
FOREIGN TRANSACTIONS

This chapter includes statistics of foreign trade, balance of payments, foreign investment and foreign participation in enterprises in Australia.

FOREIGN TRADE

Introduction

Foreign trade statistics provide essential information about Australia's balance of trade and important details about goods traded with the rest of the world.

Governments use the statistics to formulate and monitor trade and budgetary policies.

Some details of Australian trade policy objectives and the international and bilateral trade agreements and arrangements are included in the 1989 and earlier issues of the *Year Book*.

The Australian Trade Commission (AUSTRADE) was formed in January 1986 to provide a wide range of services to exporters. These include:

- provision of **finance** to overseas borrowers for the purchase of Australian capital goods and services;
- a wide range of **insurance services** to cover Australian exporters of goods and services against such things as non-payment or protracted delay in payment and against unfair calling of bonds and guarantees;
- an **export incentive scheme** in the form of cash grants for such overseas activities as market research, fares, representation, advertising and the cost of participating in overseas trade displays;
- assistance to Australian businesses in obtaining contracts associated with **overseas projects**;
- provision of information on overseas commercial opportunities direct to Australian companies through the **Trade Commission Service**;
- **services for investment**, joint ventures, technology transfer and industrial cooperation between Australian and foreign firms where the activity is directed towards increasing the international competitiveness and export capability of Australian industry;
- the **Company Export Planning (CEP) service** which assists Australian exporters to identify a product's export potential, specific country markets and strategies for export;
- **trade displays and publicity overseas** to create an awareness of Australian goods and services in overseas markets; and
- arrangement of **trade missions** designed to explore prospects in new or developing areas and the coordination of visits to Australia by overseas buyers.

More detailed information on the activities of AUSTRADE can be obtained from AUSTRADE's Reports and papers.

Importers, exporters, manufacturers and shipping companies use foreign trade statistics to:

- monitor import penetration and export performance;
- examine the transport implications of commodity markets; and
- monitor commodity price and volume changes.

Additionally, foreign trade statistics are used in the production of other ABS statistics, including:

- balance of payments;
- national accounts;
- shipping and air cargo commodity statistics;
- aggregates of international trade published at constant prices;
- export, import and terms of trade indexes; and
- wholesale prices, quantum indexes, input/output and agricultural statistics.

Collection and Presentation of Statistics

Source of data

Foreign trade statistics are compiled by the Australian Bureau of Statistics from documentation submitted by exporters and importers or their agents to the Australian Customs Service (ACS) as required by the Customs Act.

The ACS performs amongst other things, import/export and barrier control functions. This involves monitoring the arrival and departure of all international vessels, their crews and cargoes and items mailed from overseas to ensure that goods are brought to account and not delivered without authority and to prevent the importation and exportation of prohibited goods.

For cargoes arriving in and departing from Australia, importers, exporters or their agents are required to lodge, either electronically or on paper, documentation which includes information about the type, quantity and value of goods being imported or exported. This information is used by the ACS to assess and collect Customs duty and other revenue payable on imported and exported goods and to facilitate the monitoring and control of the physical movement of goods into and out of Australia. Once the ACS has finalised processing this documentation for its own purposes, the information is passed on to the ABS for statistical processing. More detailed information on the activities of the ACS can be obtained from its reports and papers.

Scope of the statistics

The statistics presented below are, with one exception, recorded on a *general trade* basis, i.e., total exports include both Australian produce and re-exports, and total imports comprise goods entered directly for home consumption together with goods imported into bonded warehouses. The statistics of import clearances, however, are recorded on a *special trade* basis, i.e., clearances comprise goods entered directly for home consumption together with goods cleared into the home market from bonded warehouses. Exports of Australian produce are goods, materials or articles which have been produced, manufactured or partly manufactured in Australia, except goods which were originally imported and have undergone only repair or minor operations which leave them essentially unchanged. Re-exports are goods, materials or articles originally imported which are exported either in the same condition in which they were imported or after undergoing repair or minor operations which leave them essentially unchanged. Minor operations include blending, packaging, bottling, cleaning, sorting, husking or shelling. Total exports are the aggregate of exports of Australian produce and re-exports.

The following are excluded from recorded trade statistics:

- (a) direct transit trade, i.e. goods being trans-shipped or moved through Australia for purposes of transport only;

- (b) migrants' and passengers' effects exported or imported; and parcel post exports and imports of small value, for which Customs entries are not required;
- (c) certain materials under inter-governmental agreements for defence and similar projects for which Customs entries are not required;
- (d) ships and aircraft engaged in the transport of passengers or goods between Australia and other countries;
- (e) the sale or purchase of certain ships intended for use on overseas routes;
- (f) the sale or purchase, prior to 1 July 1987, of certain aircraft intended for use on overseas routes. From 1 July 1987, purchases of all aircraft (and parts and components) intended for use on overseas routes are included in recorded import statistics. Sales of aircraft (and parts and components) which were imported into Australia on or after 1 July 1987 for use on overseas routes are included in recorded export statistics.
- (g) fish and other sea products landed in Australia or abroad directly from the high seas by Australian ships;
- (h) from 1 July 1986, export consignments where the value of the goods in each transaction is less than \$500. Prior to that date, transactions below \$250 were excluded;

and for imports only:

- (i) entries lodged on informal clearance documents (ICDs) for values not exceeding \$250. In addition, from 21 October 1985 onwards, ICDs for postal articles valued up to \$1,000 are excluded;
- (j) bunkers and stores supplied to ships and aircraft prior to arrival in Australia.

Statistical period

Exports

Historically, paper documents relating to exports have been lodged by exporters or their agents with the ACS. This system of lodgment is referred to as the 'paper-based' system of lodgment.

Exports lodged under this paper-based system are recorded statistically in the month the entries are processed by the Australian Customs Service. Regular exporters or their agents may provide details of their export shipments on a periodic rather than an individual shipment basis by submitting weekly or monthly returns. These 'periodic returns' must be submitted to the Australian Customs Service within seven days of the end of the period in question covering all shipments during that period. All other exporters are required to report each individual shipment prior to the ship's departure. Approximately 90 per cent of monthly export values lodged via the paper-based system are recorded on periodic returns. The statistical month for Customs outports (generally ports other than those at which the main Customs Office in each State is located) closes on the twenty-first of each month, whereas for main ports the statistical month is the calendar month. Because of the way in which exports data are lodged via the paper-based system, export statistics for a particular month do not necessarily represent all of the commodities actually exported during that month. Analysis of past data has shown that in aggregate approximately 40 per cent of export trade by value for a particular month reflects actual shipments during that month, 55 per cent by value was actually exported during the previous month with the remaining 5 per cent by value exported in earlier months. For individual commodities the percentage by value representing actual exports in a month may vary considerably.

Introduction of EXIT (Exports Integration)

On 12 December 1988 the ACS commenced the progressive implementation of EXIT, a new system for electronically processing and recording export information and for clearance of outward sea and air cargo manifests.

The EXIT system will lead to an improvement in timing basis used in compiling export statistics. Under EXIT, exports will be recorded in the month of shipment rather than in the month the export documents are processed by the ACS. Consequently foreign trade export statistics will more accurately reflect actual shipments during that month.

In order to maintain a consistent time series while EXIT is being progressively introduced, export information reported electronically is adjusted to record it in foreign trade export statistics in the statistical period in which it would have been recorded under the paper-based system. This adjustment will continue to be made for an interim period. After EXIT is fully operational the foreign trade export series will be compiled on a shipping date basis.

Imports

Imports are recorded statistically in the calendar month in which the import entries are finalised by the ACS. Import entries may be lodged early using the check-to-arrive system or the documents may be delayed because of various validation checks carried out by Customs prior to the entries being passed to the ABS. Import statistics for a particular month do not necessarily represent entries lodged or commodities actually imported during the month in question. Analysis of past data has shown that in aggregate approximately 70 per cent of import trade by value recorded for a particular month was actually imported during that month, 25 per cent was actually imported during the previous month with the remaining 5 per cent being imported in earlier months. For individual commodities the percentage by value representing actual imports in a month may vary considerably.

State

For exports, State statistics comprise the State of origin for Australian produce. State of origin is defined as the State in which the final stage of production or manufacture occurs.

For imports, the State is that in which the import entry was lodged with the Australian Customs Service. The port of lodgement of the import entry is not necessarily the port of discharge of the goods. Goods forwarded interstate after import, whether in containers or not, are recorded as being imported at the port of lodgement of the import entry.

Valuation

Exports

Goods actually sold to overseas buyers prior to shipment are valued at the free-on-board (f.o.b.) Australian port of shipment equivalent of the actual price at which the goods were sold. Goods shipped on consignment are valued at the f.o.b. Australian port of shipment equivalent of the current price offering for similar goods of Australian origin in the principal markets of the country to which the goods are dispatched for sale. The recorded value of exports includes the value of the outside package, other than international containers used for containerised cargo.

Imports

The recorded value of imports is the customs value (formerly referred to as the value for duty). On 30 November 1981, Australia changed its system of valuation from the Brussels Definition of Value (BDV) to the GATT Agreement on Customs Valuation. The GATT Agreement differs from the BDV in that it offers a set of practical rules on the valuation of imports rather than a list of conceptual guidelines. Under the Agreement the primary basis for establishing the customs value is the price actually paid or payable, provided a number of conditions are met. The most important condition is that the buyer and seller must be independent of each other. If the conditions are not met, the practical rules are used to determine the customs value. The recording of the value of imports remains on a free-on-board (f.o.b.) basis (i.e. the charges and expenses involved in delivering the goods from the place of exportation to Australia are excluded). However, the place of exportation need not be the port of shipment. Up until 30 June 1989, and depending on the contractual arrangements made for the transport of the goods, the place of exportation may be ex-factory, point of containerisation, customs frontier or port of shipment. From 1 July 1989 the introduction of the Customs and Excise Legislation Amendment Act 1989 (CELA) has restricted the choice of the place of exportation for customs valuation purposes to

include at least all charges incurred up to the point of containerisation. As for exports, the recorded value of imports includes the value of outside packages, other than international containers used for containerised cargo. For details of the method of valuation used prior to 30 November 1981, see *Year Book* No. 66.

Merchandise exports and imports

In accordance with standards recommended by the United Nations:

- (a) *Merchandise exports* are defined as all goods which subtract from the stock of material resources in Australia as a result of their movement out of the country. Merchandise exports, therefore, exclude goods exported with the reasonable expectation of re-import within a limited time, for example, goods for temporary exhibition outside Australia.
- (b) *Merchandise imports* are defined as all goods which add to the stock of material resources in Australia as a result of their movement into the country. Merchandise imports, therefore, exclude goods imported with the reasonable expectation of re-export within a limited time, for example, goods for temporary exhibition in Australia.

From July 1985, non-merchandise trade is excluded from Australia's export and import statistics. This is in accordance with United Nations' recommendations and practices adopted by Australia's major trading partners. Statistics for periods prior to July 1985 included in this publication have been adjusted to be comparable with data from July 1985 onwards and, consequently, will not be directly comparable with previous publications.

For periods prior to 1 July 1987, trade in gold coins, whether or not they are legal tender, and other coins which are legal tender is classified as non-merchandise trade; for periods from 1 July 1987 these commodities are excluded from non-merchandise trade and are included in total exports and imports. The explanation for the change and for purposes of comparison, exports and imports data by country for 1985-86, 1986-87 and 1987-88 are shown in Appendix A of the January 1989 issue of *Exports, Australia, Monthly Summary Tables* (5432.0).

Commodity classifications

Up until the end of December 1987, Australia's customs tariff was based on the *Customs Co-operation Council Nomenclature* (CCCN), an international classification for describing goods for customs and other purposes. From 1 January 1988 Australia's customs tariff has been based on the *Harmonized Commodity Description and Coding System* (HCDCS) or *Harmonised System* (HS). The HS is a modernisation, reorganisation and extension of the CCCN.

To coincide with the introduction of the HS, Australia also adopted, from 1 January 1988, the third revision of the *Standard International Trade Classification* (SITC). This replaced the second revision of the SITC. The third revision of the SITC incorporates significant changes to the numbering system and overall structure to align it more closely with the HS.

Commodity statistics for 1986-87 and 1987-88 shown in this issue of the *Year Book* are presented according to the divisions of the second revision of the SITC, while those for 1988-89 are presented according to the third revision of the SITC.

Consequently, commodity statistics for 1988-89 are not fully comparable to those for earlier years. However, differences are significant only for a few divisions. A comparison of 1988-89 data compiled on a SITC (Rev2) and a SITC (Rev3) basis is provided in Appendix B of *Foreign Trade, Australia, Comparative Summary Tables, 1988-89* (5410.0) along with an explanation of the major differences.

Australian Standard Commodity Classification

The *Australian Standard Commodity Classification* (ASCC) has been developed by the ABS to enable users to compare statistics of commodities produced in Australia with statistics of commodities imported and exported.

The ASCC manual (1207.0 and 1208.0) links production, import and export items at their most detailed level of comparability in the form of standard (ASCC) commodity items. In a number of cases, however, due to the differences between production, import and export items, comparability is only achieved at fairly broad aggregate levels. In the ASCC, commodities are grouped under industries (as defined in the *Australian Standard Industrial Classification*) in which they are typically produced.

