginning of period	Reinvestment of earnings by direct investors (a)	Other transactions	Exchange rate variations	Other changes			
EQUITY								
<i>Year—</i>								
1990-91	94,279	674	9,898	-9	-2,550	8,013	102,292	5,193
1991-92	102,292	750	4,660	70	-124	5,356	107,648	4,744
1992-93	107,648	2,318	8,206	139	1,240	11,904	119,552	6,470
<i>Quarter ended</i>								
<i>1992-93</i>								
September	107,648	579	401	60	2,581	-1,540	106,108	1,663
December	106,108	579	2,246	62	47	2,934	109,042	1,544
March	109,042	579	3,197	69	987	4,832	113,874	1,438
June	113,874	579	2,362	51	2,787	5,677	119,552	1,825
<i>1993-94</i>								
September	119,552	700	2,773	37	9,905	13,415	132,967	1,408
December	132,967	700	3,063	45	(c)8,601	12,410	145,376	2,096
BORROWING								
<i>Year—</i>								
1990-91	163,137	—	12,132	2,387	1,168	15,687	178,824	14,886
1991-92	178,824	—	9,428	4,806	-2,651	11,584	(d)190,408	13,359
1992-93	190,408	—	7,887	9,402	-213	17,076	207,483	11,368
<i>Quarter ended—</i>								
<i>1992-93</i>								
September	190,408	—	5,580	4,483	-953	9,110	199,518	3,126
December	199,518	—	-1,017	466	-176	727	198,791	2,839
March	198,791	—	-3,395	-1,524	217	-4,701	194,089	2,817
June	194,089	—	6,718	5,977	699	13,394	207,483	2,586
<i>1993-94</i>								
September	207,483	—	3,390	4,409	271	8,070	215,553	3,024
December	215,553	—	587	5,454	(e)-546	5,413	210,140	2,488
OTHER INVESTMENT								
<i>Year—</i>								
1990-91	6,425	—	-485	66	426	7	6,431	170
1991-92	6,431	—	617	54	357	314	6,745	93
1992-93	6,745	—	301	33	-319	15	6,760	103
<i>Quarter ended—</i>								
<i>1992-93</i>								
September	6,745	—	368	31	-181	218	6,963	21
December	6,963	—	466	40	-46	459	7,422	35
March	7,422	—	295	-9	-72	-376	7,045	21
June	7,045	—	-238	29	-19	286	6,760	26
<i>1993-94</i>								
September	6,760	—	393	27	847	1,267	8,027	15
December	8,027	—	413	-31	-76	306	8,333	5
TOTAL								
<i>Year—</i>								
1990-91	263,841	674	21,545	2,444	-956	23,707	287,547	20,248
1991-92	287,547	750	14,705	4,930	-3,132	17,253	304,801	18,196
1992-93	304,801	2,318	16,394	9,574	708	28,994	333,795	17,941
<i>Quarter ended—</i>								
<i>1992-93</i>								
September	304,801	579	6,350	4,573	-3,715	7,788	312,588	4,810
December	312,588	579	1,695	567	-176	2,666	315,254	4,418
March	315,254	579	-493	-1,464	1,132	-245	315,009	4,276
June	315,009	579	8,842	5,898	3,467	18,786	333,795	4,437
<i>1993-94</i>								
September	333,795	700	6,555	4,473	11,024	22,752	356,546	4,447
December	356,546	700	4,063	-5,441	7,980	7,303	363,849	4,589

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) Approximately \$6,200 million was due to share price increases on the domestic share market and approximately \$2,400 million was due to revisions to levels and changes in levels which relate to earlier quarters. (d) 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 1991-92. (e) Due mainly to revisions to levels and changes in levels which relate to earlier quarters. These will be reflected in revised figures to be published in the March quarter 1994 issue of *International Investment Position, Australia*, catalogue number 5306.0.

TABLE 3. AUSTRALIAN INVESTMENT ABROAD — SUMMARY
(SA million)

Period	Changes in levels of investment during the period						Levels of investment at end of period	Investment income (b)
	Levels of investment at beginning of period	Reinvestment of earnings by direct investors (a)	Other transactions	Exchange rate variations	Other changes	Total		
EQUITY								
Year—								
1990-91	56,411	205	-1,392	-149	-1,193	-2,530	53,881	817
1991-92	53,881	555	2,469	7,827	2,059	7,910	61,791	1,161
1992-93	61,791	1,930	1,238	2,194	-486	4,876	66,668	2,644
Quarter ended—								
1992-93								
September	61,791	482	-144	1,440	-2,030	-251	61,540	598
December	61,540	482	1,821	-980	768	2,092	63,632	731
March	63,632	482	260	-787	380	334	63,966	563
June	63,966	482	-699	2,521	397	2,701	66,668	752
1993-94								
September	66,668	600	1,604	1,908		4,765	71,433	738
December	71,433	600	402	-2,248	(c)3,035	1,790	73,222	700
LENDING								
Year—								
1990-91	9,035	..	3,402	7	-138	3,270	12,305	658
1991-92	12,305	..	851	752	760	2,364	14,668	677
1992-93	14,668	..	2,433	1,022	-251	3,205	17,873	623
Quarter ended—								
1992-93								
September	14,668	..	1,111	855	-504	1,462	16,130	186
December	16,130	..	1,488	-201	-242	-930	15,200	135
March	15,200	..	1,203	-362	130	971	16,170	152
June	16,170	..	607	730	365	1,703	17,873	151
1993-94								
September	17,873	..	568	617		1,493	19,366	224
December	19,366	..	-1,058	-1,133	308	-2,185	17,181	214
RESERVE ASSETS								
Year—								
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	28,240	1,654
1992-93	22,240	..	-3,950	1,706	827	-1,417	20,823	1,465
Quarter ended—								
1992-93								
September	22,240	..	-2,374	1,461	239	-674	21,566	464
December	21,566	..	-751	-656	-47	-1,454	20,112	340
March	20,112	..	-1,132	-57	-35	-1,224	18,888	463
June	18,888	..	307	958	670	1,935	20,823	198
1993-94								
September	20,823	..	714	581	-95	-1,200	22,023	373
December	22,023	..	90	-1,339	204	-1,045	20,978	289
OTHER INVESTMENT								
Year—								
1990-91	7,857	..	156	-6	-343	-194	7,663	120
1991-92	7,663	..	-935	85	-248	-1,098	6,365	34
1992-93	6,565	..	165	169	422	756	7,321	21
Quarter ended—								
1992-93								
September	6,565	..	-75	53	371	349	6,914	5
December	6,914	..	119	43	—	163	7,077	5
March	7,077	..	-156	-20	—	-176	6,901	5
June	6,901	..	277	93	51	421	7,321	6
1993-94								
September	7,321	..	-32	43	499	510	7,831	6
December	7,831	..	213	-29	-87	96	7,927	9
TOTAL								
Year—								
1990-91	95,174	205	3,611	482	-1,575	2,722	97,896	3,168
1991-92	97,896	555	-1,543	5,950	2,406	7,369	105,265	3,545
1992-93	105,265	1,930	-113	5,091	512	7,420	112,685	4,753
Quarter ended—								
1992-93								
September	105,265	482	-1,481	3,809	-1,925	885	106,150	1,253
December	106,150	482	702	-1,793	479	-130	106,020	1,211
March	106,020	482	174	-1,227	475	-95	105,925	1,182
June	105,925	482	492	4,303	1,483	6,760	112,685	1,107
1993-94								
September	112,685	600	2,854	3,149	1,365	7,968	120,653	1,341
December	120,653	600	-353	-4,749	3,158	-1,344	119,309	1,310

(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) Approximately \$1,200 was due to share price increases on overseas share markets and approximately \$1,800 million was due to revisions to levels and changes in levels relating to earlier periods. These revisions will be reflected in revised figures to be published in the March quarter 1994 issue of *International Investment Position, Australia*, catalogue number 5306.0.

TABLE 4. CAPITAL TRANSACTIONS (a)
(SA million)

	Year			Quarter ended					
	1990-91	1991-92	1992-93	1992-93			1993-94		
				September	December	March	June	September	December
FOREIGN INVESTMENT IN AUSTRALIA									
OFFICIAL									
General Government									
Borrowing									
Domiciled abroad	644	3,552	10,516	4,064	1,065	699	4,688	4,032	2,280
Domiciled in Australia	98	-1,457	1,105	1,393	554	-1,619	777	-1,667	1,878
Total	742	2,095	11,621	5,458	1,619	-920	5,465	2,364	4,158
Other	-5	-29	-35	44	85	21	-55	-27	175
Total	737	2,066	11,586	5,414	1,704	-941	5,410	2,337	4,333
Reserve bank	22	21	39	6	-14	-4	51	40	11
Total official	715	2,087	11,625	5,420	1,690	-945	5,461	2,297	4,344
NON-OFFICIAL									
Direct investment									
Reinvestment of earnings	674	750	2,318	579	579	579	579	700	700
Corporate equities	5,132	2,871	3,704	308	1,320	1,877	199	204	483
Net equity in branches	1,549	712	422	1	109	128	186	57	403
Borrowing	1,500	2,349	-1,511	214	-273	395	1,847	545	-1,070
Other	-309	202	123	448	166	590	99	352	212
Total	8,546	6,885	5,056	1,549	1,901	2,390	784	1,858	304
Portfolio and other investment									
Corporate equities	3,217	1,077	4,080	94	818	1,191	1,977	2,512	2,177
Borrowing									
Public sector	-325	-907	163	319	-397	-1,635	1,550	323	-465
Private sector	10,237	5,870	-2,099	-416	-1,952	1,231	1,499	197	-2,047
Total	9,912	4,962	-2,262	-98	2,348	-2,866	3,049	520	-2,512
Accounts payable/prepayments received									
Public sector	-22	26	2	-2	19	61	-81	6	3
Private sector	-149	418	215	-34	195	255	-202	62	448
Total	-171	444	213	36	214	316	-282	68	451
Total	12,958	6,483	2,030	39	-1,316	-1,359	4,744	3,100	116
Total non-official	21,504	13,368	7,086	1,510	585	1,031	3,961	4,958	419
TOTAL	22,219	15,456	18,711	6,929	2,274	86	9,421	7,255	4,763
AUSTRALIAN INVESTMENT ABROAD									
OFFICIAL									
Reserve assets	1,446	-3,929	-3,950	-2,374	-751	-1,132	307	714	90
Lending	363	-198	47	70	7	41	-27	173	-51
Accounts receivable/prepayments made	382	-69	-125	-40	-131	-47	93	63	28
Other	401	-389	128	-	128	-	-	-23	205
Total official	1,866	-4,585	-3,994	-2,484	-747	-1,138	373	801	216
NON-OFFICIAL									
Direct investment									
Reinvestment of earnings	205	555	1,930	482	482	482	482	600	600
Corporate equities	-3,888	854	2,235	710	2,246	379	-1,100	43	-312
Net equity in branches	224	-162	627	21	-25	18	649	318	22
Lending(a)	2,648	-205	-1,779	-944	-744	-503	411	566	-1,821
Other	2	-77	215	124	14	-7	84	23	83
Total	-813	965	3,227	393	1,974	334	525	1,504	1,472
Portfolio and other investment									
Corporate equities	1,905	2,309	1,624	874	400	102	-248	1,243	736
Lending									
Public sector	86	1,051	128	377	-447	376	-178	198	477
Private sector	1,202	203	4,132	1,748	696	1,288	400	27	338
Total	1,116	1,254	4,260	2,125	249	1,664	223	-171	815
Accounts receivable/prepayments made									
Public sector	-422	1,011	88	-193	21	125	-42	82	142
Private sector	163	80	36	34	87	-227	142	-5	94
Total	-259	-931	-52	-159	108	102	101	77	-47
Total	2,762	2,632	2,584	1,092	-43	1,460	76	1,149	1,503
Total non-official	1,949	3,597	5,811	1,485	1,931	1,794	601	2,654	31
TOTAL	3,815	-988	1,817	-998	1,185	656	974	3,454	247

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

TABLE 5. INVESTMENT INCOME
(\$A million)

	Year			Quarter ended					
	1990-91	1991-92	1992-93	1992-93			1993-94		
				September	December	March	June	September	December
INCOME PAYABLE ON FOREIGN INVESTMENT IN AUSTRALIA									
OFFICIAL ---									
General Government ---									
Interest on borrowing domiciled abroad	1,916	2,015	2,025	479	590	392	564	553	775
Interest on borrowing domiciled in Australia	1,888	1,890	1,513	455	324	483	250	405	184
Other income	—	—	—	—	—	—	—	—	—
Total	3,804	3,905	3,537	934	913	875	814	958	959
Reserve Bank	39	34	38	9	9	11	10	10	9
Total official	3,843	3,939	3,576	943	922	886	824	968	968
NON-OFFICIAL ---									
Direct investment income									
Reinvested earnings	674	750	2,318	579	579	579	579	700	700
Distributed earnings ---									
Dividends	2,124	1,650	1,514	320	367	364	462	342	587
Remitted profits	1,314	1,379	1,617	583	280	312	442	165	480
Interest	1,375	1,107	1,147	297	304	301	245	280	261
Total	4,813	4,137	4,278	1,200	951	978	1,150	786	1,328
Total, direct investment income	5,487	4,887	6,596	1,780	1,530	1,557	1,729	1,486	2,028
Portfolio and other investment income ---									
Dividends	1,081	964	1,021	181	317	182	341	202	329
Interest ---									
Public Sector	3,148	2,667	1,762	513	375	508	366	456	219
Private Sector	6,690	5,739	4,986	1,394	1,274	1,142	1,176	1,336	1,044
Total	9,837	8,405	6,748	1,907	1,649	1,650	1,543	1,792	1,263
Total, portfolio and other investment income	10,918	9,369	7,769	2,088	1,966	1,832	1,884	1,994	1,592
Total non-official	16,405	14,256	14,366	3,867	3,496	3,390	3,613	3,479	3,621
TOTAL	20,248	18,196	17,941	4,810	4,418	4,276	4,437	4,447	4,589
INCOME RECEIVABLE ON AUSTRALIAN INVESTMENT ABROAD									
OFFICIAL ---									
General Government	106	16	4	1	1	—	1	4	4
Reserve Bank	1,573	1,654	1,465	464	340	463	198	373	289
Total official	1,679	1,670	1,468	465	341	463	199	377	294
NON-OFFICIAL ---									
Direct Investment Income ---									
Reinvested earnings	205	555	1,930	482	482	482	482	600	600
Distributed earnings ---									
Dividends	259	222	384	12	177	16	179	61	29
Remitted profits	65	28	17	7	-1	7	4	5	—
Interest(a)	-99	63	-78	12	-38	-23	29	19	5
Total(a)	226	313	323	30	138	-1	155	47	24
Total, direct investment income	430	868	2,253	513	621	482	638	647	624
Portfolio and other investment income ---									
Dividends	283	355	314	97	72	58	86	72	71
Interest	775	652	718	178	177	179	185	245	222
Total, portfolio and other investment income	1,058	1,007	1,032	275	249	237	271	317	292
Total non-official	1,489	1,875	3,285	788	870	719	908	964	916
TOTAL	3,168	3,545	4,753	1,253	1,211	1,182	1,107	1,341	1,210

(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					
	1990-91	1991-92	1992-93	1992-93			1993-94		
				September	December	March	June	September	December
FOREIGN INVESTMENT IN AUSTRALIA									
OFFICIAL —									
General Government —									
Borrowing (a)									
Domiciled abroad	20,664	24,977	37,911	30,137	30,662	31,699	37,911	42,681	43,605
Domiciled in Australia	20,269	18,721	19,774	20,063	20,616	18,997	19,774	18,246	19,983
Total	40,933	43,698	57,685	50,200	51,278	50,696	57,685	60,927	63,588
Other	28	-57	-92	-101	-16	37	92	-119	56
Total	40,905	43,641	57,593	50,099	51,262	50,659	57,593	60,808	63,644
Reserve Bank	33	54	93	60	46	42	93	53	64
Total official	40,938	43,695	57,686	50,159	51,308	50,701	57,686	60,861	63,708
NON-OFFICIAL —									
Direct investment —									
Corporate equities									
Net equity in branches	14,087	14,308	16,529	14,048	16,193	15,896	16,529	18,538	18,071
Borrowing (a)	20,555	23,835	23,771	24,486	24,419	24,713	23,771	25,225	24,308
Other	3,038	3,096	3,309	3,825	3,939	3,295	3,309	3,648	3,253
Total	99,115	104,997	111,257	103,754	107,488	109,615	111,257	116,107	122,381
Portfolio and other investment									
Corporate equities									
Borrowing (a) —									
Public sector	33,739	33,821	34,970	34,442	34,037	32,291	34,970	35,685	32,280
Private sector	83,565	88,999	90,964	90,329	89,010	86,347	90,964	93,663	89,900
Total	117,304	122,821	125,934	124,771	123,047	118,639	125,934	129,348	122,180
Accounts payable/prepayments received	3,421	3,706	3,543	3,239	3,499	3,787	3,543	4,498	5,024
Total portfolio and other investment	147,494	156,109	164,851	156,675	156,458	154,693	164,851	179,578	177,760
Total non-official	246,610	261,106	276,108	262,429	263,946	264,308	276,108	295,685	300,141
TOTAL	287,547	304,801	333,795	312,588	315,254	315,009	333,795	356,546	363,849
AUSTRALIAN INVESTMENT ABROAD									
OFFICIAL —									
Reserve assets	24,047	22,240	20,823	21,566	20,112	18,888	20,823	22,023	20,978
Lending	452	175	140	113	118	155	140	318	269
Accounts receivable/prepayments made	1,316	1,247	1,122	1,207	1,076	1,029	1,122	1,057	1,031
Other	1,755	1,366	1,494	1,366	1,494	1,494	1,494	1,494	1,676
Total official	27,570	25,028	23,579	24,252	22,800	21,566	23,579	24,892	23,954
NON-OFFICIAL —									
Direct investment —									
Corporate equities									
Net equity in branches	1,624	1,779	1,992	1,701	1,275	1,271	1,992	2,213	2,134
Lending (b)	286	69	-2,032	-1,221	-2,040	-2,710	-2,032	1,743	-3,806
Other	247	85	422	310	322	318	422	405	491
Total	38,422	43,565	45,140	42,464	43,773	43,096	45,140	47,457	45,275
Portfolio and other investment —									
Corporate equities									
Lending	14,889	18,379	19,919	18,165	18,141	18,478	19,919	22,638	24,633
Accounts receivable/prepayments made	12,139	14,424	19,764	17,238	17,122	18,725	19,764	20,791	20,718
Total	4,877	3,868	4,283	4,032	4,184	4,059	4,283	4,875	4,729
Total	31,904	36,672	43,966	39,435	39,447	41,262	43,966	48,304	50,080
Total non-official	70,326	80,237	89,106	81,899	83,220	84,359	89,106	95,761	95,354
TOTAL	97,896	105,265	112,685	106,150	106,020	105,925	112,685	120,653	119,309