The ASCC manual was last released in respect of the financial year 1984–85. Since then a complete review of manufacturing commodity items has been undertaken and it is planned to publish these new items in the *Australian Manufacturing Production Commodity Classification* (AMPCC). The AMPCC will contain a detailed set of linkages to the trade classifications to facilitate comparison. In view of this, the content of future editions of the ASCC is currently being examined. (See Chapter 18, Manufacturing, Retail Trade and Service Industries).

Industry of origin

Export and import statistics are classified according to subdivisions of the *Australian Standard Industry Classification* (ASIC). The statistics are compiled by allocating statistical items of the appropriate export or import commodity classification to the ASIC industry of origin with whose main economic activities the commodities are primarily associated. A full description of ASIC classes is contained in the publication *Australian Standard Industrial Classification, Vol. 1—The Classification* (1201.0).

Broad Economic Categories

Exports and imports of merchandise are classified according to the nineteen categories of the United Nations classification of Broad Economic Categories (BEC). BEC attempts to classify foreign trade statistics for the purposes of general economic analysis according to the main end use of the commodities traded.

Country

For the purposes of foreign trade statistics, a country is defined as a geographical entity which trades, or has the potential to trade, with Australia in accordance with Australian Customs provisions. External territories under Australian administration are treated separately while self-governing territories and dependant territories under the administration of other countries may be treated as individual countries in Australian foreign trade statistics.

Exports: for exports, country refers to the *country* to which the goods were consigned at the time of export. Where it was found to be impossible to determine the destination, goods are recorded as *Destination unknown*.

Imports: for imports, *country* refers to the country of origin of the goods which is defined as the country of production for customs purposes. Where it is found to be impossible to determine the origin, goods are recorded as *Origin unknown*.

Quantity data

Where quantities are shown they are as specified in the appropriate export or import commodity classification, which are generally expressed in terms of the normal unit of quantity used in the appropriate industry. Quantities are not tabulated in respect of statistical items for which there is no appropriate unit of quantity (e.g. a statistical item which covers a number of commodities that cannot be recorded under a single unit of quantity).

Excess of exports or imports

The excess of the value of exports or imports does not represent the balance of trade. The balance of trade is the excess of exports or imports on a *balance of payments* basis. Details of the adjustments (relating to coverage, timing and valuation) made to total recorded exports and imports for balance of payments purposes, are set out in the annual publication *Balance of Payments, Australia* (5303.0).

Treatment of confidential data

To ensure that information about the activities of particular businesses is not disclosed, it is necessary to restrict the release of statistics of certain commodities. These restrictions do not affect total export or import figures but they can affect statistics at all levels.

Foreign Trade Statistics

Total foreign trade

The following table shows the total Australian trade with foreign countries from 1983–84 to 1988–89.

FOREIGN TRADE(a)
(\$ million)

Year	Exports	Imports	Excess of exports (+) or imports (-)
1983–84	24,013	23,540	+473
1984–85	29,708	29,049	+659
1985–86	32,795	34,691	-1,896
1986–87	35,806	36,988	-1,182
1987–88	41,078	40,597	+481
1988–89	43,462	47,064	-3,602

(a) For periods from 1 July 1987, trade in gold coins, whether or not they are legal tender, and other coins which are legal tender is included in total exports and total imports. For periods prior to 1 July 1987 these commodities are included in non-merchandise trade.

The following table shows particulars of non-merchandise trade for recent years.

NON-MERCHANDISE TRADE(a)
(\$ million)

Year	Exports	Imports
1983–84	753	521
1984–85	834	971
1985–86	1,418	1,045
1986–87	1,393	1,176
1987–88	1,484	1,343
1988–89	1,621	1,039

(a) For periods prior to 1 July 1987, trade in gold coins, whether or not they are legal tender, and other coins which are legal tender is included in non-merchandise trade. For periods from 1 July 1987 these commodities are included in total exports and total imports.

Classified summary of Australian foreign trade

The following table shows exports and imports according to divisions of the SITC. Data for the period January to June 1988, while collected according to the codes of the HS, have been recompiled on the basis of SITC (Rev2), so as to present annual figures for 1986–87 and 1987–88 on a comparable basis. Data for 1988–89 has been classified according to the SITC (Rev3).

See the section on Commodity Classification in this chapter for details.

EXPORTS AND IMPORTS ACCORDING TO DIVISIONS OF THE SITC(a)
 (\$ million)

Divisions of the SITC Rev 3	Exports			Imports		
	1986-87	1987-88	1988-89	1986-87	1987-88	1988-89
00 Live animals other than fish, crustaceans, molluscs and aquatic invertebrates	319.3	299.4	301.7	112.8	147.3	156.4
01 Meat and meat preparations	2,248.9	2,558.8	2,249.3	16.3	19.2	30.3
02 Dairy products and birds' eggs	467.2	503.2	566.6	80.9	87.4	91.1
03 Fish (not marine mammals), crustaceans, molluscs and aquatic invertebrates, and preparations thereof	599.8	732.0	594.0	422.6	409.3	437.5
04 Cereals and cereal preparations	2,792.6	2,297.2	2,742.2	72.8	73.9	72.1
05 Vegetables and fruit	550.6	603.1	525.8	271.4	282.3	375.1
06 Sugars, sugar preparations and honey	715.9	719.8	925.1	28.3	33.7	43.6
07 Coffee, tea, cocoa, spices, and manufactures thereof	65.3	63.8	64.8	404.9	378.6	352.5
08 Feeding stuff for animals (excl. unmilled cereals)	210.3	247.1	266.7	54.5	50.6	73.0
09 Miscellaneous edible products and preparations	47.9	75.5	94.8	147.1	186.5	201.3
11 Beverages	132.8	225.0	228.3	210.7	234.1	281.6
12 Tobacco and tobacco manufactures	18.6	23.4	20.5	116.1	110.5	92.4
21 Hides, skins and furskins, raw	542.3	687.4	498.1	3.8	9.9	12.5
22 Oil seeds and oleaginous fruits	40.4	30.0	70.1	9.6	18.6	49.8
23 Crude rubber (incl. synthetic and reclaimed)	5.6	7.2	15.8	87.7	99.5	113.7
24 Cork and wood	361.1	394.9	424.2	297.5	382.4	561.3
25 Pulp and waste paper	27.6	31.5	37.0	171.1	224.8	224.1
26 Textile fibres and their wastes (not manufactured into yarn or fabric)(a)	3,870.1	5,600.3	6,254.1	150.4	164.9	179.1
27 Crude fertilisers (excl. those of Division 56) and crude minerals (excl. coal, petroleum and precious stones)	103.0	173.9	233.7	224.2	248.2	282.5
28 Metalliferous ores and metal scrap(b)	4,849.7	5,284.6	6,345.2	38.9	68.9	77.8
29 Crude animal and vegetable materials, nes	97.4	118.4	123.6	100.0	104.3	107.5
32 Coal, coke and briquettes	5,456.1	4,849.1	4,744.0	2.8	5.1	11.1
33 Petroleum, petroleum products and related materials	1,621.8	1,942.5	1,464.2	1,742.3	2,040.2	2,000.0
34 Gas, natural and manufactured	230.9	245.2	161.2	4.3	4.8	3.7
41 Animal oils and fats	89.6	117.1	105.0	2.0	1.5	2.9
42 Fixed vegetable fats and oils, crude, refined or fractionated(b)	22.9	12.6	10.7	64.3	89.7	101.5
43 Fats and oils (processed), waxes and inedible mixtures or preparations, of animal or vegetable origin, nes(c)	11.4	8.4	10.6	25.2	16.6	12.9
51 Organic chemicals(c)	50.8	96.0	96.9	881.0	1,106.6	1,164.3
52 Inorganic chemicals(b)(c)	66.1	78.9	91.5	321.6	515.3	683.1
53 Dyeing, tanning and colouring materials(c)	35.2	82.5	140.5	189.0	195.0	217.3
54 Medicinal and pharmaceutical products(b)	166.3	205.0	232.6	508.0	646.8	694.1
55 Essential oils and resinoids and perfume materials; toilet, polishing and cleansing preparations	57.2	75.9	94.5	241.4	269.4	292.1
56 Fertilisers (excl. crude)	5.3	7.1	7.2	139.8	138.0	213.5
57 Plastics in primary forms(a)(c)	5.4	6.5	148.0	14.1	30.4	717.0
58 Plastics in non-primary forms(a)(c)	136.7	168.4	60.1	783.9	924.2	444.9
59 Chemical materials and products, nes(c)	141.8	171.0	194.9	393.8	450.1	560.9
61 Leather, leather manufactures, and dressed furskins, nes	118.5	172.0	146.8	151.6	168.0	150.7
62 Rubber manufactures, nes(c)	42.7	66.4	65.7	461.9	571.1	682.3
63 Cork and wood manufactures (excl. furniture)(b)	9.2	12.9	11.4	169.1	188.7	233.3
64 Paper, paperboard, and articles of paper pulp, of paper or of paperboard(b)(c)	103.9	98.8	123.1	1,012.7	1,206.1	1,296.5
65 Textile yarn, fabrics, made-up articles, nes, and related products(a)(c)	245.7	311.7	151.8	1,831.1	1,926.3	1,999.4
66 Non-metallic mineral manufactures, nes(b)(c)	174.8	256.7	337.4	712.5	849.5	966.1

EXPORTS AND IMPORTS ACCORDING TO DIVISIONS OF THE SITC(a)—continued
(\$ million)

Divisions of the SITC Rev 3	Exports			Imports		
	1986-87	1987-88	1988-89	1986-87	1987-88	1988-89
67 Iron and steel	590.8	506.7	497.1	634.4	835.7	1,077.9
68 Non-ferrous metals(b)	2,311.7	3,252.1	4,163.5	202.9	249.7	358.7
69 Manufactures of metals, nes(c)	243.5	276.7	326.8	1,008.9	1,133.1	1,191.8
71 Power generating machinery and equipment	295.6	350.6	311.0	1,216.8	1,210.4	1,126.0
72 Machinery specialised for particular industries(c)	305.7	313.1	339.0	1,735.4	1,988.3	2,360.3
73 Metal working machinery	25.8	38.1	37.5	481.2	383.4	375.7
74 General industrial machinery and equipment, nes and machine parts, nes(c)	236.7	286.0	334.8	1,984.1	2,289.2	2,522.9
75 Office machines and automatic data processing machines	390.0	440.2	398.4	2,558.1	2,646.5	3,326.6
76 Telecommunications and sound recording and reproducing apparatus and equipment	87.7	116.4	162.6	1,497.0	1,508.3	1,717.8
77 Electrical machinery, apparatus, appliances, parts (incl. non-elec. counterparts of electrical domestic equip)	255.5	289.9	287.2	1,885.8	2,142.3	2,359.3
78 Road vehicles (incl. air-cushion vehicles)	438.2	524.8	404.6	2,719.5	3,139.1	4,806.9
79 Transport equipment (excl. road vehicles)	576.6	372.7	421.5	1,311.6	1,061.0	2,038.8
81 Prefabricated buildings; sanitary, plumbing, heating and lighting fixtures and fittings, nes	15.6	14.0	27.3	75.4	97.8	124.6
82 Furniture, parts thereof; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings	33.7	40.8	36.9	235.3	254.9	284.9
83 Travel goods, handbags and similar containers	4.2	4.3	4.8	179.7	186.6	190.5
84 Articles of apparel and clothing accessories	38.8	58.1	64.0	656.6	721.2	759.1
85 Footwear	9.4	10.1	15.4	250.8	269.8	338.1
87 Professional, scientific and controlling instruments and apparatus, nes	176.6	215.4	196.4	907.0	960.8	1,066.1
88 Photographic apparatus, equipment and supplies and optical goods, nes; watches and clocks(c)	249.6	277.4	263.3	720.0	716.5	782.2
89 Miscellaneous manufactured articles, nes(c)	325.7	405.9	437.7	2,160.2	2,367.5	2,882.9
93 Special transactions and commodities not classified according to kind	n.a.	n.a.	150.7	n.a.	n.a.	752.2
95 Gold coin whether or not legal tender, and other coin being legal tender(d)	n.a.	n.a.	242.6	n.a.	n.a.	20.1
96 Coin (excl. gold coin), not being legal tender	n.a.	n.a.	1.3	n.a.	n.a.	0.3
97 Gold, non-monetary (excl. gold ores and concentrates)	n.a.	n.a.	2,487.4	n.a.	n.a.	150.6
98 Combined confidential items of trade(e)	n.a.	n.a.	870.7	n.a.	n.a.	187.0
Total Trade(f)	35,806.4	41,077.8	43,462.2	36,988.1	40,596.6	47,064.2

(a) Data through 1987-88 are classified according to the SITC Revision 2. From 1988-89 SITC Revision 3 has been adopted. Divisions significantly affected by the change in classification are footnoted. See Appendix B for details of the 1988-89 issue of the 5410.0 publication. (b) Excludes export commodities subject to a confidentiality restriction. These are included in Division 98. See Appendix D of the 1988-89 issue of the 5410.0 publication for details. (c) Excludes import commodities subject to a confidentiality restriction. These are included in Division 98. See Appendix E of the 1988-89 issue of the 5410.0 publication for details. (d) Division 95 is a dummy SITC Rev3 code used to record the value of these commodities as merchandise trade. In previous issues these commodities were included in non-merchandise trade. See Appendix A of the 1988-89 issue of the 5410.0 publication for details. (e) Includes export and import commodities subject to a confidentiality restriction. See Appendices D and E of the 1988-89 issue of the 5410.0 publication for details. (f) Includes exports and imports of gold coins, whether or not they are legal tender and other coins which are legal tender. See Appendix A of the 1988-89 issue of the 5410.0 publication for details.