(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
(SA million)

	Year			Quarter ended					
	1990-91	1991-92	1992-93	1992-93			1993-94		
				September	December	March	June	September	December
FOREIGN BORROWING (GROSS DEBT)(a)									
OFFICIAL —									
Commonwealth Government and Reserve Bank	16,530	15,327	19,815	16,724	17,934	17,560	19,815	18,713	20,440
State Government	24,435	28,425	37,963	33,536	33,391	33,178	37,963	42,268	43,212
Total official	40,966	43,752	57,778	50,260	51,324	50,738	57,778	60,980	63,652
NON-OFFICIAL —									
Financial Enterprises —									
Public sector	20,408	21,300	23,262	22,453	21,981	21,362	23,262	25,384	22,532
Private sector	53,110	63,494	64,368	65,143	64,592	62,811	64,368	68,507	66,187
<i>Total</i>	<i>73,518</i>	<i>84,794</i>	<i>87,630</i>	<i>87,596</i>	<i>86,572</i>	<i>84,173</i>	<i>87,630</i>	<i>93,891</i>	<i>88,719</i>
Trading Enterprises									
Public sector	13,331	12,522	11,708	11,989	12,056	10,930	11,708	10,314	9,748
Private sector	51,010	49,340	50,367	49,672	48,838	48,249	50,367	50,367	48,021
<i>Total</i>	<i>64,340</i>	<i>61,862</i>	<i>62,075</i>	<i>61,661</i>	<i>60,894</i>	<i>59,178</i>	<i>62,075</i>	<i>60,681</i>	<i>57,769</i>
Total non-official	137,858	146,656	149,705	149,258	147,466	143,351	149,705	154,572	146,488
TOTAL	178,824	190,408	207,483	199,518	198,791	194,089	207,483	215,553	210,140
Of which —									
Public sector									
Official	40,966	43,752	57,778	50,260	51,324	50,738	57,778	60,980	63,652
Non-official	33,739	33,821	34,970	34,442	34,037	32,291	34,970	35,699	32,280
<i>Total</i>	<i>74,704</i>	<i>77,573</i>	<i>92,748</i>	<i>84,703</i>	<i>85,361</i>	<i>83,029</i>	<i>92,748</i>	<i>96,679</i>	<i>95,932</i>
Private sector	104,119	112,834	114,735	114,815	113,430	111,060	114,735	118,874	114,208
AUSTRALIAN LENDING ABROAD AND RESERVE ASSETS									
OFFICIAL —									
Reserve assets	24,047	22,240	20,823	21,566	20,112	18,888	20,823	22,023	20,978
Lending	452	175	140	113	118	155	140	318	269
Total official	24,499	22,415	20,963	21,679	20,230	19,043	20,963	22,341	21,247
NON-OFFICIAL —									
Financial enterprises	11,144	13,638	15,626	14,573	14,255	15,336	15,626	16,890	14,873
Trading enterprises	709	855	2,107	1,444	827	679	2,107	2,158	2,039
Total non-official	11,853	14,494	17,733	16,017	15,081	16,015	17,733	19,048	16,912
TOTAL	36,352	36,908	38,696	37,696	35,312	35,058	38,696	41,389	38,159
Of which —									
Public sector									
Official	24,499	22,415	20,963	21,679	20,230	19,043	20,963	22,341	21,247
Non-official	5,494	7,963	8,009	8,913	8,267	7,924	8,009	8,009	7,773
<i>Total</i>	<i>29,993</i>	<i>30,377</i>	<i>28,972</i>	<i>30,591</i>	<i>28,497</i>	<i>26,967</i>	<i>28,972</i>	<i>30,350</i>	<i>29,020</i>
Private sector	6,359	6,531	9,724	7,105	6,814	8,091	9,724	11,039	9,139
NET FOREIGN DEBT(a)(b)									
OFFICIAL —	16,467	21,337	36,815	28,582	31,094	31,695	36,815	38,639	42,404
NON-OFFICIAL —									
Financial enterprises	62,373	71,156	72,004	73,023	72,318	68,837	72,004	77,002	73,846
Trading enterprises	63,632	61,007	59,968	60,217	60,067	58,499	59,968	58,523	55,730
Total non-official	126,005	132,162	131,972	133,240	132,385	127,337	131,972	135,524	129,576
TOTAL	142,472	153,499	168,787	161,822	163,479	159,031	168,787	174,164	171,980
Of which —									
Public sector									
Official	16,467	21,337	36,815	28,582	31,094	31,695	36,815	38,639	42,404
Non-official	28,245	25,859	26,961	25,530	25,770	24,368	26,961	27,689	24,508
<i>Total</i>	<i>44,712</i>	<i>47,196</i>	<i>63,776</i>	<i>54,112</i>	<i>56,864</i>	<i>56,062</i>	<i>63,776</i>	<i>66,329</i>	<i>66,912</i>
Private sector	97,760	106,303	105,011	107,710	106,615	102,969	105,011	107,835	105,068

(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 for 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
(SA million)

	Year			Quarter ended					
	1990-91	1991-92	1992-93	1992-93			1993-94		
				September	December	March	June	September	December
INTEREST PAYABLE ON FOREIGN BORROWING									
OFFICIAL —									
Commonwealth Government and Reserve Bank									
State Government	1,967	1,665	1,420	344	404	442	229	318	286
Total official	3,843	3,939	3,576	943	922	886	824	968	968
NON-OFFICIAL —									
Financial Enterprises —									
Public sector	2,038	1,658	933	280	165	304	183	330	123
Private sector	3,725	3,684	3,461	993	848	808	812	876	701
Total	5,762	5,342	4,394	1,273	1,014	1,112	995	1,206	824
Trading Enterprises									
Public sector	1,110	1,009	827	232	210	204	181	126	95
Private sector	4,171	3,069	2,572	678	694	614	586	724	600
Total	5,280	4,077	3,399	910	903	818	767	851	695
Total non-official	11,043	9,419	7,792	2,183	1,917	1,930	1,762	2,057	1,519
TOTAL	14,886	13,359	11,368	3,126	2,839	2,817	2,586	3,024	2,488
Of which —									
Public sector									
Official	3,843	3,939	3,576	943	922	886	824	968	968
Non-official	3,148	2,667	1,760	513	375	508	365	456	219
Total	6,991	6,606	5,336	1,455	1,297	1,395	1,189	1,424	1,187
Private sector	7,895	6,753	6,032	1,670	1,542	1,422	1,398	1,601	1,301
INTEREST RECEIVABLE ON AUSTRALIAN LENDING ABROAD AND RESERVE ASSETS									
OFFICIAL —									
Reserve assets	1,573	1,654	1,465	464	340	463	198	373	289
Lending	94	16	4	1	1	—	1	4	4
Total official	1,667	1,670	1,468	465	341	463	199	377	294
NON-OFFICIAL —									
Financial enterprises	887	679	665	189	150	173	153	165	130
Trading enterprises	-323	18	-45	-4	-16	-22	-3	55	80
Total non-official	564	661	620	185	134	151	150	220	209
TOTAL	2,231	2,331	2,088	650	475	614	349	597	503
Of which —									
Public sector									
Official	1,667	1,670	1,468	465	341	463	199	377	294
Non-official	537	413	386	128	93	83	82	63	41
Total	2,204	2,083	1,854	593	434	546	281	440	335
Private sector	27	248	234	57	41	68	67	156	169
NET INTEREST PAYABLE(a)									
OFFICIAL —	2,176	2,269	2,107	477	581	424	625	591	675
NON-OFFICIAL —									
Financial enterprises	4,876	4,663	3,729	1,084	864	939	842	1,041	694
Trading enterprises	5,603	4,096	3,444	914	919	841	770	796	615
Total non-official	10,479	8,759	7,173	1,998	1,783	1,779	1,613	1,837	1,310
TOTAL	12,655	11,027	9,280	2,475	2,364	2,203	2,238	2,428	1,984
Of which —									
Public sector									
Official	2,176	2,269	2,107	477	581	424	625	591	675
Non-official	2,610	2,254	1,374	385	282	426	282	393	178
Total	4,786	4,522	3,482	862	863	849	907	983	852
Private sector	7,869	6,505	5,798	1,613	1,501	1,354	1,330	1,444	1,132

(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
<i>Year—</i>							
1990-91	379,902	189,651	142,472	47,179	49.9	37.5	12.4
1991-92	388,071	199,536	153,499	46,036	51.4	39.6	11.9
1992-93	401,698	221,110	168,787	52,322	55.0	42.0	13.0
<i>Year ended(b) —</i>							
<i>1992-93</i>							
September	391,256	206,438	161,822	44,616	52.8	41.4	11.4
December	395,308	209,234	163,479	45,755	52.9	41.4	11.6
March	397,428	209,084	159,031	50,053	52.6	40.0	12.6
June	401,698	221,110	168,787	52,322	55.0	42.0	13.0
<i>1993-94</i>							
September	405,758	235,893	174,164	61,730	58.1	42.9	15.2
December	nya	244,540	171,980	72,560	nya	nya	nya

(a) These ratios are derived by expressing net foreign liabilities at a particular date as a percentage of GDP(I) for the year preceding this date. (b) Estimates of annual GDP(I) 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
<i>Year</i>							
1990-91	65,154	17,080	12,655	4,426	26.2	19.4	6.8
1991-92	68,828	14,650	11,027	3,623	21.3	16.0	5.3
1992-93	74,322	13,188	9,280	3,908	17.7	12.5	5.3
<i>Year ended(b) —</i>							
<i>1992-93</i>							
September	69,417	14,233	10,377	3,856	20.5	14.9	5.6
December	71,470	14,140	10,176	3,964	19.8	14.2	5.5
March	72,911	13,691	9,714	3,977	18.8	13.3	5.5
June	74,322	13,188	9,280	3,908	17.7	12.5	5.3
<i>1993-94</i>							
September	76,731	12,738	9,233	3,505	16.6	12.0	4.6
December	78,022	12,910	8,853	4,057	16.5	11.3	5.2

(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					
	1990-91	1991-92	1992-93	1992-93			1993-94		
				September	December	March	June	September	December
CAPITAL TRANSACTIONS(a)									
OECD —									
USA	7,554	5,276	10,324	-41	4,271	3,195	2,899	209	2,612
Japan	2,131	-220	-3,219	935	-1,782	-2,704	331	329	-1,693
Switzerland	936	-237	23	113	-466	143	234	-160	416
EC—									
UK	5,226	1,875	3,663	512	763	1,360	1,028	2,804	-549
Other(c)	-636	839	711	656	-416	224	247	459	-10
Total	4,591	1,036	4,373	1,168	347	1,584	1,275	3,264	-559
Other OECD	1,988	380	761	-26	890	159	-262	591	-287
Total OECD	15,327	6,234	12,263	2,148	3,261	2,377	4,477	4,233	489
ASEAN	-1,084	635	-1,252	-562	-19	-461	-210	501	-257
Other countries(d)	1,834	2,230	1,606	825	-820	1,584	17	342	563
International capital markets	3,086	4,631	6,381	5,542	-1,665	-1,886	4,390	2,442	1,589
International institutions	757	82	-954	1,040	1,509	-1,318	-106	146	984
Unallocated	2,298	1,642	668	16	8	-209	853	-409	1,394
TOTAL	22,219	15,456	18,711	6,929	2,274	86	9,421	7,255	4,763
INVESTMENT INCOME(b)									
OECD —									
USA	4,018	3,256	5,065	1,352	1,144	1,167	1,401	764	1,303
Japan	3,201	2,925	2,263	682	499	575	508	639	410
Switzerland	479	406	478	89	117	155	116	82	52
EC—									
UK	3,026	2,719	3,153	737	930	681	805	553	453
Other(c)	998	948	1,083	263	354	255	211	169	218
Total	4,024	3,667	4,236	1,001	1,284	936	1,016	722	671
Other OECD	150	74	549	86	179	139	145	32	12
Total OECD	11,872	10,329	12,591	3,209	3,223	2,972	3,187	2,240	2,449
ASEAN	545	356	351	94	65	117	74	74	43
Other countries(d)	998	787	925	231	237	205	253	114	121
International capital markets	4,885	4,498	3,221	918	781	803	720	867	755
International institutions	39	25	40	10	9	11	10	10	9
Unallocated	1,909	2,201	813	348	104	168	194	1,144	1,212
TOTAL	20,248	18,196	17,941	4,810	4,418	4,276	4,437	4,447	4,589
LEVELS OF INVESTMENT AT END OF PERIOD									
OECD —									
USA	55,652	59,425	75,303	59,601	66,610	69,706	75,303	78,181	78,947
Japan	51,008	52,047	51,204	52,436	50,870	48,536	51,204	53,402	47,807
Switzerland	7,234	6,601	8,098	8,019	7,400	7,560	8,098	8,090	8,325
EC—									
UK	50,949	55,908	60,215	56,590	56,481	57,882	60,215	61,322	65,424
Other(c)	21,282	21,859	22,421	22,209	21,436	22,122	22,421	23,611	23,644
Total	72,232	77,767	82,636	78,799	77,917	80,004	82,636	84,934	89,068
Other OECD	12,235	11,973	11,196	11,198	10,406	10,645	11,196	11,671	11,423
Total OECD	198,361	207,813	228,437	210,053	213,203	216,450	228,437	236,278	235,570
ASEAN	6,701	8,002	7,366	7,384	7,509	6,979	7,366	7,230	7,507
Other countries(d)	13,295	15,953	23,620	17,909	17,479	18,475	23,620	17,219	17,267
International capital markets	50,066	52,796	55,649	58,771	57,274	55,001	55,649	65,392	66,857
International institutions	1,014	1,097	142	57	1,567	249	142	288	1,272
Unallocated	18,111	19,140	18,580	18,415	18,223	17,855	18,580	30,139	35,376
TOTAL	287,547	304,801	333,795	312,588	315,254	315,009	333,795	356,546	363,849

(a) From September quarter 1992, 'Reinvestment of earnings' is not classified by country and is therefore included in 'Unallocated'. (b) From September quarter 1992, 'Reinvested earnings' is not classified by country and is therefore included in 'Unallocated'. (c) From 1990-91 includes the former Federal Republic of Germany. Prior to 1990-91 the German Democratic Republic is included in 'other countries'. (d) Includes the former German Democratic Republic up to 1989-90. From 1990-91 the former German Democratic Republic is included in 'EC-other'.