EXPORTS OF MAJOR COMMODITIES BASED ON STANDARD INTERNATIONAL TRADE CLASSIFICATIONS (SITC) REV3, 1988-89

<i>Commodity Description</i>	<i>\$ million</i>
Aircraft and associated equipment; spacecraft (incl. satellites) and spacecraft launch vehicles; and parts thereof (792)	275.1
Alumina (aluminium oxide) (285.20)	2,220.3
Aluminium (684)	2,720.2
Barley unmilled (043.00)	232.0
Cars and other road vehicles (incl. air-cushioned vehicles) (78)	404.6
Cheese and curd (024)	183.4
Coal, whether or not pulverised but not agglom (321)	4,645.6
Copper ores and concentrates (283.10)	209.0
Copper and copper alloys unwrought (excl. master alloys) (682.11,12,14)	369.4
Cotton (other than linters), not carded or combed (263.10)	462.8
Crustaceans, molluscs and aquatic invertebrates (036)	465.0
Fruit and nuts, fresh, dried and preserved and fruit (057:059)	313.4
Gas, natural and manufactured (342,343,344,345)	161.2
Gold, non-monetary (excl. gold ores and concentrates) (971)	2,487.4
Hides and skins, bovine and equine, raw(211.11,12,13,20)	274.2
Iron and steel (67)	497.1
Iron ore concentrates and agglomerates (excl. roasted iron pyrites) (281.50,60)	1,775.7
Lead and lead alloys unwrought (685.11,12)	345.4
Machinery specialised for particular industries (72)	339.0
Meat of bovine animals (fresh, chilled or frozen) (011.11:22)	1,770.1
Meat of sheep and goats (fresh, chilled or frozen) (012.11,12,13)	262.3
Milk and cream and milk products other than butter or cheese (022)	314.1
Nickel and nickel alloys, unwrought (683.11,12)	232.4
Nickel ores, concentrates, mattes and sinters (284.2)	336.3
Office machines and automatic data processing machines (75)	398.4
Ores and concentrates of molybdenum, niobium, titanium etc (287.81-85)	515.1
Petroleum oils and oils obtained from bituminous minerals, crude (333)	563.6
Petroleum products (334,335)	900.6
Photographic and cinematographic supplies (882)	186.7
Plastics in primary and non-primary form (57,58)	208.1
Power generating machinery and equipment (71)	311.0
Rice (042)	150.0
Sheep and goats, live (001.21,22)	205.7
Skins, sheep and lamb, with wool on raw (211.60)	204.2
Sorghum, unmilled (045.30)	41.6
Sugar, beet or cane, raw, in solid form (061.11,12)	854.5
Uranium and thorium ores and concentrates (286.10,20)	415.3
Wheat (incl. spelt) and meslin, unmilled (041)	2,108.8
Wood in chips or particles (246.11,15)	406.8
Wool, greasy (incl. fleece-washed wool) (268.11,19)	4,604.9
Other wool, not carded or combed (268.21,29)	929.9
Zinc and zinc alloys, unwrought (686.11,12)	357.1
Zinc ores and concentrates (287.50)	424.3
<i>Total major commodities(a)</i>	<i>35,082.0</i>
Total Exports(b)	43,462.2

(a) Excludes commodities subject to a No Commodity Details restriction. See Appendix E of the 1988-89 issue of the 5410.0 publication for details. (b) Total exports includes exports of gold coins, whether or not they are legal tender, and other coins which are legal tender. See Appendix A of the 1988-89 issue of the 5410.0 publication for details.

IMPORTS OF MAJOR COMMODITIES BASED ON STANDARD INTERNATIONAL TRADE CLASSIFICATIONS (SITC) REV3, 1988-89

<i>Commodity Description</i>	<i>\$ million</i>
Aircraft and associated equipment; spacecraft (incl. satellites) and spacecraft launch vehicles; and parts thereof (792)	1,653.1
Articles of apparel and clothing accessories (84)	759.1
Automatic data processing machines and units thereof (752)	1,961.1
Baby carriages, toys, games and sporting goods (894)	419.8
Chemical materials and products, nes (59)(a)	560.9
Civil engineering and contractors' plant and equipment (723)(a)	690.5
Clay and refractory construction materials and mineral manufactures, nes (662,663)	356.0
Coffee and coffee substitutes (071)	157.2
Electrical apparatus for switching or protecting electrical circuits (772)	482.0
Electrical machinery and apparatus nes (778)	696.6
Fish, crustaceans, molluscs and aquatic invertebrates, and preparations thereof (03)	437.5
Glass, glassware and pottery (664,665,666)(a)	388.0
Household type, electrical and non-electrical equipment nes (775)	429.7
Inorganic chemicals (52)(a)	683.1
Internal combustion piston engines, and parts thereof nes (713)	607.4
Iron and steel (67)	1,077.9
Machinery and equipment specialised for particular industries and parts thereof (728)	543.8
Manufactures of base metals nes (699)	413.6
Measuring, checking, analysing and controlling instruments and apparatus nes (874)	814.3
Medical and pharmaceutical products (54)	694.1
Motor vehicles for the transport of goods (782.10)	1,260.2
Non-electrical parts and accessories of machinery nes (749)	118.7
Organic chemicals (51)(a)	1,164.3
Paper, paperboard and articles of paper pulp, of paper or of paperboard (64)(a)	1,296.5
Parts and accessories of motor vehicles and tractors, track-laying and wheeled (784)	959.0
Parts and accessories for office and automatic data processing machines (759)	1,016.5
Passenger motor vehicles (other than public transport type vehicles) incl. station wagons and racing cars (781)	2,231.1
Petroleum oils and oils obtained from bituminous minerals, crude (333)	994.5
Petroleum oils and oils obtained from bituminous minerals (other than crude) (334)	876.3
Photographic and cinematographic supplies (882)(a)	315.9
Plastics in primary and non-primary forms (57,58)(a)	1,161.9
Printed matter (892)	640.3
Printing and bookbinding machinery, and parts thereof (726)	247.3
Pumps, centrifuges, filtering or purifying apparatus and parts thereof (743)	502.4
Rubber tyres, interchangeable tyre treads, tyre flaps and inner tubes for wheels of all kinds (625)	450.5
Ships, boats (including hovercraft) and floating structures (793)	311.8
Telecommunication equipment nes and parts nes and accessories (764)	905.3
Television and radio broadcast receivers (761,762)	436.1
Textile yarn (651)(a)	563.7
Tools for use in the hand or in machines (695)(a)	308.4
Tractors, track-laying and wheeled (722)	251.1
Wood, sawn or chipped lengthwise, sliced or peeled (248.20,40)	484.4
Woven cotton fabrics (excl. narrow or special fabrics) (652)	355.2
Woven fabrics of man-made textile material (excl. narrow or special fabrics) (653)	319.6
<i>Total major commodities(a)</i>	<i>30,996.8</i>
Total Imports(b)	47,064.2

(a) Excludes commodities subject to a No Commodity Details restriction. See Appendix E of the 1988-89 issue of the 5410.0 publication for details. (b) Total imports includes imports of gold coins, whether or not they are legal tender, and other coins which are legal tender. See Appendix A of the 1988-89 issue of the 5410.0 publication for details.

EXPORTS BY INDUSTRY OF ORIGIN (a)
(\$ million)

<i>ASIC Division / sub-division</i>	<i>1986-87</i>	<i>1987-88(b)</i>	<i>1988-1989(b)</i>
Agriculture, forestry, fishing and hunting			
Agriculture (c)	6,141.4	7,196.6	7,942.1
Forestry and logging	3.8	4.3	5.4
Fishing and hunting	22.0	66.0	118.7
Total (c)	6,167.1	7,266.8	8,006.1
Mining			
Metallic minerals	2,904.5	3,468.3	4,243.9
Coal	5,430.9	4,774.4	4,647.4
Oil and gas	1,017.6	1,195.3	724.8
Construction materials	2.0	2.0	4.3
Other non-metallic minerals	119.8	141.4	129.5
Total	9,474.8	9,581.4	9,749.9
Manufacturing			
Food, beverages and tobacco	5,678.1	6,429.3	6,089.3
Textiles	1,303.1	1,561.2	1,344.4
Clothing and footwear	52.1	75.3	85.6
Wood, wood products and furniture	407.2	456.9	475.3
Paper, paper products, printing and publishing	199.9	213.8	260.1
Chemical, petroleum and coal products	1,421.5	1,837.8	1,967.9
Non-metallic mineral products	76.9	104.8	130.4
Basic metal products	6,045.3	7,842.4	9,109.1
Fabricated metal products	235.1	377.7	535.1
Transport equipment	1,238.6	1,168.3	1,041.1
Other machinery and equipment	1,901.7	2,203.7	2,218.0
Miscellaneous manufacturing	402.3	558.8	599.0
Total	18,961.8	22,829.8	23,855.2
Other industries			
Wholesale, retail and service industries	36.4	38.3	60.7
Confidential items; Waste and scrap nes; Second hand goods nes; Special goods	1,166.3	1,361.5	1,703.3
Total	1,202.6	1,399.8	1,791.0
Total Exports(d)	35,806.4	41,077.8	43,462.2

(a) Data through 1987-88 are compiled by allocating statistical items of the AECC to the appropriate ASIC industry code. For 1988-89 the data are compiled by allocating statistical items of the AHECC to the appropriate ASIC industry code. This change in the primary classification (commodity) may result in some minor breaks in series classified by ASIC between 1987-88 and 1988-89. (b) Includes exports of gold coins, whether or not they are legal tender, and other coins which are legal tender. See Appendix A of the 1988-89 issue of the 5410.0 publication for details. (c) From May 1987 includes exports of rice. Prior to that period rice was included with other confidential items. (d) Total exports excludes non-merchandise trade.

IMPORTS BY INDUSTRY OF ORIGIN (a)

<i>ASIC Division / sub-division</i>	<i>1986-87</i>	<i>1987-88(b)</i>	<i>1988-1989(b)</i>
Agriculture, forestry, fishing and hunting			
Agriculture	571.2	609.8	645.6
Forestry and logging	3.5	3.5	3.0
Fishing and hunting	5.6	11.4	19.8
Total	580.4	624.7	668.4
Mining			
Metallic minerals	24.2	37.2	47.3
Coal	3	7	8.1
Oil and gas	569.8	1,045.5	998.3
Construction materials	15.8	17.5	21.6
Other non-metallic minerals	204.9	228.2	260.8
Total	815.1	1,329.1	1,336.0
Manufacturing			
Food, beverages and tobacco	1,606.8	1,676.2	1,870.3
Textiles	1,877.4	2,117.8	2,301.1
Clothing and footwear	954.9	1,003.9	1,046.9
Wood, wood products and furniture	707.2	815.1	1,022.4
Paper, paper products, printing and publishing	1,746.5	2,015.5	2,179.2
Chemical, petroleum and coal products	4,275.1	4,857.8	5,612.3
Non-metallic mineral products	641.1	762.7	875.4
Basic metal products	1,046.0	1,238.0	1,684.0
Fabricated metal products	960.3	1,119.9	1,326.4
Transport equipment	4,689.1	4,754.3	7,204.5
Other machinery and equipment	12,744.7	13,633.0	15,569.1
Miscellaneous manufacturing	2,408.2	2,709.0	3,038.8
Total	33,657.4	36,703.3	43,730.4
Other industries			
Wholesale, retail and service industries	168.7	218.1	367.8
Confidential items; Waste and scrap nes; Second hand goods nes; Special goods	1,766.5	1,721.4	961.6
Total	1,935.3	1,939.5	1,329.4
Total Imports(c)	36,988.1	40,596.6	47,064.2

(a) Data through 1987-88 are compiled by allocating statistical items of the AICC to the appropriate ASIC industry code. For 1988-89 the data are compiled by allocating statistical items of the Australian Custom Tariff to the appropriate ASIC industry code. This change in the primary classification (commodity) may result in some minor breaks in series classified by ASIC between 1987-88 and 1988-89. (b) Includes imports of gold coins, whether or not they are legal tender, and other coins which are legal tender. See Appendix A of the 1988-89 issue of the 5410.0 publication for details. (c) Total imports excludes non-merchandise trade.

EXPORTS BY BROAD ECONOMIC CATEGORIES (BEC)(a)

BEC	1986-87	1987-88(b)	1988-89(b)
Food and beverages (c)	7,725.9	7,996.7	8,335.9
Primary (c)	3,553.5	3,276.6	3,593.2
Mainly for industry	2,604.9	2,218.2	2,737.6
Mainly for household consumption (c)	948.6	1,058.4	855.6
Processed	4,172.4	4,720.1	4,742.7
Mainly for industry	966.6	977.1	1,240.5
Mainly for household consumption	3,205.8	3,743.0	3,502.2
Industrial supplies not elsewhere specified	15,944.1	20,852.2	23,577.9
Primary	8,233.8	10,644.7	11,399.7
Processed	7,710.3	10,207.5	12,178.2
Fuels and lubricants	7,293.9	7,017.6	6,350.3
Primary	6,214.3	5,720.1	5,209.6
Processed	1,079.6	1,297.6	1,140.7
Motor spirit	77.0	98.2	55.9
Other	1,002.6	1,199.4	1,084.8
Capital goods (except transport equipment), and parts and accessories thereof	1,696.5	1,791.8	1,770.3
Capital goods (except transport equipment)	1,071.3	1,039.2	936.6
Parts and accessories	625.2	752.6	833.8
Transport equipment and parts and accessories thereof	1,312.7	1,272.2	1,154.3
Passenger motor cars(d)	100.8	143.0	169.3
Other	467.0	244.3	264.3
Industrial	414.4	182.8	176.4
Non-industrial	52.6	61.5	87.8
Parts and accessories(d)	744.9	884.9	720.8
Consumer goods not elsewhere specified	836.4	959.5	989.0
Durable	256.8	248.8	276.8
Semi-durable	214.2	299.5	285.2
Non-durable	365.3	411.2	426.9
Goods not elsewhere specified(e)	997.0	1,187.7	1,284.5
Total Exports	35,806.4	41,077.8	43,462.2

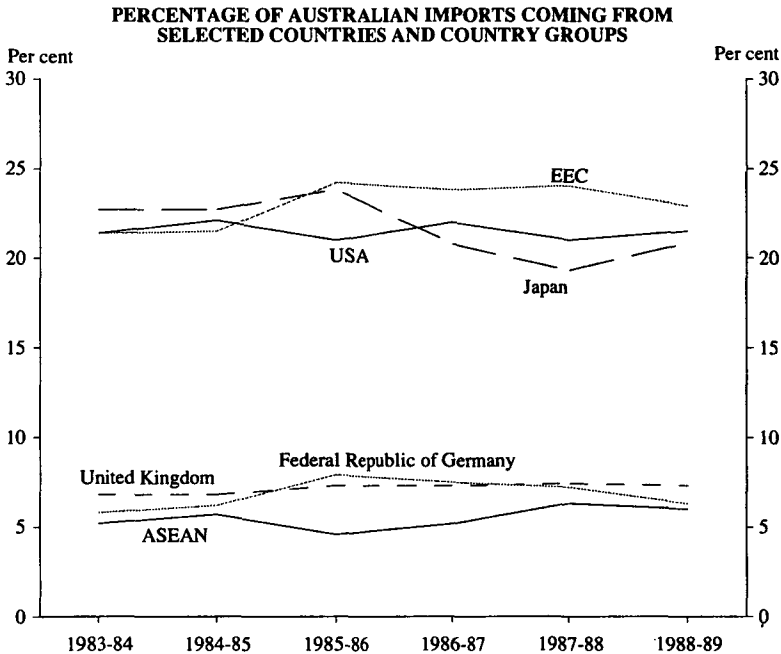
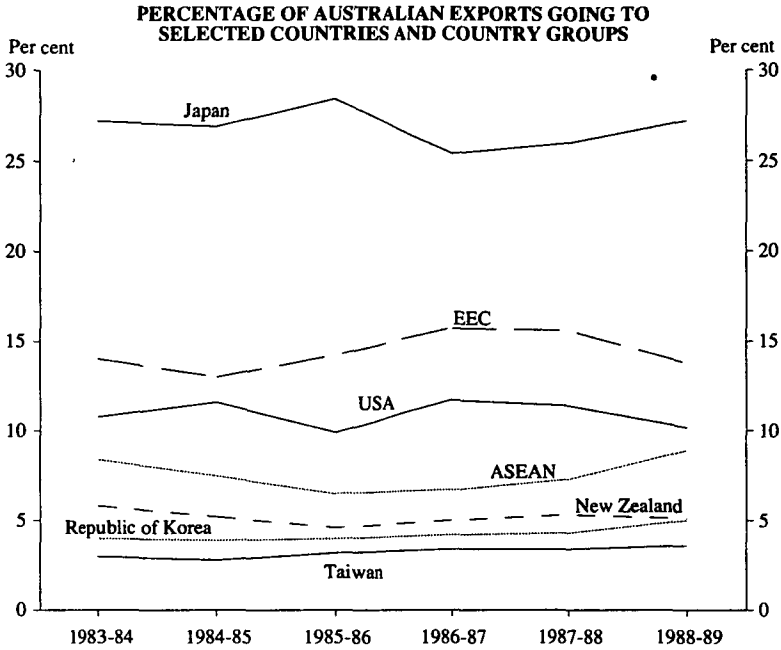
(a) Data through 1987-88 are compiled by allocating statistical items of the AECC to the appropriate BEC code. For 1988-89 the data are compiled by allocating statistical items of the AHECC to the appropriate BEC code. This change in the primary classification (commodity) may result in some minor breaks in series classified by BEC between 1987-88 and 1988-89. (b) Includes exports of gold coins, whether or not they are legal tender, and other coins which are legal tender. See Appendix A of the 1988-89 issue of 5410.0 publication for details. (c) From May 1987 includes exports of rice. Prior to that period rice was included with other confidential items. (d) For periods prior to 1 January 1988 unassembled road motor vehicles are included with parts and accessories of transport equipment. From January 1 1988 they are included with passenger motor cars. (e) Includes commodities subject to a confidentiality restriction. See Appendices D and E of the 1988-89 issue of 5410.0 publication for details.

IMPORTS BY BROAD ECONOMIC CATEGORIES (BEC)(a)

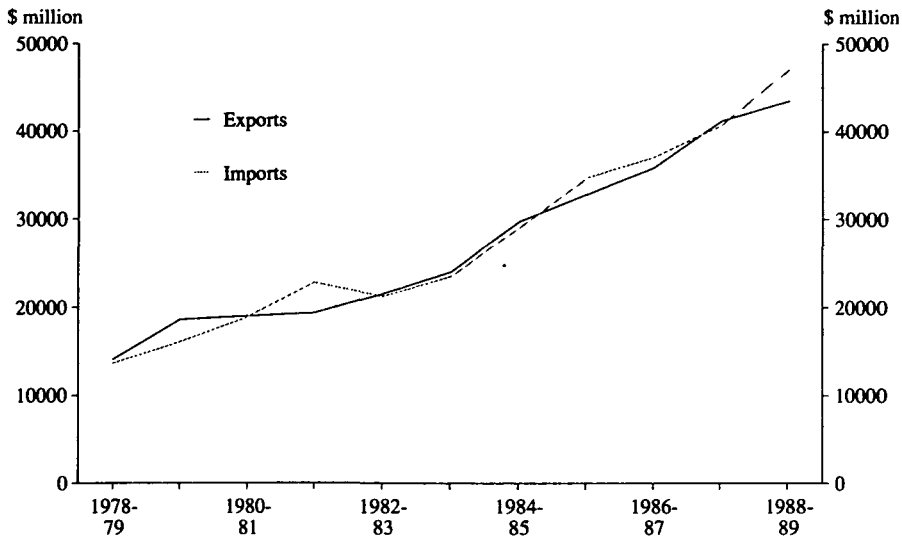
BEC	1986-87	1987-88(b)	1988-89(b)
Food and beverages	1,749.2	1,911.3	2,181.2
Primary	477.6	548.3	650.1
Mainly for industry	163.9	247.7	317.1
Mainly for household consumption	313.6	300.6	332.9
Processed	1,271.6	1,363.0	1,531.2
Mainly for industry	195.0	204.6	189.5
Mainly for household consumption	1,076.6	1,158.4	1,341.7
Industrial supplies not elsewhere specified	10,061.7	11,836.9	13,605.8
Primary	585.9	659.9	709.2
Processed	9,475.8	11,177.0	12,896.6
Fuels and lubricants	1,637.1	1,940.1	1,906.4
Primary	566.0	1,043.2	1,005.8
Processed	1,071.1	896.8	900.5
Motor spirit	255.5	165.0	230.1
Other	815.5	731.9	670.5
Capital goods (except transport equipment), and parts and accessories thereof	10,594.8	11,370.3	13,004.9
Capital goods (except transport equipment)	7,270.7	7,728.3	8,890.9
Parts and accessories	3,324.2	3,642.1	4,114.0
Transport equipment and parts and accessories thereof	5,160.2	5,369.6	8,051.7
Passenger motor cars(c)	674.8	1,151.1	2,231.1
Other	1,814.6	1,495.7	3,056.0
Industrial	1,561.1	1,193.9	2,765.1
Non-industrial	253.5	301.8	290.9
Parts and accessories(c)	2,670.7	2,722.8	2,764.5
Consumer goods not elsewhere specified	6,013.5	6,459.1	7,233.1
Durable	1,990.3	2,132.4	2,503.7
Semi-durable	2,432.4	2,575.3	2,787.6
Non-durable	1,590.7	1,751.4	1,941.9
Goods not elsewhere specified(d)	1,771.6	1,709.3	1,081.1
Total Imports	36,988.1	40,596.6	47,064.2

(a) Data through 1987-88 are compiled by allocating statistical items of the AICC to the appropriate BEC code. For 1988-89 the data are compiled by allocating statistical items of the Australian Customs Tariff to the appropriate BEC code. This change in the primary classification (commodity) may result in some minor breaks in series classified by BEC between 1987-88 and 1988-89. (b) Includes imports of gold coins, whether or not they are legal tender, and other coins which are legal tender. See Appendix A of the 1988-89 issue of 5410.0 publication for details. (c) For periods prior to 1 January 1988 unassembled road motor vehicles are included with parts and accessories of transport equipment. From January 1 1988 they are included with passenger motor car. (d) Includes commodities subject to a confidentiality restriction. See Appendices D and E of the 1988-89 issue of 5410.0 publication for details.

The following diagrams show the percentage of Australian exports and imports by selected countries and country groups from 1983-84 to 1988-89 and the value of Australia's foreign trade for 1978-79 to 1988-89.



EXPORTS AND IMPORTS, AUSTRALIA

**Direction of foreign trade****Exports and imports, by country of consignment or of origin**

The following table shows the value and percentage of Australian exports and imports according to principal country of consignment or origin. The proportions of Australian exports and imports by country of consignment or origin are shown on the preceding page.

**AUSTRALIAN EXPORTS AND IMPORTS, VALUE BY COUNTRY OR COUNTRY GROUP
OF CONSIGNMENT OR ORIGIN
(\$ million)**

Country	Exports			Imports		
	1986-87	1987-88	1988-89(a)	1986-87	1987-88	1988-89(a)
Association of South East Asian Nations (ASEAN)—						
Brunei	13.0	14.6	11.2	32.4	28.2	31.7
Indonesia	528.3	595.3	748.3	310.6	587.7	418.9
Malaysia	591.6	655.9	742.4	409.7	590.7	687.1
Philippines	259.0	257.5	410.7	113.4	127.0	165.4
Singapore	779.4	1,166.1	1,481.0	755.8	899.0	1,090.0
Thailand	223.8	316.8	474.8	284.4	331.1	420.0
Total ASEAN	2,395.1	3,006.3	3,868.4	1,906.2	2,563.7	2,813.2
European Economic Community (EEC)—						
Belgium—Luxembourg	297.7	368.3	366.7	312.0	319.9	403.2
Denmark	161.9	89.5	70.0	176.9	189.7	202.4
France	908.2	982.8	975.1	828.8	892.1	1,275.7
Germany, Federal Republic of	1,100.7	1,066.7	1,071.5	2,780.9	2,918.1	2,950.8
Greece	34.8	73.9	64.4	45.3	50.3	76.6
Ireland	6.0	7.2	7.9	184.2	201.6	171.5
Italy	823.2	1,093.0	1,017.5	1,110.3	1,329.8	1,375.1
Netherlands	598.4	626.7	660.6	486.6	595.9	601.0
Portugal	34.8	46.2	51.3	32.5	47.0	57.6
Spain	292.9	281.8	195.1	140.9	190.3	208.3
United Kingdom	1,374.5	1,771.6	1,522.5	2,705.7	3,012.2	3,453.8
Total EEC	5,633.2	6,407.7	6,002.6	8,804.1	9,746.7	10,775.9