TABLE 12. FOREIGN INVESTMENT IN AUSTRALIA, BY INDUSTRY(a)
(SA million)

Industry of investment	Year			Quarter ended					
	1990-91	1991-92	1992-93	1992-93				1993-94	
				September	December	March	June	September	December
CAPITAL TRANSACTIONS									
Mining	1,966	-173	573	-318	83	-207	35	-353	-137
Manufacturing	2,084	2,101	4,129	302	1,348	1,419	1,059	268	15
Electricity, gas and water	123	-774	-699	-141	104	627	-34	42	77
Wholesale and retail trade	2,265	2,020	1,015	120	748	560	947	-606	220
Transport and storage	928	522	-244	57	-27	-18	257	-751	74
Finance, property etc.(b)	18,049	13,054	9,958	5,762	-817	-153	5,166	8,991	1,186
Other industries(c)	-2,329	-1,640	4,367	1,149	1,003	33	2,182	-1,498	2,401
Unallocated(d)(e)	621	1,391	758	238	-2	199	323	1,781	1,516
TOTAL	22,219	15,456	18,711	6,929	2,274	86	9,421	7,255	4,763
INVESTMENT INCOME									
Mining	2,347	1,771	1,896	591	439	379	487	231	458
Manufacturing	2,570	2,548	3,563	849	922	895	896	353	359
Electricity, gas and water	317	277	224	75	40	34	75	32	9
Wholesale and retail trade	1,382	617	1,243	279	274	262	428	152	377
Transport and storage	763	663	658	172	179	153	155	121	26
Finance, property etc.(b)	9,403	9,408	8,113	2,191	1,959	2,032	1,931	2,175	1,697
Other industries(c)	2,109	1,892	1,295	309	386	405	195	328	288
Unallocated(d)(e)	1,358	1,020	950	344	219	117	270	1,056	1,375
TOTAL	20,248	18,196	17,941	4,810	4,418	4,276	4,437	4,447	4,589
LEVELS OF INVESTMENT AT END OF PERIOD									
Mining	29,062	30,050	32,830	29,832	29,761	30,404	32,830	32,123	36,674
Manufacturing	50,011	51,352	58,859	51,574	55,141	56,457	58,859	60,856	61,922
Electricity, gas and water	5,317	4,775	4,363	4,790	4,877	4,271	4,363	4,394	4,309
Wholesale and retail trade	28,444	30,699	30,917	29,465	30,046	29,372	30,917	29,923	29,853
Transport and storage	9,089	8,943	8,803	8,807	8,880	8,786	8,803	8,203	8,126
Finance, property etc.(b)	137,902	150,750	164,461	159,116	156,738	155,575	164,461	173,882	171,249
Other industries(c)	24,933	24,329	29,763	25,559	26,354	26,507	29,763	28,471	30,239
Unallocated(d)(e)	2,791	3,903	3,799	3,444	3,458	3,637	3,799	18,696	21,478
TOTAL	287,547	304,801	333,795	312,588	315,254	315,009	333,795	356,546	363,849

(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 19. (b) Includes Reserve Bank and the State government component of General government. (c) Includes Commonwealth government component of General government. (d) From September quarter 1992 'Reinvestment of earnings' is not classified by industry and is included in 'Unallocated'. (e) From September quarter 1992, 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)**
(SA million)

	Year			Quarter ended					
	1990-91	1991-92	1992-93	1992-93			1993-94		
				September	December	March	June	September	December
Capital transactions									
Domiciled abroad (b)---									
Foreign currency	4,832	9,026	3,043	55	1,655	-163	1,497	4,299	105
Australian currency	4,655	1,999	4,507	3,910	-2,324	-1,071	3,992	1,138	1,434
<i>Total</i>	<i>9,487</i>	<i>11,026</i>	<i>7,550</i>	<i>3,964</i>	<i>669</i>	<i>1,234</i>	<i>5,489</i>	<i>5,438</i>	<i>1,330</i>
Domiciled in Australia									
Securities									
Purchases by non-residents	27,300	49,589	36,381	10,462	9,672	9,228	7,019	8,934	7,783
Sales by non-residents	26,128	51,413	36,104	8,965	9,394	11,513	6,232	10,931	6,694
<i>Net</i>	<i>1,173</i>	<i>1,824</i>	<i>277</i>	<i>1,497</i>	<i>278</i>	<i>-2,285</i>	<i>787</i>	<i>-1,997</i>	<i>1,090</i>
Deposits	1,472	227	60	119	-626	125	442	-51	827
<i>Total</i>	<i>2,645</i>	<i>-1,597</i>	<i>337</i>	<i>1,616</i>	<i>-348</i>	<i>2,160</i>	<i>1,229</i>	<i>-2,048</i>	<i>1,917</i>
Total	12,132	9,428	7,887	5,580	-1,017	-3,395	6,718	3,390	587
Levels at end of period ---									
Domiciled abroad (c)---									
Foreign currency	103,330	111,356	123,649	115,721	117,489	116,591	123,649	132,426	126,713
Australian currency	43,640	48,537	53,682	52,341	50,218	48,578	53,682	55,023	53,402
<i>Total</i>	<i>146,970</i>	<i>159,893</i>	<i>177,331</i>	<i>168,062</i>	<i>167,707</i>	<i>165,169</i>	<i>177,331</i>	<i>187,449</i>	<i>180,115</i>
Domiciled in Australia									
Securities	25,521	23,702	23,266	24,510	24,764	22,479	23,266	21,267	22,357
Deposits	6,333	6,812	6,886	6,946	6,320	6,442	6,886	6,836	7,667
<i>Total</i>	<i>31,854</i>	<i>30,514</i>	<i>30,152</i>	<i>31,456</i>	<i>31,084</i>	<i>28,920</i>	<i>30,152</i>	<i>28,104</i>	<i>30,025</i>
Total	178,824	190,408	207,483	199,518	198,791	194,089	207,483	215,553	210,140

(a) For a definition of domicile, see Explanatory Notes, paragraph 17. (b) 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. (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 for earlier periods.

**TABLE 14. FOREIGN BORROWING:
LEVELS AT END OF PERIOD BY CURRENCY (a)**
(SA million)

	Year			Quarter ended					
	1990-91	1991-92	1992-93	1992-93			1993-94		
				September	December	March	June	September	December
Foreign currencies--									
United States Dollars	63,410	78,455	91,503	79,462	85,429	85,268	91,503	95,880	94,750
Pounds Sterling	2,743	2,899	2,102	3,436	2,403	3,079	2,102	2,751	2,241
Swiss Francs	4,113	3,458	2,917	3,762	3,319	2,814	2,917	3,478	2,796
Deutsche Marks	2,523	1,984	1,483	2,158	1,820	1,509	1,483	1,656	1,647
Japanese Yen	16,603	15,605	17,837	16,388	15,231	14,995	17,837	21,097	17,545
Other(b)	14,563	10,003	9,174	11,389	10,005	10,179	9,174	8,899	9,709
<i>Total foreign currencies</i>	<i>103,956</i>	<i>112,403</i>	<i>125,017</i>	<i>116,595</i>	<i>118,206</i>	<i>117,844</i>	<i>125,017</i>	<i>133,760</i>	<i>128,689</i>
Australian Dollars	74,868	78,005	82,467	82,923	80,584	76,245	82,467	81,793	81,451
Total	178,824	190,408	207,483	199,518	198,791	194,089	207,483	215,553	210,140

(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 for earlier periods. (b) Includes unallocated foreign currency borrowing.

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

	Year			Quarter ended					
	1990-91	1991-92	1992-93	1992-93			1993-94		
				September	December	March	June	September	December
DRAWINGS									
CONTRACTUALLY DUE FOR REPAYMENT —									
Within 3 months	183,015	214,834	417,528	81,569	110,276	107,085	118,598	130,911	109,467
3 months to less than 6 months	26,586	37,178	47,829	13,691	10,995	11,429	11,713	9,548	10,442
6 months to less than 1 year	18,993	15,644	16,053	4,671	2,883	4,058	4,440	5,746	4,629
1 year to less than 2 years	3,725	3,888	3,319	994	860	679	786	558	518
2 years to less than 5 years	9,299	8,419	10,487	2,475	2,494	2,671	2,847	2,238	3,546
5 years to less than 10 years	6,516	9,689	8,262	2,484	1,363	2,406	2,009	1,703	2,808
10 years or more	2,913	3,640	4,750	1,459	1,268	366	1,657	482	1,551
REPAYABLE AT CALL OR OF INDEFINITE MATURITY									
Expected to be repaid —									
Within 1 year from drawdown	5,412	7,580	10,223	6,509	2,644	374	695	376	1,453
1 year or more from drawdown	2,565	2,175	5,336	930	888	1,371	2,146	1,165	28
UNALLOCATED(b)	1,352	-3,164	6,347	-1,477	1,543	-1,671	1,656	-1,879	-2,062
TOTAL	260,375	299,882	517,439	113,305	132,129	128,769	143,236	150,095	132,379
REPAYMENTS									
TIME ELAPSED SINCE DRAWDOWN —									
Less than 3 months	178,833	203,726	417,571	82,651	109,492	106,623	118,806	124,565	114,296
3 months to less than 6 months	26,698	46,850	49,413	16,358	12,153	10,818	10,084	9,587	9,716
6 months to less than 1 year	21,028	17,252	20,612	3,240	5,862	7,069	4,442	5,952	5,812
1 year to less than 2 years	6,232	5,051	5,029	1,939	451	1,767	872	801	1,562
2 years to less than 5 years	9,674	9,342	12,567	2,593	4,033	3,091	2,850	2,982	2,793
5 years to less than 10 years	4,739	7,782	6,709	2,792	1,861	1,189	866	1,012	1,425
10 years or more	3,303	2,870	3,208	640	595	966	1,007	1,378	275
UNALLOCATED(b)	382	-4,016	5,220	-872	-1,648	-1,520	1,180	-1,619	-2,170
TOTAL	250,887	288,856	509,889	109,341	132,798	130,003	137,748	144,658	133,708
LEVELS AT END OF PERIOD(c)									
BORROWING WITH CONTRACTUAL TERMS —									
Less than 1 year to maturity	59,145	65,512	82,009	73,350	75,193	73,665	82,009	89,400	85,835
1 year to less than 2 years	10,840	12,567	13,363	14,050	12,710	13,954	13,363	13,480	10,428
2 years to less than 5 years	28,083	28,779	32,243	26,880	30,183	30,692	32,243	33,738	32,491
5 years to less than 10 years	20,961	28,260	28,015	29,725	25,968	25,676	28,015	30,862	29,723
10 years or more	6,451	5,074	5,920	5,663	5,238	4,976	5,920	4,920	5,848
AT CALL OR INDEFINITE BORROWING —									
Expected to be repaid —									
Within 1 year	3,116	5,315	3,144	4,615	7,431	2,921	3,144	2,631	4,998
1 year or more	11,500	12,400	11,518	12,649	9,972	11,775	11,518	11,402	10,119
UNALLOCATED(b)	6,873	1,986	1,120	1,130	1,011	1,510	1,120	1,017	675
TOTAL	146,970	159,893	177,331	168,062	167,707	165,169	177,331	187,449	180,115