**AUSTRALIAN EXPORTS AND IMPORTS, VALUE BY COUNTRY OR COUNTRY GROUP
OF CONSIGNMENT OR ORIGIN—continued**
(\$ million)

Country	Exports			Imports		
	1986-87	1987-88	1988-89(a)	1986-87	1987-88	1988-89(a)
Argentina	77.1	74.9	95.9	48.7	64.3	103.7
Austria	12.1	18.3	10.3	141.5	156.9	177.7
Bahrain	78.2	60.3	122.6	19.5	30.8	26.8
Bangladesh	41.5	50.3	70.2	17.7	22.9	22.7
Brazil	139.0	99.6	117.6	219.5	298.5	430.4
Canada	649.7	701.8	709.1	750.5	863.3	1,066.7
China	1,592.3	1,277.6	1,209.4	588.8	850.7	1,026.7
Czechoslovakia	34.4	68.3	74.9	28.9	41.1	52.2
Egypt(b)	362.5	316.7	423.2	0.2	2.2	2.8
Fiji	174.2	123.9	155.4	27.8	43.8	98.7
Finland	49.7	79.2	97.6	262.6	293.5	352.2
French Polynesia	69.2	72.9	67.9	0.3	0.4	0.4
Hong Kong	1,086.6	1,977.1	1,888.5	800.1	845.3	891.5
India	425.3	505.2	555.2	203.3	228.2	246.7
Iran	343.8	375.7	305.0	4.4	17.1	9.8
Iraq	194.8	178.4	311.0	0.3	0.2	0.2
Israel	70.3	61.2	61.9	86.5	123.4	138.3
Japan	9,083.3	10,684.1	11,840.5	7,709.7	7,816.5	9,766.5
Korea, Republic of	1,503.8	1,782.4	2,182.7	891.3	1,020.3	1,262.0
Kuwait	98.0	81.1	77.7	162.6	121.0	89.7
Mexico	41.6	54.4	53.3	55.3	64.9	80.5
Nauru	14.2	14.3	17.1	59.2	66.7	84.7
New Caledonia	55.1	85.1	76.5	1.9	3.9	1.7
New Zealand	1,777.0	2,181.5	2,219.2	1,431.2	1,732.5	1,970.5
Norway(b)	24.0	29.5	18.1	97.1	168.1	176.8
Oman	43.7	58.8	57.5	17.6	9.7	14.6
Pakistan	100.6	101.4	144.0	61.0	64.6	79.1
Papua New Guinea	651.1	741.3	785.2	189.7	109.1	104.7
Poland	107.4	199.5	182.7	21.2	27.4	30.7
Puerto Rico	0.9	1.4	6.0	69.4	98.6	114.1
Qatar	24.7	30.8	21.3	70.4	88.0	47.8
Romania	114.8	123.4	100.3	13.0	23.2	52.5
Saudi Arabia	298.0	268.1	249.6	437.3	418.9	458.3
South Africa	154.1	151.4	152.0	154.7	99.1	97.9
Sweden	120.8	120.6	142.7	655.4	776.6	840.4
Switzerland	365.1	307.7	348.7	489.9	543.8	496.3
Taiwan	1,228.9	1,386.5	1,566.5	1,517.4	1,743.9	1,919.9
Turkey	116.7	191.1	79.9	19.9	32.7	32.2
United Arab Emirates	222.1	236.3	253.7	175.8	215.8	396.3
United States of America	4,190.4	4,672.0	4,422.4	8,118.5	8,532.0	10,129.4
U.S.S.R.	687.7	630.3	1,012.9	15.1	21.7	53.8
Yemen Arab Republic	65.1	61.3	29.3	—	—	—
Yemen, People's Democratic Republic of	30.4	45.6	39.5	—	—	8.7
Yugoslavia	110.2	91.2	130.2	38.1	49.7	56.8
Zimbabwe	4.8	7.6	6.8	294.1	179.7	8.6
Destination or Origin Unknown	—	0.5	1.2	11.4	9.0	18.8
Ships' Stores	407.6	465.4	426.3	—	—	—
Egypt, Iceland and Norway—alumina	121.2	148.9	132.6	—	—	—
Other countries	626.7	668.9	538.1	800.0	468.8	355.4
Re-imports	—	—	—	27.1	30.7	78.8
Total	35,806.4	41,077.8	43,462.2	36,988.1	40,596.6	47,064.2

(a) Includes, from 1 July 1987, exports or imports of gold coins, whether or not they are legal tender, and other coins which are legal tender. For prior periods the trade in these commodities is recorded as non-merchandise. (b) Excludes exports of alumina. Alumina exports for Egypt, Iceland and Norway are included in 'Other countries'. (c) Portugal and Spain became members of the EEC on 1 January 1986.

Foreign trade by State

The following table shows the value of exports and imports for each State and Territory.

EXPORTS AND IMPORTS BY STATE (\$ million)

State (a)	Exports			Imports		
	1986-87	1987-88(b)	1988-89(b)	1986-87	1987-88(b)	1988-89(b)
New South Wales	8,364.2	10,597.8	10,903.7	16,055.9	18,089.6	20,875.1
Victoria	7,389.6	9,044.6	8,526.2	13,741.6	14,020.0	15,958.1
Queensland	7,761.9	8,072.4	8,976.3	2,503.5	2,845.2	3,788.4
South Australia	2,044.2	2,271.6	2,446.8	1,503.4	1,804.8	1,861.4
Western Australia	6,673.7	7,434.9	8,856.6	2,586.8	3,152.5	3,581.8
Tasmania	1,088.9	1,223.5	1,356.6	289.4	282.4	348.6
Northern Territory	750.6	905.4	938.8	265.8	385.2	625.9
Australian Capital Territory	0.9	2.4	3.5	41.7	16.8	24.8
State not available	121.2	148.9	132.6	n.a.	n.a.	n.a.
Re-exports	1,611.2	1,376.5	1,321.1	n.a.	n.a.	n.a.
Total (c)	35,806.4	41,077.8	43,462.2	36,988.1	40,596.6	47,064.2

(a) For imports: State in which entry was lodged. The State of lodgement is not necessarily the State in which the goods were discharged or consumed. For exports: State is State of origin of Australian produce and State of final shipment of re-exported goods. State of origin is defined as the State in which the final stage of production or manufacture occurs. (b) Includes, from 1 July 1987, exports or imports of gold coins, whether or not they are legal tender, and other coins which are legal tender. See Appendix A of the 1988-89 issue of 5426.0 publication for further detail. (c) Total excludes non-merchandise trade.

Import clearances, dutiable clearances, and customs duties collected

The following table shows the value of total import clearances, total dutiable clearances, and the customs duties collected, together with the ratio of total dutiable clearances to total clearances.

TOTAL IMPORT CLEARANCES, DUTIABLE CLEARANCES, AND DUTIES(a)				
		1986-87	1987-88	1988-89
Total import clearances	\$m	38,025.1	41,782.5	47,893.5
Total dutiable clearances	\$m	23,732.4	26,178.7	16,524.8
Total customs duties collected	\$m	3,292.3	3,710.3	3,879.4
Ratio of dutiable clearances to total clearance	per cent	62.4	62.7	34.5
Ratio of duties collected to dutiable clearances	per cent	13.9	14.2	23.4

(a) Includes, from 1 July 1987, import clearances of gold coins, whether or not they are legal tender, and other coins which are legal tender. For prior periods the trade in these commodities is recorded as non-merchandise.

Excise

As the Excise Acts are administered by the ACS, it is convenient to publish here the quantities of Australian produce on which excise duty has been paid. The rate of excise duty is in some cases related to the import duty on similar goods. Moreover, particulars of customs and excise revenue are shown in Chapter 24, Public Finance. The following table shows the quantities of goods on which excise duty was paid in Australia.

**QUANTITIES OF PRINCIPAL EXCISABLE GOODS ON
WHICH EXCISE DUTY WAS PAID: AUSTRALIA**

<i>Article</i>		<i>1986-87</i>	<i>1987-88</i>	<i>1988-89</i>
Beer	'000 litre	1,784,477	1,808,529	1,876,699
Spirits—				
Brandy	'000 l'al	1,781	1,779	1,681
Gin	"	232	269	271
Whisky	"	129	94	103
Rum	"	2,303	2,274	2,339
Liqueurs	"	150	133	138
Vodka	"	478	517	511
Flavoured spirituous liqueurs	"	12	9	7
Other	"	414	573	805
<i>Total spirits (potable)</i>	"	<i>5,776</i>	<i>5,960</i>	<i>6,168</i>
Tobacco	'000 kg	969	870	784
Cigars	"	1	—	—
Cigarettes—machine-made	"	25,801	26,055	25,633
Petrol—				
Aviation gasoline—for use in aircraft (a)	litre	114,741	119,733	121,880
Aviation gasoline—other (a)	"	—	—	—
Gasoline—commercial motor spirit/ethanol blends	"	—	—	—
Other gasoline (a)	"	16,100,824	16,449,904	16,948,695
Aviation turbine kerosene (a)	"	1,373,287	1,413,455	26,966
Diesel fuel; kerosene, n.s.a.; heating and fuel oil (b)	"	9,974,131	9,990,131	10,568,652
Crude petroleum oil, liquid petroleum and liquefied petroleum gas	'000 litre	33,232,431	23,082,609	19,021,103
Coal	'000 tonnes	140,866	141,856	138,846

(a) Includes supplies to Commonwealth Government on which excise was paid. (b) Includes automotive, industrial and marine diesel fuel.

FOREIGN INVESTMENT

Foreign investment statistics provide information on the *level* (stock) of Australia's foreign financial assets and liabilities at a given point in time, *capital transactions* (investment flows) which increase and decrease these assets and liabilities, *other changes* in the value of these assets and liabilities, and *income* receivable and payable on these assets and liabilities.

These statistics form an integral part of Australia's balance of payments as well as being useful in their own right in determining, for example, the impact of foreign investment policies and the level of Australia's foreign assets and liabilities, including foreign debt. They are also useful when analysing the behaviour of financial markets. The statistics are collected from surveys of foreign investment which have been conducted since 1947-48.

Classification

The primary classification used in foreign investment statistics is the 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 foreign residents and capital transactions which increase or decrease this stock. Conversely, *Australian investment abroad* refers to the stock of financial assets abroad owned by Australian residents and capital transactions which increase or decrease this stock.

Foreign investment is undertaken by means of instruments of investment. Many types of instrument of investment can be identified, but for analytical reasons and ease of reporting similar instruments are combined.

- Equity includes ordinary and preference shares, units in trusts and net equity in branches.
- Borrowing (foreign investment in Australia) or lending (Australian investment abroad) comprises deposits, loans, finance leases, bonds, bills, IMF credit and Bank of International Settlements placements.
- Reserve Assets includes monetary gold, Special Drawing Rights and reserve position in the IMF and foreign exchange held by the Reserve Bank of Australia.
- Other investments consists of amounts outstanding in respect of goods, services, interest, dividends etc.
- Reinvestment of earnings of direct investors refers to income retained from after tax profits attributable to direct investors.

Statistics are provided in respect of both Australia's gross foreign debt (borrowing) and Australia's net foreign debt, the latter being derived by deducting reserve assets and lending abroad from gross foreign debt.

The country dissection of statistics on foreign investment shows the countries investing in Australia or receiving investment from Australia. The classification is based upon the country of residence of the foreign creditor or debtor holding Australia's financial liabilities or financial assets. 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 repaid.

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

Coverage

As there is no comprehensive source for identifying enterprises engaged in foreign investment activity, lists of enterprises included in foreign investment surveys are compiled from a variety of sources. These sources include stock exchange reports, company reports, newspapers and the financial press, business directories, tax declaration forms submitted under the Banking (Foreign Exchange) Regulations, information provided on a confidential basis of proposals approved by the Foreign Investment Review Board and records of the Commissioner of Corporate Affairs in some States.

Valuation and timing

Market price is the principle method of valuation in foreign investment statistics. Capital transactions are recorded on a change of ownership basis, that is, at the time when the foreign financial assets or liability is acquired, sold, repaid or otherwise disposed of. By convention, this is taken to be the time at which the event is recorded in the books of the transactors. Investment income is generally recorded at the time it becomes due for payment.

Foreign investment statistics

The table below shows a reconciliation between opening and closing levels of foreign investment in Australia, Australian investment abroad and Australia's net international investment position. The table also shows income payable on foreign investment in Australia, income receivable on Australian investment abroad and net income payable.

FOREIGN INVESTMENT SUMMARY TABLE
(\$A million)

Year	Changes in levels of investment during the year					Total	Levels of investment at end of year	Investment income (a)
	Levels of investment at beginning of year	Reinvestment of earnings of direct investors	Other transactions	Exchange rate variations	Other changes			
FOREIGN INVESTMENT IN AUSTRALIA								
Equity—								
1986-87	40,503	1,244	5,874	14	15,823	22,955	63,458	2,971
1987-88	63,458	2,428	3,612	-46	-2,909	3,087	66,545	4,356
1988-89	66,545	2,604	6,485	-37	2,599	11,653	78,198	5,721
Borrowing—								
1986-87	92,050	..	14,288	-1,643	211	12,856	104,906	8,260
1987-88	104,906	..	16,883	-4,765	-5	12,113	117,019	9,129
1988-89	117,019	..	16,664	1,117	2,247	20,027	137,046	10,736
Other Investment—(b)								
1986-87	6,884	..	-107	11	651	555	7,439	113
1987-88	7,439	..	45	-37	-7	1	7,440	41
1988-89	7,440	..	355	-27	-111	216	7,656	231
Total—(b)								
1986-87	139,437	1,244	20,055	-1,617	16,684	36,366	175,803	11,343
1987-88	175,803	2,428	20,539	-4,845	-2,920	15,201	191,004	13,525
1988-89	191,004	2,604	23,505	1,053	4,735	31,896	222,899	16,686
AUSTRALIAN INVESTMENT ABROAD								
Equity—								
1986-87	20,253	1,176	6,624	-225	4,293	11,868	32,121	1,815
1987-88	32,121	1,807	6,554	-180	-3,666	4,515	36,636	2,119
1988-89	36,636	2,196	5,021	-482	464	7,200	43,836	2,498
Reserve Assets—								
1986-87	13,024	..	3,394	239	937	4,570	17,594	531
1987-88	17,594	..	3,924	-893	-442	2,588	20,182	706
1988-89	20,182	..	873	3	-648	228	20,410	998
Lending—								
1986-87	3,981	..	381	-190	691	882	4,863	114
1987-88	4,863	..	2,165	3	-483	1,685	6,548	287
1988-89	6,548	..	1,409	-139	573	1,843	8,391	224
Other Investment—(b)								
1986-87	6,024	..	799	17	12	828	6,852	169
1987-88	6,852	..	-59	-52	-239	-350	6,502	93
1988-89	6,502	..	1,016	26	8	1,050	7,552	182
Total—(b)								
1986-87	43,283	1,176	11,198	-158	5,931	18,147	61,430	2,628
1987-88	61,430	1,807	12,586	-1,122	-4,833	8,438	69,863	3,205
1988-89	69,863	2,196	8,317	-592	399	10,321	80,189	3,902
NET INTERNATIONAL INVESTMENT POSITION AND INCOME (d)								
Net equities—								
1986-87	20,250	68	-750	239	11,530	11,087	31,337	1,156
1987-88	31,337	621	-2,942	134	757	-1,428	29,909	2,237
1988-89	29,909	408	1,464	445	2,135	4,453	34,362	3,223
Net Foreign Debt—(e)								
1986-87	75,045	..	10,513	-1,692	-1,417	7,404	82,449	7,615
1987-88	82,449	..	10,794	-3,875	921	7,840	90,289	8,136
1988-89	90,289	..	14,382	1,253	2,322	17,956	108,244	9,513
Net Other Investment—								
1986-87	860	..	-906	-6	639	-273	587	-56
1987-88	587	..	104	15	232	351	938	-52
1988-89	938	..	-661	-53	-119	-834	104	49
Net International Investment Position—								
1986-87	96,154	68	8,857	-1,459	10,753	18,219	114,373	8,715
1987-88	114,373	621	7,953	-3,723	1,913	6,763	121,136	10,320
1988-89	121,136	408	15,188	1,645	4,336	21,575	142,710	12,784

(a) Includes reinvestment of earnings of direct investors. Investment income is calculated before the deduction of withholding tax. (b) Prior to 1988-89 details of exchange rate variations for accounts payable/prepayments received (foreign investment in Australia) and accounts receivable/prepayments made (Australian investment abroad), components of 'other investment', are not available and have been included in 'other changes'. (c) As a result of a change in the data source for accounts payable/prepayments received (foreign investment in Australia) and accounts receivable/prepayments made (Australian investment abroad), components of 'other investment', levels at 30 June 1988 are not strictly comparable with levels of data shown for earlier periods. The changed data source accounts for decreases of \$409 million and \$656 million in the 1987-88 'other changes' for foreign investment in Australia and the Australian Investment abroad respectively. (d) Net international investment position equals foreign investment in Australia less Australian investment abroad. (e) Foreign borrowing by Australian residents less the sum of reserve assets and Australian lending abroad.

The following table provides details on Australia's foreign debt, including foreign borrowing, reserve assets and lending abroad and net foreign debt.

LEVELS OF FOREIGN DEBT
(\$A million)

	At 30 June—					
	1984	1985	1986	1987	1988	1989
FOREIGN BORROWING (GROSS DEBT)						
Official—						
Commonwealth Government and Reserve Bank	8,534	12,982	19,553	23,173	22,286	17,763
State government	339	1,901	3,855	6,684	10,475	15,965
Total official	8,874	14,883	23,409	29,857	32,761	33,728
Non-official—						
Financial enterprises—						
Public sector	1,197	2,530	5,505	6,557	10,453	16,226
Private sector	5,073	9,034	14,972	19,802	22,803	29,516
Total	6,270	11,564	20,477	26,359	33,256	45,742
Trading enterprises—						
Public sector	7,711	12,452	13,504	12,327	12,323	11,860
Private sector	21,247	28,574	34,661	36,363	38,679	45,716
Total	28,957	41,026	48,165	48,690	51,002	57,576
Total non-official	35,227	52,590	68,641	75,049	84,258	103,318
Total	44,101	67,473	92,050	104,906	117,019	137,046
AUSTRALIAN LENDING ABROAD AND RESERVE ASSETS						
Official—						
Reserve assets (a)	12,417	13,517	13,024	17,594	20,182	20,410
Lending	3	106	137	364	649	924
Total official	12,420	13,623	13,161	17,958	20,831	21,334
Non-official—						
Financial enterprises	576	1,190	2,838	2,854	4,094	6,889
Trading enterprises	1,212	1,451	1,006	1,645	1,805	578
Total non-official	1,788	2,642	3,845	4,499	5,899	7,467
Total	14,208	16,265	17,005	22,457	26,730	28,801
NET FOREIGN DEBT (b)						
Official—	-3,546	1,260	10,248	11,899	11,929	12,394
Non-official—						
Financial enterprises	5,694	10,374	17,639	23,505	29,162	38,853
Trading enterprises	27,746	39,575	47,158	47,045	49,197	56,997
Total non-official	33,440	49,948	64,797	70,550	78,360	95,850
Total	29,893	51,208	75,045	82,449	90,289	108,244

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

The following tables provide details of foreign investment in Australia and Australian investment abroad classified by country and foreign investment in Australia classified by industry of investment. This information is provided in respect of capital transactions, investment income and levels.

FOREIGN INVESTMENT IN AUSTRALIA, BY COUNTRY
(*\$A million*)

Country of investor	Year—					
	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
CAPITAL TRANSACTIONS (a)						
OECD—						
USA	1,411	3,564	4,304	4,469	433	3,149
Japan	1,500	3,454	2,673	761	5,256	6,862
Switzerland	134	399	544	334	650	53
EEC—						
UK	2,529	2,287	1,932	3,561	6,721	-468
Other (b)	656	1,290	3,051	1,768	725	614
Total	3,185	3,577	4,983	5,330	7,446	147
Other OECD (b)	242	402	871	1,821	1,371	475
Total OECD	6,473	11,397	13,374	12,713	15,157	10,685
ASEAN (c)	2,148	592	-837	1,003	69	-1,047
Other countries (c)	586	71	-760	1,168	1,676	1,873
International capital markets	953	2,321	6,806	6,791	5,125	7,600
International institutions	-137	-55	14	-24	-94	-195
Unallocated (a)	145	462	548	-354	1,034	7,195
Total	10,167	14,788	19,144	21,298	22,967	26,109
INVESTMENT INCOME (d)						
OECD—						
USA	1,707	2,037	2,486	3,077	3,755	2,749
Japan	799	1,224	1,646	1,805	1,851	2,150
Switzerland	175	213	275	401	403	368
EEC—						
UK	1,504	1,833	2,049	2,301	2,405	2,409
Other (b)	452	524	784	1,152	1,447	1,098
Total	1,956	2,357	2,833	3,453	3,853	3,509
Other OECD (b)	192	212	327	321	371	95
Total OECD	4,829	6,041	7,567	9,057	10,233	8,868
ASEAN (c)	470	739	694	613	481	606
Other countries (c)	327	440	393	336	336	881
International capital markets	38	124	555	934	1,516	2,418
International institutions	40	32	24	22	22	35
Unallocated (d)	130	187	256	381	936	3878
Total	5,833	7,563	9,489	11,343	13,525	16,686
LEVELS OF FOREIGN INVESTMENT						
OECD—						
USA	20,320	26,819	31,903	40,845	39,234	n.y.a.
Japan	10,802	16,200	20,840	21,321	26,515	n.y.a.
Switzerland	3,114	4,050	5,856	7,502	7,439	n.y.a.
EEC—						
UK	20,631	26,138	29,318	37,127	44,019	n.y.a.
Other (b)	8,054	10,441	14,443	17,842	18,461	n.y.a.
Total	28,685	36,579	43,761	54,968	62,479	n.y.a.
Other OECD (b)	2,844	3,801	4,541	8,888	8,200	n.y.a.
Total OECD	65,764	87,449	106,901	133,523	143,867	n.y.a.
ASEAN (c)	7,214	9,695	8,951	10,477	8,175	n.y.a.
Other countries (c)	5,062	6,840	5,803	6,862	7,737	n.y.a.
International capital markets	1,425	4,466	13,306	20,801	25,428	n.y.a.
International institutions	390	341	365	332	239	n.y.a.
Unallocated	2,017	2,527	4,111	3,808	5,534	n.y.a.
Total	81,873	111,318	139,437	175,803	190,980	222,899

(a) For 1988-89, 'Reinvestment of earnings' is not classified by country and is therefore included in 'Unallocated'. (b) Until 1985-86, Spain and Portugal are included in 'Other OECD', from 1985-86 they are included in 'Other EEC'. (c) Until 1983-84, Brunei is included in 'Other countries', from 1983-84 it is included in 'ASEAN'. (d) For 1988-89, 'Reinvested earnings' is not classified by country and is therefore included in 'Unallocated'.

AUSTRALIAN INVESTMENT ABROAD, BY COUNTRY
(\$A million)

Country of investment	Year—					
	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
CAPITAL TRANSACTIONS						
OECD—						
USA	2,186	-307	1,294	7,626	1,648	n.y.a.
New Zealand	163	231	2	1,604	1,061	n.y.a.
UK	225	717	788	1,142	4,731	n.y.a.
Other OECD (a)	968	1,521	1,000	1,402	2,142	n.y.a.
<i>Total OECD</i>	<i>3,543</i>	<i>2,161</i>	<i>3,084</i>	<i>11,774</i>	<i>9,582</i>	<i>n.y.a.</i>
ASEAN (a)	285	319	111	75	2	n.y.a.
Papua New Guinea	230	94	-107	13	n.p.	n.y.a.
Other countries (b)	231	351	2,230	594	2,560	n.y.a.
Unallocated	157	231	-456	-81	n.p.	n.y.a.
Total	4,446	3,156	4,862	12,375	14,393	10,514
INVESTMENT INCOME						
OECD—						
USA	643	698	405	517	654	n.y.a.
New Zealand	154	173	262	344	47	n.y.a.
UK	122	96	277	330	672	n.y.a.
Other OECD (a)	119	270	396	437	634	n.y.a.
<i>Total OECD</i>	<i>1,037</i>	<i>1,237</i>	<i>1,340</i>	<i>1,628</i>	<i>2,007</i>	<i>n.y.a.</i>
ASEAN (b)	150	101	154	121	82	n.y.a.
Papua New Guinea	108	53	141	61	3	n.y.a.
Other countries (b)	118	80	212	600	1,043	n.y.a.
Unallocated	55	54	118	219	70	n.y.a.
Total	1,468	1,525	1,966	2,628	3,205	3,902
LEVELS OF AUSTRALIAN INVESTMENT						
OECD—						
USA	10,195	11,906	13,081	20,880	19,303	n.y.a.
New Zealand	928	927	1,599	3,785	4,957	n.y.a.
UK	1,465	2,511	3,652	7,531	12,288	n.y.a.
Other OECD (a)	3,939	6,399	9,848	12,656	14,118	n.y.a.
<i>Total OECD</i>	<i>16,528</i>	<i>21,744</i>	<i>28,180</i>	<i>44,852</i>	<i>50,665</i>	<i>n.y.a.</i>
ASEAN (b)	1,676	1,582	1,357	1,413	1,079	n.y.a.
Papua New Guinea	1,016	994	856	1,437	1,803	n.y.a.
Other countries (b)	3,059	3,977	7,038	7,222	9,262	n.y.a.
Reserve Bank gold (c)	3,478	3,772	4,014	4,951	4,509	n.y.a.
Unallocated	949	1,691	1,838	1,555	2,549	n.y.a.
Total	26,706	33,760	43,283	61,430	69,868	80,189

(a) The foreign exchange part of reserve assets, with the exception of those held in the USA, are not available by country and are therefore included in 'Other OECD'. (b) Until 1983-84 Brunei is included in 'Other countries', from 1983-84 it is included in 'ASEAN'. (c) Gold held by the Reserve Bank as part of reserve assets which cannot be allocated by country.

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

Industry of investment (ASIC division)	Year—						
	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	
CAPITAL TRANSACTIONS (b)							
A	Agriculture, forestry, fishing and hunting	5	3	41	438	-122	n.a.
B	Mining	237	519	-1,020	1,138	1,362	879
C	Manufacturing	1,948	901	2,946	3,196	4,557	2,634
D	Electricity, gas and water	652	745	314	-995	-150	-1,616
E	Construction	57	62	-59	358	-55	n.a.
F	Wholesale and retail trade	1,510	1,898	1,010	1,270	1,396	1,274
G	Transport and storage	327	402	392	258	57	1,616
I	Finance, property and business services (c)	3,596	6,973	11,130	11,776	15,538	18,470
J	Public administration, and defence (d)	971	2,629	3,961	3,244	-127	n.a.
H, K, L	Other industries (e)	310	294	235	202	466	-1,997
M	Unallocated (b)(f)	555	362	196	414	45	4,850
Total all industries		10,167	14,788	19,144	21,298	22,967	26,109
INVESTMENT INCOME							
A	Agriculture, forestry, fishing and hunting	3	2	24	5	9	n.y.a.
B	Mining	974	1,083	1,827	1,250	1,274	n.y.a.
C	Manufacturing	1,295	1,623	1,770	1,783	2,837	n.y.a.
D	Electricity, gas and water	306	424	492	530	452	n.y.a.
E	Construction	38	31	69	58	121	n.y.a.
F	Wholesale and retail trade	626	688	468	940	1,130	n.y.a.
G	Transport and storage	258	262	370	381	408	n.y.a.
I	Finance, property and business services (c)	1,329	1,882	1,819	2,707	3,709	n.y.a.
J	Public administration, and defence (d)	668	927	1,507	2,224	2,580	n.y.a.
H, K, L	Other industries (e)	39	74	76	50	106	n.y.a.
M	Unallocated (b) (f)	297	567	1,067	1,415	899	n.y.a.
Total all industries		5,833	7,563	9,489	11,343	13,525	16,686
LEVELS OF FOREIGN INVESTMENT							
A	Agriculture, forestry, fishing and hunting	528	591	558	950	555	n.y.a.
B	Mining	15,264	19,462	17,949	28,828	24,769	n.y.a.
C	Manufacturing	18,440	22,121	27,641	34,702	39,518	n.y.a.
D	Electricity, gas and water	5,112	7,534	8,400	7,353	7,123	n.y.a.
E	Construction	849	1,200	1,100	1,688	1,658	n.y.a.
F	Wholesale and retail trade	11,258	14,378	15,104	16,643	19,362	n.y.a.
G	Transport and storage	3,020	4,267	5,286	5,894	5,665	n.y.a.
I	Finance, property and business services (c)	15,004	23,776	36,495	50,058	63,894	n.y.a.
J	Public administration, and defence (d)	8,861	13,273	19,930	23,508	22,507	n.y.a.
H, K, L	Other industries (e)	1,088	1,651	1,846	1,804	2,244	n.y.a.
M	Unallocated (b)(f)	2,449	3,065	5,126	4,375	3,685	n.y.a.
Total all industries		81,873	111,318	139,437	175,803	190,980	222,899

(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. (b) For 1988-89, 'Reinvestment of earnings' is not classified by industry and is therefore included in 'Unallocated'. (c) Includes the Reserve Bank and the State Government component of General Government. (d) Includes the Commonwealth Government component of General Government. (e) Consists of: Division H—Communications, Division K—Community services, and Division L—Recreation, personal and other services. (f) Details of accounts payable/prepayments received are not classified by industry and are therefore included in 'Unallocated'.