(a) For a definition of domiciled abroad see Explanatory Notes, paragraph 17. (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 for earlier periods.

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

	<i>Foreign investment in Australia</i>				<i>Australian investment abroad</i>				<i>Net international investment position(a)</i>			
	<i>Equity</i>	<i>Borrowing</i>	<i>Other</i>	<i>Total</i>	<i>Equity</i>	<i>Reserve assets and lending</i>	<i>Other</i>	<i>Total</i>	<i>Net equity</i>	<i>Net debt</i>	<i>Net other</i>	<i>Net foreign liabilities</i>
ANNUAL												
1981-82	26,389	24,350	4,356	55,095	5,275	7,803	3,442	16,520	21,114	—	914	38,575
1982-83	30,598	35,891	4,446	70,935	6,478	12,507	3,533	22,518	24,120	23,383	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	37,562	67,473	6,583	111,618	11,687	16,265	5,808	33,760	25,875	51,208	774	77,858
1985-86	41,453	92,851	6,884	140,587	20,253	17,005	6,024	43,283	21,200	75,846	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	70,217	123,122	7,454	200,792	41,393	26,873	6,353	74,619	28,824	96,248	1,101	126,173
1988-89	85,411	147,139	7,405	239,955	52,720	29,448	7,278	89,446	32,692	117,691	127	150,509
1989-90	94,279	163,137	6,425	263,841	56,411	30,906	7,857	95,174	37,868	132,231	-1,433	168,666
1990-91	102,292	178,824	6,431	287,547	53,881	36,352	7,663	97,896	48,411	142,472	-1,232	189,651
1991-92	107,648	190,408	6,745	304,801	61,791	36,908	6,565	105,265	45,857	153,499	179	199,536
1992-93	119,552	207,483	6,760	333,795	66,668	38,696	7,321	112,685	52,884	168,787	-562	221,110
QUARTERLY												
1988-89												
September	75,068	131,516	7,120	213,705	44,025	27,640	6,791	78,456	31,043	103,876	329	135,248
December	76,741	132,069	7,225	216,036	45,636	26,120	6,636	78,392	31,105	105,948	590	137,643
March	79,845	141,514	7,334	228,692	49,314	26,961	6,994	83,270	30,531	114,552	339	145,422
June	85,411	147,139	7,405	239,955	52,720	29,448	7,278	89,446	32,692	117,691	127	150,509
1989-90												
September	87,220	151,797	7,738	246,755	54,471	30,008	7,989	92,468	32,749	121,789	-251	154,287
December	90,136	156,545	7,532	254,213	56,063	29,720	7,977	93,760	34,073	126,826	-445	160,453
March	92,711	166,133	6,645	265,489	56,701	32,765	8,124	97,591	36,011	133,367	-1,480	167,898
June	94,279	163,137	6,425	263,841	56,411	30,906	7,857	95,174	37,868	132,231	-1,433	168,666
1990-91												
September	97,268	166,106	6,835	270,210	52,401	30,331	7,361	90,093	44,868	135,775	-526	180,117
December	98,967	171,154	6,296	276,417	56,438	32,719	7,532	96,689	42,529	138,436	-1,236	179,728
March	100,577	175,559	6,667	282,803	57,622	33,821	7,258	98,701	42,955	141,738	-591	184,102
June	102,292	178,824	6,431	287,547	53,881	36,352	7,663	97,896	48,411	142,472	-1,232	189,651
1991-92												
September	103,137	176,995	6,835	286,967	56,768	35,808	7,292	99,869	46,368	141,187	-457	187,098
December	105,559	185,341	7,490	298,390	61,356	39,430	7,092	107,878	44,202	145,911	399	190,512
March	105,326	184,720	6,910	296,956	58,667	35,079	6,896	100,641	46,659	149,642	14	196,315
June	107,648	190,408	6,745	304,801	61,791	36,908	6,565	105,265	45,857	153,499	179	199,536
1992-93												
September	106,108	199,518	6,963	312,588	61,540	37,696	6,914	106,150	44,567	161,822	48	206,438
December	109,042	198,791	7,422	315,254	63,632	35,312	7,077	106,020	45,410	163,479	345	209,234
March	113,874	194,089	7,045	315,009	63,966	35,058	6,901	105,925	49,908	159,031	145	209,084
June	119,552	207,483	6,760	333,795	66,668	38,696	7,321	112,685	52,884	168,787	-562	221,110
1993-94												
September	132,967	215,553	8,027	356,546	71,433	41,389	7,831	120,653	61,534	174,164	195	235,893
December	145,376	210,140	8,333	363,849	73,222	38,159	7,927	119,309	72,154	171,980	406	244,540

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

TABLE 17. CAPITAL TRANSACTIONS
(SA million)

	Foreign investment in Australia				Australian investment abroad				Net capital transactions(a)			
	Equity	Borr- owing	Other	Total	Equity	Reserve assets and lending	Other	Total	Net equity	Net debt	Net other	Total
ANNUAL												
1983-84	969	8,132	1,066	10,167	1,540	2,024	881	4,445	571	6,108	184	5,722
1984-85	1,797	12,674	619	15,090	2,965	-1,162	1,353	3,156	-1,169	13,836	734	11,933
1985-86	2,732	16,958	303	19,994	5,740	-1,133	255	4,862	-3,008	18,091	49	15,131
1986-87	7,825	15,082	-67	22,841	9,427	2,879	564	12,870	-1,602	12,203	-631	9,971
1987-88	8,064	20,061	51	28,176	9,803	6,311	160	16,274	-1,740	13,749	108	11,901
1988-89	10,378	21,644	781	32,803	8,716	3,378	635	12,728	1,662	18,266	146	20,074
1989-90	6,698	18,887	-847	24,738	2,470	2,985	39	5,415	4,228	15,902	-807	19,323
1990-91	10,571	12,131	-485	22,217	-1,188	4,848	156	3,815	11,759	7,283	-641	18,402
1991-92	5,410	9,428	617	15,456	3,024	-3,078	935	-988	2,386	12,506	1,551	16,444
1992-93	10,525	7,886	302	18,714	3,168	-1,517	165	1,817	7,357	9,403	137	16,896
QUARTERLY												
1988-89												
September	2,711	7,039	333	10,083	2,025	1,510	226	3,761	686	5,529	108	6,323
December	1,937	4,633	205	6,775	2,244	-478	-104	1,662	-307	5,111	309	5,113
March	2,803	8,272	123	11,198	2,327	768	301	3,396	476	7,504	-178	7,802
June	2,927	1,701	120	4,747	2,120	1,579	212	3,911	807	122	93	837
1989-90												
September	1,018	6,857	304	8,179	275	1,457	249	1,980	744	5,400	55	6,199
December	1,311	5,633	139	6,805	2,218	-494	-17	1,706	-907	6,128	122	5,099
March	2,704	6,894	871	8,728	273	2,611	74	2,958	2,431	4,283	-944	5,770
June	1,665	-498	-141	1,026	-295	-589	346	-1,230	1,960	91	205	2,256
1990-91												
September	1,893	2,636	-91	4,438	-1,253	-727	148	-2,128	3,145	3,363	58	6,566
December	3,534	-10	-527	2,996	1,918	162	98	2,178	1,615	-172	-625	818
March	1,930	6,035	384	8,350	1,015	2,533	250	3,298	915	3,502	634	5,051
June	3,216	3,472	-252	6,436	-2,868	2,880	456	467	6,084	592	-708	5,968
1991-92												
September	1,547	1,916	588	4,050	1,825	-1,023	52	750	-278	2,939	640	3,300
December	1,602	3,328	726	5,656	2,312	1,279	-208	3,383	-710	2,050	934	2,274
March	347	2,152	-572	1,926	-1,023	-3,068	-263	-4,355	1,370	5,220	309	6,281
June	1,914	2,032	-124	3,823	-90	-265	411	-766	2,005	2,297	287	4,589
1992-93												
September	981	5,580	368	6,929	339	-1,263	-75	998	642	6,843	443	7,928
December	2,826	-1,017	466	2,274	2,304	-1,239	119	1,185	522	222	346	1,090
March	3,776	-3,395	-295	86	742	71	-156	656	3,034	-3,465	-139	-570
June	2,942	6,718	-238	9,421	-217	914	277	974	3,158	5,804	-515	8,447
1993-94												
September	3,473	3,390	393	7,255	2,204	1,282	-32	3,454	1,268	2,108	424	3,801
December	3,763	587	413	4,763	1,002	-968	213	247	2,761	1,554	201	4,516