BALANCE OF PAYMENTS

The Australian balance of payments is a statistical statement designed to provide a systematic record of Australia's economic transaction with the rest of the world. It may be described as a system of consolidated accounts in which the accounting entity is the Australian economy and the entries mostly refer to economic transactions between residents of Australia and residents of the rest of the world (non-residents). Such a record is essential for the examination of influences which external factors have on the domestic economy. Balance of payments estimates have always assumed a particular importance in Australia due to the importance of these influences on the Australian economy.

Official estimates of Australia's balance of payments for the period 1928–29 were included in *Year Book* No. 24. Except for the War years 1939 to 1945, estimates have since been published at least annually.

Detailed estimates and brief descriptions of the various items included are provided in the annual publication *Balance of Payments, Australia* (5303.0) with supplementary regional data available on request. More timely estimates are provided in the quarterly publication *Balance of Payments, Australia* (5302.0) approximately eight weeks after the end of each quarter, with corresponding historical data available on request. A monthly publication *Balance of Payments, Australia* (5301.0), showing preliminary estimates in less detail, is published about twelve working days after the end of each month. The publication *Balance of Payments, Australia: Concepts, Sources and Methods* (5331.0) provides a comprehensive description of the concepts and structure of the Australian balance of payments and of the data sources and methods used to compile the statistics contained in the above publications.

Balance of payments statements cover a wide range of economic transactions which may be broadly divided into three categories. The first category comprises transactions in goods, services and income between residents of Australia and non-residents. The second category relates to financial transactions involving claims on and liabilities to the rest of the world. Because the statement is constructed on a double entry recording basis, a third category described as unrequited transfers is required to provide offsetting entries for one sided balance of payments transactions, such as gifts in cash and kind which have no 'quid pro quo'. Two changes not arising from transactions—specifically changes in Australia's official reserve assets arising from the allocation (or cancellation) of Special Drawing Rights (SDRs) by the International Monetary Fund (IMF) and the monetisation (or demonetisation) of gold—are included by convention, to make the accounts more analytically useful.

Traditionally, the first and third of the above categories are combined in what is described as the current account and the second category, together with the two changes not arising from transactions, are shown separately in what is described as the capital account.

The double entry system is used for recording balance of payments transactions. Under the internationally accepted conventions of the double entry system, credit entries, which have no arithmetic sign, are used to record exports of goods and services, income receivable and financial transactions involving either a reduction in the country's foreign financial assets or an increase in its foreign liabilities. Conversely, debit entries, identified by a minus sign (–), are used to record imports of goods and services, income payable and financial transactions involving either an increase in foreign financial assets or a decrease in foreign liabilities. Transactions in a double entry accounting system are reflected in pairs of equal credit and debit entries. For example, an export transaction for which payment is received through the banking system involves a credit entry for the export and a debit entry for the increase in foreign exchange assets. Similarly, the repayment of a foreign loan through the banking system involves a debit entry for a reduction in foreign liabilities and a credit entry for the decrease in foreign exchange

assets. Any entries that are not automatically paired are matched by special offsetting entries. Such offsetting entries are required for the category of unrequited transfers and for the other changes not arising from transactions referred to in the previous paragraph, namely the allocation (or cancellation) of SDRs and the monetisation (or demonetisation) of gold.

It follows that, in principle, the net sum of all credit and debit entries is zero. In practice, some transactions are not measured accurately (errors), while others are not measured at all (omissions). Equality between the sum of the credit and debit entries is brought about by the inclusion of a balancing item which reflects net errors and omissions. The balancing item is shown separately outside both current and capital accounts since it reflects the net effects of errors and omissions in both accounts.

In principle, transactions and other changes should be valued in the balance of payments at market prices. However, in practice, transactions are generally valued in the statistics at transaction prices because this basis provides the closest practical approximation to the market price principle. The transactions price is the price at which a transaction is recorded in the accounts of the transactors.

Transactions and other changes recorded in the balance of payments should, in principle, be recorded at the time of change of ownership (either actual or imputed). For the current account transactions, this is conceived as the time when ownership of goods changes, when services are rendered, when reinvested earnings attributable to direct investors are earned, and when interest and dividends become due for payment. In the case of unrequited transfers, those which are imposed by one party on another, such as taxes and fines, should ideally be recorded at the time they become due for payment without penalty; whereas others should be recorded when the goods, services, etc. to which they are offsets change ownership. For capital account transactions the time of change of ownership is, by convention, normally taken to be the time at which transactions are entered in the books of the transactors. Entries for loan drawings should be based on actual disbursements and not on commitments or authorisations. Entries for loan repayments should be recorded at the time they become due rather than on the actual payment date.

In practice, the nature of the available data sources is such that the time of recording of transactions will often differ from the time of change of ownership. This is particularly true in the case of transactions in goods which are, in the main, recorded at the time that administrative records relating to the movement of the goods across the customs frontier are processed. Where practical, timing adjustments are made for transactions in certain goods to ensure that they are recorded in the time period in which change of ownership occurs.

In the tables that follow, global estimates of the current and capital accounts of the Australian balance of payments are presented. Current transactions are recorded *gross* and capital transactions *net*. This means that for each item in the current account the credit entries are recorded separately from the debit entries. For example, *travel credits* is shown separately from *travel debits*. For each item in the capital account, debit and credit transactions are combined to produce a single result for the item, which may be either a net credit or a net debit. For example, in a given period, foreign purchases of shares issued by companies in Australia (credit) are netted against foreign sales of similar shares (debit) and the net result is recorded in the appropriate item in the capital account.

The current account records transactions between Australian residents and non-residents in merchandise, other goods and services, income and unrequited transfers. In principle, the items included in merchandise should include all movable goods, with a few exceptions, which change ownership from residents to non-residents (exports) and from non-residents to residents (imports). Services covers services rendered by Australian residents to non-residents (credits) and by non-residents to residents (debits), together with transactions in a few types of goods (e.g. goods purchased by travellers). Income covers income earned by Australian residents from non-residents (credits) or by non-residents from residents

(debits). It includes investment income (e.g. dividends and interest), other property income (e.g. royalties) and labour income (e.g. wages and salaries). Unrequited transfers covers the offsetting entries required by the double-entry system of accounting when resources (goods, services and financial assets) are provided, without something of economic value being received in return, by non-residents to Australian residents (offsetting credits required) and by residents to non-residents (offsetting debits required). It includes foreign aid, migrants' transfers, gifts, donations, pensions and taxes.

The capital account records transactions in Australia's foreign financial assets and liabilities, including the creation and extinction of claims on or by the rest of the world and a few specified other changes. Capital transactions are grouped into two broad institutional sectors called official and non-official. The official sector is split into general government and Reserve Bank of Australia. The general government sector comprises the transactions of Departments of State and similar entities that are 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 business enterprises are, however, excluded from this sector and included in the non-official sector. The Reserve Bank sector covers transactions attributed to the central bank. The non-official sector covers transactions of all other resident entities including banks, non-bank financial enterprises and trading enterprises, and households.

CURRENT ACCOUNT
(\$ million)

	1986-87	1987-88	1988-89
Current transactions—			
Goods and services—			
Merchandise (a)—			
Exports f.o.b.	35,423	40,541	42,938
Imports f.o.b.	-37,159	-40,386	-47,013
<i>Balance on merchandise trade</i>	-1,736	155	-4,075
Services—			
Credits—			
Shipment	462	537	544
Other transportation	2,765	3,142	3,216
Travel	2,658	3,792	4,691
Other services	2,020	2,370	2,635
<i>Total services credits</i>	7,905	9,841	11,086
Debits—			
Shipment	-2,756	-2,856	-3,146
Other transportation	-2,114	-2,510	-2,896
Travel	-3,104	-3,698	-4,251
Other services	-2,911	-3,246	-3,439
<i>Total services debits</i>	-10,885	-12,310	-13,732
<i>Net services</i>	-2,980	-2,469	-2,646
<i>Balance on goods and services</i>	-4,716	-2,314	-6,721
Income—			
Credits—			
Property income—			
Reinvested earnings	1,176	1,806	2,196
Other	1,629	1,544	1,842
Labour and other income	178	215	245
<i>Total income credits</i>	2,983	3,565	4,283
Debits—			
Property income—			
Reinvested earnings	-1,244	-2,428	-2,604
Other	-10,938	-12,055	-14,349
Labour and other income	-197	-264	-309
<i>Total income debits</i>	-12,379	-14,747	-17,262
<i>Net income</i>	-9,396	-11,182	-12,979
Unrequited transfers—			
Credits	3,017	3,545	4,268
Debits	-1,804	-1,881	-1,994
<i>Net unrequited transfers</i>	1,213	1,664	2,274
Balance on current account	-12,899	-11,832	-17,426

(a) Balance of payments basis.

CAPITAL ACCOUNT AND BALANCING ITEM
(\$ million)

	1986-87	1987-88	1988-89
Net capital transactions			
Official—			
General government—			
Foreign investment in Australia—			
Borrowing	6,146	4,087	993
Other	-12	-72	-188
Total	6,134	4,015	805
Australian investment abroad	-573	415	-240
Total general government	5,561	4,430	565
Reserve Bank—			
Foreign investment in Australia	18	-8	—
Australian investment abroad—			
Reserve assets	-3,394	-3,924	-873
Other	—	—	—
Total	-3,394	-3,924	-873
Total Reserve Bank	-3,376	-3,932	-873
Total official	2,185	498	-308
Non official—			
Foreign investment in Australia—			
Direct investment—			
Reinvestment of earnings	1,244	2,428	2,604
Other	2,818	2,779	4,573
Portfolio and other investment	11,084	13,751	14,256
Total foreign investment in Australia	15,146	18,958	21,433
Australian investment abroad—			
Direct investment—			
Reinvestment of earnings	-1,176	-1,806	-2,196
Other	-3,068	-8,038	-3,032
Portfolio and other investment	-4,164	-1,041	-3,737
Total Australian investment abroad	-8,408	-10,885	-8,965
Total non-official	6,738	8,073	12,468
Balance on capital account	8,923	8,571	12,160
Balancing item	3,976	3,261	5,266

OFFICIAL RESERVE ASSETS AND AVERAGE EXCHANGE RATES

(Source: Reserve Bank of Australia for official reserve assets)

	Financial year ending 30 June—		
	1987	1988	1989
Levels of official reserve assets (a)	—\$ million—		
Foreign exchange—			
United States dollars	6,571	8,015	6,813
Other	5,266	6,926	8,925
Special drawing rights	471	420	398
Reserve position in IMF	335	312	414
Gold	4,951	4,509	3,861
Total	17,594	20,182	20,410
Exchange rates	—Units of foreign currency per \$A—		
End of year (b)—			
United States dollar	0.7203	0.7940	0.7553
United Kingdom pound	0.4494	0.4612	0.4882
West German mark	1.319	1.441	1.480
Japanese yen	105.79	105.17	108.79
Special drawing right	0.5634	0.6059	0.6051
Period average (c)—			
United States dollar	0.6636	0.7290	0.8160
United Kingdom pound	0.4352	0.4167	0.4755
West German mark	1.280	1.262	1.512
Japanese yen	101.37	97.58	106.95
Special drawing right	0.5345	0.5448	0.6244

(a) SDRs, and Australia's reserve position in the IMF are based on the IMF basket valuation for the SDR, which is published in terms of US dollars crossed with the representative rate for the Australian dollar in terms of the US dollar. Gold is valued at the average London gold price for the month, converted to Australian dollars at the market rate of exchange applying on the last trading day of the month. The foreign currency value of all other overseas assets has been based, where applicable, on market quotations. Accrued interest is normally taken into account. Conversion to Australian dollar equivalent is based on end of period market rates of exchange. (b) These exchange rates relate to the last trading day of the reference period. (c) These exchange rates are derived by averaging figures for each trading day.