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

TABLE 18. INVESTMENT INCOME
 (\$A million)

	<i>Payable on foreign investment in Australia</i>				<i>Receivable on Australian investment abroad</i>				<i>Net investment income payable(a)</i>			
	<i>Interest</i>				<i>Interest</i>				<i>Interest</i>			
	<i>Equity income (b)</i>	<i>Borrowing</i>	<i>Other</i>	<i>Total</i>	<i>Equity income (b)</i>	<i>Reserve assets and lending</i>	<i>Other</i>	<i>Total</i>	<i>Net equity income (b)</i>	<i>Net debt</i>	<i>Net other</i>	<i>Total</i>
ANNUAL												
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	2,236	5,314	39	7,589	515	914	95	1,525	1,721	4,400	-56	6,064
1985-86	2,338	6,587	133	9,058	1,146	710	110	1,966	1,192	5,877	23	7,092
1986-87	2,725	7,892	113	10,730	1,816	678	175	2,669	909	7,214	-62	8,062
1987-88	4,222	8,844	35	13,101	2,479	1,051	104	3,634	1,743	7,793	-69	9,467
1988-89	5,280	10,859	269	16,407	2,540	1,267	104	3,911	2,740	9,592	164	12,496
1989-90	5,240	14,446	372	20,059	1,936	1,836	156	3,928	3,305	12,610	216	16,131
1990-91	5,192	14,886	170	20,247	817	2,231	120	3,168	4,375	12,655	50	17,079
1991-92	4,744	13,358	93	18,195	1,161	2,331	54	3,545	3,583	11,027	40	14,650
1992-93	6,471	11,369	103	17,943	2,645	2,088	21	4,753	3,827	9,281	83	13,190
QUARTERLY												
1988-89												
September	1,242	2,360	70	3,672	623	234	28	885	620	2,126	41	2,787
December	1,098	2,609	59	3,766	632	235	20	886	466	2,374	40	2,880
March	1,322	2,860	66	4,248	630	399	29	1,059	692	2,461	37	3,189
June	1,618	3,030	73	4,722	655	399	28	1,082	963	2,631	46	3,640
1989-90												
September	886	3,508	133	4,527	459	470	40	968	427	3,038	93	3,559
December	1,359	3,567	81	5,008	485	446	41	972	874	3,121	40	4,036
March	1,664	3,669	71	5,403	468	449	40	957	1,195	3,220	31	4,446
June	1,331	3,702	88	5,121	524	471	35	1,030	808	3,231	52	4,091
1990-91												
September	851	3,703	44	4,598	280	577	30	887	571	3,126	14	3,711
December	1,779	3,646	55	5,479	144	517	35	697	1,635	3,128	19	4,782
March	1,118	3,867	37	5,023	142	531	29	701	977	3,337	9	4,322
June	1,445	3,670	34	5,148	251	606	26	884	1,193	3,064	8	4,265
1991-92												
September	1,135	3,728	24	4,887	295	602	17	913	840	3,126	8	3,974
December	1,047	3,191	26	4,263	325	625	13	963	722	2,565	13	3,300
March	1,116	3,244	20	4,379	246	580	10	836	870	2,664	9	3,543
June	1,446	3,196	23	4,666	295	524	14	833	1,151	2,672	9	3,832
1992-93												
September	1,663	3,126	21	4,810	598	650	5	1,253	1,065	2,475	16	3,557
December	1,544	2,839	35	4,418	731	475	5	1,211	812	2,364	31	3,208
March	1,438	2,817	21	4,276	563	614	5	1,182	876	2,203	16	3,095
June	1,825	2,586	26	4,437	752	349	6	1,107	1,072	2,238	19	3,330
1993-94												
September	1,408	3,024	15	4,447	738	597	6	1,341	670	2,428	9	3,106
December	2,096	2,488	5	4,589	700	503	7	1,210	1,397	1,984	-2	3,379

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

	<i>Public Sector Borrowing</i>				<i>Private sector borrowing</i>	<i>Total foreign borrowing</i>	<i>Reserve assets</i>	<i>Lending abroad</i>	<i>Net foreign debt(a)</i>
	<i>Commonwealth government and Reserve Bank</i>	<i>State government</i>	<i>Public trading and financial enterprises</i>	<i>Total</i>					
ANNUAL									
1981-82	5,692	—	3,568	9,260	15,090	24,350	6,517	1,286	—
1982-83	7,682	—	6,525	14,207	21,684	35,891	10,748	1,760	23,383
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	92,851	13,024	3,981	75,846
1986-87	23,678	6,684	19,589	49,951	57,466	107,417	17,594	3,685	86,138
1987-88	22,909	10,219	23,736	56,865	66,257	123,122	20,182	6,691	96,248
1988-89	18,607	18,230	28,210	65,047	82,092	147,139	20,410	9,038	117,691
1989-90	19,654	19,788	32,790	72,233	90,904	163,137	21,871	9,035	132,231
1990-91	16,530	24,435	33,739	74,704	104,119	178,824	24,047	12,305	142,472
1991-92	15,327	28,425	33,821	77,573	112,834	190,408	22,240	14,668	153,495
1992-93	19,815	37,963	34,970	92,748	114,735	207,483	20,823	17,873	168,787
QUARTERLY									
1988-89									
September	21,278	12,362	24,690	58,331	73,185	131,516	20,628	7,012	103,876
December	20,823	14,582	24,527	59,933	72,136	132,069	19,772	6,348	105,948
March	20,651	17,065	26,686	64,401	77,112	141,514	19,509	7,452	114,552
June	18,607	18,230	28,210	65,047	82,092	147,139	20,410	9,038	117,691
1989-90									
September	18,484	18,262	28,814	65,560	86,237	151,797	20,774	9,234	121,788
December	18,128	20,901	29,360	67,489	89,056	156,545	21,487	8,233	126,826
March	18,691	20,515	31,865	71,071	95,062	166,133	21,065	11,700	133,367
June	19,654	19,788	32,790	72,233	90,904	163,137	21,871	9,035	132,231
1990-91									
September	18,626	21,145	33,211	72,982	93,125	166,106	22,281	8,050	135,775
December	18,311	20,865	36,840	76,016	95,139	171,154	24,989	7,730	138,434
March	18,027	22,366	35,383	75,775	99,784	175,559	23,593	10,228	141,738
June	16,530	24,435	33,739	74,704	104,119	178,824	24,047	12,305	142,472
1991-92									
September	16,645	26,031	32,886	75,562	101,433	176,995	23,836	11,972	141,187
December	19,043	26,471	34,543	80,057	105,284	185,341	25,451	13,979	145,911
March	17,198	28,074	32,703	77,976	106,745	184,720	21,314	13,765	149,641
June	15,327	28,425	33,821	77,573	112,834	190,408	22,240	14,668	153,495
1992-93									
September	16,724	33,536	34,442	84,703	114,815	199,518	21,566	16,130	161,822
December	17,934	33,391	34,037	85,361	113,430	198,791	20,112	15,200	163,479
March	17,560	33,178	32,291	83,029	111,060	194,089	18,888	16,170	159,031
June	19,815	37,963	34,970	92,748	114,735	207,483	20,823	17,873	168,787
1993-94									
September	18,713	42,268	35,699	96,679	118,874	215,553	22,023	19,366	174,161
December	20,440	43,212	32,280	95,932	114,208	210,140	20,978	17,181	171,989

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

TABLE 20. FOREIGN INVESTMENT RATIOS
(SA 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						
1985-86	40.5	31.6	9.1	18.4	15.3	3.2
1986-87	44.4	32.6	11.8	18.5	16.5	1.9
1987-88	42.3	32.3	10.0	18.5	15.3	3.3
1988-89	44.3	34.6	9.7	22.8	17.5	5.3
1989-90	45.6	35.7	9.8	26.8	21.0	5.9
1990-91	49.9	37.5	12.4	26.2	19.4	6.8
1991-92	51.4	39.6	11.9	21.3	16.0	5.3
1992-93	55.0	42.0	13.0	17.7	12.5	5.3
QUARTERLY						
Year ended(c) —						
1988-89						
September	43.9	33.7	10.2	19.5	15.7	3.7
December	43.2	33.2	9.9	20.3	16.3	4.0
March	44.2	34.8	9.4	21.6	17.2	4.4
June	44.3	34.6	9.7	22.8	17.5	5.3
1989-90						
September	44.2	34.9	9.3	23.5	18.6	4.9
December	44.9	35.5	9.4	25.1	19.6	5.5
March	46.1	36.6	9.5	26.4	20.2	6.2
June	45.6	35.7	9.8	26.8	21.0	5.9
1990-91						
September	48.1	36.3	11.8	26.6	20.8	5.9
December	47.6	36.7	10.9	27.1	20.2	6.9
March	48.5	37.3	11.2	26.4	20.1	6.4
June	49.9	37.5	12.4	26.2	19.4	6.8
1991-92						
September	49.2	37.1	12.1	26.1	19.1	7.1
December	49.9	38.2	11.7	23.6	18.0	5.6
March	51.1	38.9	12.1	22.2	16.8	5.4
June	51.4	39.6	11.9	21.3	16.0	5.3
1992-93						
September	52.8	41.4	11.4	20.5	14.9	5.6
December	52.9	41.4	11.6	19.8	14.2	5.5
March	52.6	40.0	12.6	18.8	13.3	5.5
June	55.0	42.0	13.0	17.7	12.5	5.3
1993-94						
September	58.1	42.9	15.2	16.6	12.0	4.6
December	nya	nya	nya	16.5	11.3	5.2

(a) These ratios are derived by expressing net foreign liabilities at the end of the period shown as a percentage of GDP(I) 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(I) 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 December Quarter 1993, together with statistics for earlier periods.

2. More detailed annual international investment statistics up to 1991-92 may be found in *International Investment, Australia, 1991-92* (5305.0) released in October 1993. 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:

- *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;
- *exchange rate variations* due to movements of the Australian dollar against the other currencies in which these assets and liabilities are denominated; and
- *other changes* in levels due to a change in the market price of a claim (e.g., a share price movement), write-offs, reclassifications and reconciliation errors.

4. Due to the quarterly revisions policy, the *other Changes* item for the latest quarter will sometimes include transactions relating to earlier periods, not identified in time to include in the transactions estimates for those periods. These transactions are subsequently allocated to the correct periods (with consequential revisions to levels estimates) in the next issue of this publication.

5. 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

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

7. *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.

8. *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 13), 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.

9. *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.

10. 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.

11. 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.

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

13. 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).

14. *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*.

15. 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).

16. 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.

17. 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.

18. 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 1992, reinvestment of earnings and reinvested earnings. These types of investment can only be allocated to country after the results of annual collections are available.

19. 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.

20. An *unallocated* classification also exists for industry statistics. This category includes, from September quarter 1992, new investment through brokers and nominees in the trading enterprise sector and reinvestment of earnings and reinvested earnings. This investment can only be allocated by industry after the results of annual collections are available.

Presentation

21. 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 20 are historical tables.

Reliability

22. As mentioned in paragraph 5, 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

23. 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).

24. 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

25. 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

26. 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 8 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.

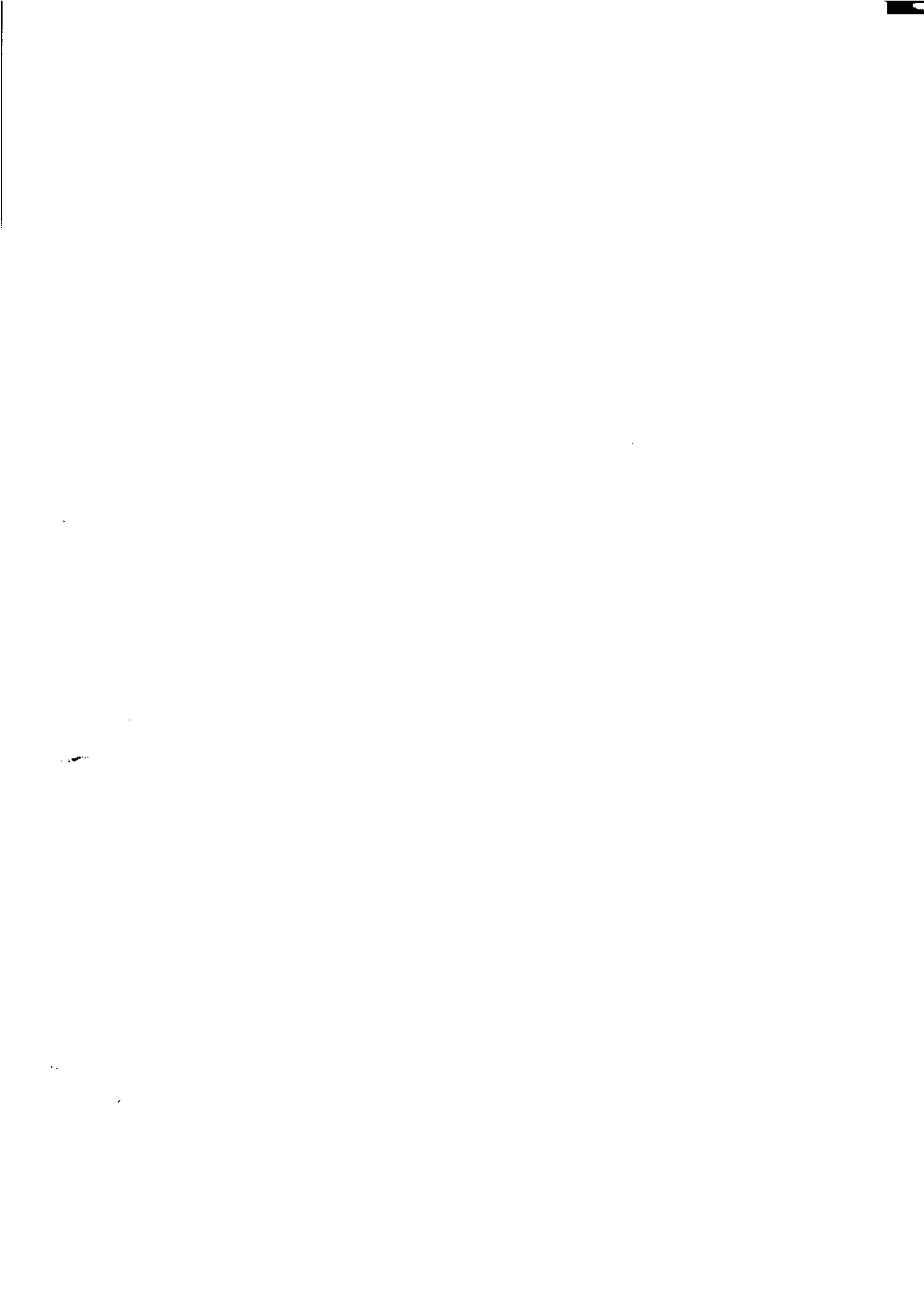
27. As all figures have been rounded, discrepancies may occur between the sum of components and the total.

**APPENDIX
SPECIAL ARTICLES IN RECENT INTERNATIONAL INVESTMENT
AND BALANCE OF PAYMENTS PUBLICATIONS**

<i>Article</i>	<i>Publication (ABS Catalogue No.)</i>	<i>Issue</i>	<i>Page Reference</i>
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
The relationship between foreign investment and balance of payments statistics	5306.0	Mar qtr 1991	7-8
The relationship between balance of payments 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
Revised international standards for balance of payments statistics	5302.0	June qtr 1992	7-8
Australia's foreign debt	1350.0	Nov 1992	xi-xvi
Report of IMF working party on measurement of international capital flows.	5302.0	Dec qtr 1992	6-10
Direct investment	5306.0	Mar qtr 1993	8-12
Foreign ownership of equity in Australian enterprise groups	5306.0	Mar qtr 1993	13-17
Recent changes to sources and methods used for estimating services and other property income	5302.0	Mar qtr 1993	6-7
International comparison of balance of payments statistics	5303.0	1991-92	14-15
Balance of payment ratios	5303.0	1991-92	9-13
Balancing item	5302.0	June qtr 1993	7-11
Supplementary foreign investment coverage survey	5306.0	Sept qtr 1993	8-10

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











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