VALUES OF EXPORTS AND IMPORTS OF GOODS AND SERVICES (BALANCE OF PAYMENTS BASIS) AT CONSTANT PRICES

The following tables show annual values of Australian exports and imports of goods and services at current and constant (average 1984-85) prices. These estimates are compiled on a balance of payments basis within the framework outlined below. Quarterly figures in original and seasonally adjusted terms are published regularly in *Balance of Payments, Australia* (5302.0).

The current price value of a transaction may be expressed conceptually as the product of a price and quantity. The value of the transaction at constant prices may then be thought of as being derived by substituting, for the current price, the corresponding price in the chosen base year. There are, however, many transactions recorded in statistics of overseas trade for which it is not possible to apply such an approach. In such cases it is necessary to make assumptions and approximation (e.g. revaluing by means of the price index which is considered to be most closely related to the commodity involved). The published estimates at constant prices should be viewed in this light.

Estimates at current prices are often divided by their corresponding estimates at constant prices to give measures of price change, which are generally referred to as implicit price deflators (IPDs). IPDs are derived measures and are not normally the direct price measures by which current price estimates are converted to estimates at constant prices. A more detailed discussion of the nature of IPDs is presented in Appendix VI of the publication *Australian National Accounts: Concepts, Sources and Methods* (5216.0).

Merchandise (Balance of Payments basis)

Prior to 1988 exports and imports of goods f.o.b. were compiled using the Australian Export Commodity Classification (AECC) and the Australian Import Commodity Classification (AICC) based on the second revision of the United Nations Standard International Trade Classification (SITC rev. 2). From 1 January 1988 exports and imports of goods f.o.b. have been compiled using the Harmonized Commodity Description and Coding System (HS) based on the third revision of the SITC (SITC rev. 3). This means that commodity data prior to 1988 are not strictly comparable with later data; however the lack of comparability for the aggregates presented in the tables below is thought to be minor.

The published components of merchandise exports and imports of goods f.o.b. consist of varying numbers of SITC rev. 3 divisions and/or sections as shown below.

<i>Exports</i>	<i>Section or division of SITC rev. 3</i>	<i>Imports</i>	<i>Section or division of SITC rev. 3</i>
Rural—		Food, beverages and tobacco	0,1
Meat and meat preparations	01	Fuels	3
Cereal grains and cereal preparations	04	Chemicals (incl. plastics)	5
Sugar, sugar preparations and honey	06	Textiles, fabrics, etc.	65
Wool and sheepskins	21 (part), (26 part),	Metals and metal manufactures	67 to 69
Other rural	00,02,03,05,07 to 09, 21 (part) 22 to 25, 26 (part), 29, 4	Machinery	71 to 77
		Transport equipment	78, 79
		Manufactures n.e.c.	61 to 64, 66
			8
Non-rural—		Other imports	2, 4, 9
Metal ores and minerals	27,28		
Mineral fuels—			
Coal, coke and briquettes	32		
Other mineral fuels	33 to 35		
Metals—			
Gold	97		
Other metals	67, 68		
Machinery	71 to 77		
Transport equipment	78, 79		
Manufactures n.e.c.	5, 61 to 66, 69, 8		
Other non-rural	11, 91 to 96		

Services

Services covers services rendered by Australian residents to non-residents (credits) and by non-residents to residents (debits), together with transactions in a few types of goods (e.g. goods purchased by travellers).

Exogenous and endogenous imports

Exogenous imports comprise a group of imported goods which it has been found useful to identify separately in economic analysis because the transactions in these goods are erratic, subject to government arrangements or significantly affected by factors other than the general level of economic activity in Australia. Exogenous imports include fuels, ships, aircraft and certain other large items of equipment acquired by selected public and private sector trading enterprises, defence goods and certain other government goods.

Endogenous imports comprise imports of all goods other than those regarded as exogenous.

Endogenous imports are classified into three classes—*consumption goods*, *capital goods* and *other goods*—according to the United Nations' classification by broad economic categories (BEC). *Other goods* covers the BEC class *intermediate goods* and the residual BEC category *goods not elsewhere specified*. The classes consist of the BEC categories (excluding goods defined as exogenous) shown below.

Consumption goods—

- Food and beverages, primary, mainly for household consumption (112)
- Food and beverages, processed, mainly for household consumption (122)
- Passenger motor vehicles (51)
- Transport equipment, non-industrial (522)
- Consumer goods, not elsewhere specified (6)

Capital goods—

- Capital goods (except transport equipment) (41)
- Transport equipment, industrial (521)

Other goods—

- Food and beverages, primary, mainly for industry (111)
- Food and beverages, processed, mainly for industry (121)
- Industrial supplies not elsewhere specified (2)
- Parts and accessories of capital goods (except transport equipment) (42)
- Parts and accessories of transport equipment (53)
- Goods not elsewhere specified (7)

**EXPORTS OF GOODS AND SERVICES (BALANCE OF PAYMENTS BASIS) AT CURRENT
AND AVERAGE 1984-85 PRICES**
(\$ million)

	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
AT CURRENT PRICES						
Rural exports f.o.b.						
Meat and meat preparations	1,393	1,371	1,699	2,244	2,555	2,248
Cereal grains and cereal preparations	2,773	3,855	3,880	2,778	2,202	2,733
Sugar, sugar preparations and honey	676	615	646	708	698	889
Wool and sheepskins	2,000	2,573	3,061	3,888	5,811	5,951
Other (dairy produce, fruit, etc.)	2,145	2,438	2,968	3,521	3,976	3,996
<i>Total rural</i>	<i>8,987</i>	<i>10,852</i>	<i>12,254</i>	<i>13,139</i>	<i>15,242</i>	<i>15,817</i>
Non-rural exports f.o.b.						
Metal ores and minerals	4,229	4,722	5,003	4,956	5,455	6,585
Mineral fuels—						
Coal, coke and briquettes	3,338	4,665	5,240	5,456	4,850	4,733
Other	1,437	2,360	2,299	1,515	1,779	1,258
Metals—						
Gold	379	556	787	1,552	2,563	2,731
Other metals	1,987	2,335	2,527	2,899	3,749	4,661
Machinery	883	940	1,139	1,595	1,835	1,866
Transport equipment	496	714	474	1,034	957	884
Manufactures n.e.c.	1,562	1,662	1,859	2,363	2,941	3,273
Other non-rural	384	406	626	914	1,170	1,216
<i>Total non-rural</i>	<i>14,695</i>	<i>18,360</i>	<i>19,954</i>	<i>22,284</i>	<i>25,299</i>	<i>27,207</i>
<i>Total exports f.o.b.</i>	<i>23,682</i>	<i>29,212</i>	<i>32,208</i>	<i>35,423</i>	<i>40,541</i>	<i>43,024</i>
<i>Exports of services</i>	<i>4,913</i>	<i>5,543</i>	<i>6,485</i>	<i>7,725</i>	<i>9,518</i>	<i>10,850</i>
Total exports of goods and services	28,595	34,755	38,693	43,148	50,059	53,874
AT AVERAGE 1984-85 PRICES						
Rural exports f.o.b.						
Meat and meat preparations	1,477	1,371	1,639	1,930	2,130	1,866
Cereal grains and cereal preparations	2,853	3,855	3,957	3,462	2,764	2,579
Sugar, sugar preparations and honey	586	615	640	653	640	675
Wool and sheepskins	2,224	2,573	2,823	3,253	3,204	2,904
Other (dairy produce, fruit, etc.)	2,287	2,438	2,891	3,170	3,125	3,147
<i>Total rural</i>	<i>9,427</i>	<i>10,852</i>	<i>11,950</i>	<i>12,468</i>	<i>11,863</i>	<i>11,171</i>
Non-rural exports f.o.b.						
Metal ores and minerals	4,656	4,722	4,819	4,733	5,219	5,313
Mineral fuels—						
Coal, coke and briquettes	3,635	4,665	4,886	5,232	5,543	5,315
Other	1,647	2,360	2,275	2,347	2,542	2,248
Metals—						
Gold	342	556	664	1,032	1,561	2,060
Other metals	2,190	2,335	2,475	2,543	2,662	2,847
Machinery	940	940	1,063	1,458	1,647	1,647
Transport equipment	551	714	466	934	868	834
Manufactures n.e.c.	1,635	1,662	1,718	1,954	2,184	2,385
Other non-rural	425	406	594	811	1,007	939
<i>Total non-rural</i>	<i>16,021</i>	<i>18,360</i>	<i>18,960</i>	<i>21,044</i>	<i>23,233</i>	<i>23,588</i>
<i>Total exports f.o.b.</i>	<i>25,448</i>	<i>29,212</i>	<i>30,910</i>	<i>33,512</i>	<i>35,096</i>	<i>34,759</i>
<i>Exports of services</i>	<i>5,152</i>	<i>5,543</i>	<i>5,897</i>	<i>6,536</i>	<i>7,620</i>	<i>8,392</i>
Total exports of goods and services	30,600	34,755	36,807	40,048	42,716	43,151

**IMPORTS OF GOODS AND SERVICES (BALANCE OF PAYMENTS BASIS) AT CURRENT
AND AVERAGE 1984-85 PRICES**
(\$ million)

	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
AT CURRENT PRICES						
Food, beverages and tobacco	1,211	1,476	1,705	1,936	2,013	2,209
Fuels	2,209	2,321	1,909	1,751	2,036	2,014
Chemicals (incl. plastics)	2,155	2,567	3,003	3,466	4,280	4,973
Textile, fabrics, etc.	1,304	1,452	1,669	1,830	1,931	2,002
Metals and metal manufactures	1,143	1,462	1,695	1,845	2,205	2,625
Machinery	6,325	8,308	10,827	11,360	12,230	13,793
Transport equipment	2,936	4,512	5,415	4,502	4,152	6,852
Manufactures n.e.c.	4,681	5,930	6,892	7,700	8,563	9,766
Other imports	1,533	2,065	2,561	2,769	2,976	2,821
<i>Total imports f.o.b.</i>	<i>23,497</i>	<i>30,093</i>	<i>35,676</i>	<i>37,159</i>	<i>40,386</i>	<i>47,055</i>
of which:						
Exogenous	3,098	4,237	4,539	4,459	3,829	4,207
Endogenous—						
Consumption goods	5,616	6,918	8,123	8,296	9,348	11,441
Capital goods	4,936	6,567	8,146	8,031	8,578	10,586
Other goods	9,847	12,371	14,868	16,373	18,631	20,821
<i>Total endogenous</i>	<i>20,399</i>	<i>25,856</i>	<i>31,137</i>	<i>32,700</i>	<i>36,557</i>	<i>42,848</i>
<i>Imports of services</i>	<i>7,695</i>	<i>9,412</i>	<i>10,411</i>	<i>10,858</i>	<i>12,256</i>	<i>13,580</i>
Total imports of goods and services	31,192	39,505	46,087	48,017	52,642	60,635
AT AVERAGE 1984-85 PRICES						
Food, beverages and tobacco	1,350	1,476	1,488	1,532	1,632	1,946
Fuels	2,370	2,321	2,070	2,753	2,935	3,620
Chemicals (incl. plastics)	2,328	2,567	2,608	2,769	3,284	3,780
Textiles, fabrics, etc.	1,489	1,452	1,444	1,426	1,452	1,572
Metals and metal manufactures	1,267	1,462	1,455	1,424	1,606	1,813
Machinery	6,805	8,308	9,529	9,280	10,829	13,799
Transport equipment	3,310	4,512	4,404	3,167	2,772	5,001
Manufactures n.e.c.	5,167	5,930	5,891	5,754	6,309	7,419
Other imports	1,683	2,065	2,251	2,173	2,333	2,317
<i>Total imports f.o.b.</i>	<i>25,769</i>	<i>30,093</i>	<i>31,140</i>	<i>30,278</i>	<i>33,152</i>	<i>41,267</i>
of which:						
Exogenous	3,395	4,237	4,468	5,060	4,598	5,760
Endogenous—						
Consumption goods	6,492	6,918	6,886	6,210	6,955	8,826
Capital goods	5,218	6,567	7,040	6,357	7,287	10,027
Other goods	10,665	12,371	12,796	12,651	14,312	16,654
<i>Total endogenous</i>	<i>22,374</i>	<i>25,856</i>	<i>26,672</i>	<i>25,218</i>	<i>28,554</i>	<i>35,507</i>
<i>Imports of services</i>	<i>8,419</i>	<i>9,412</i>	<i>8,947</i>	<i>8,659</i>	<i>9,654</i>	<i>11,378</i>
Total imports of goods and services	34,188	39,505	40,087	38,937	42,806	52,645

FOREIGN PARTICIPATION STATISTICS

Foreign participation statistics include statistics on both foreign ownership and control of enterprises in Australia. Foreign ownership statistics provide a measure of the beneficial equity interest held by foreign residents (individuals and companies) in enterprises in Australia. Foreign control statistics provide a measure of the potential control, through ownership of voting shares, that foreign residents may have over the key policy decisions of enterprises in Australia. Following the termination of a previous program of studies in 1978, a program of foreign participation studies of industries and economics activities was reintroduced in 1982.

Brief explanatory notes and separate summary tables of ownership and control statistics are presented in the following tables for the most recent studies undertaken in the current program.

For agriculture, separate measures are provided for ownership of agricultural land and for ownership and control of agricultural activity. The statistics presented on foreign ownership of agricultural land are based on the ownership characteristics of the landowners. The statistics on foreign ownership and control of agricultural activity, on the other hand, are based on the ownership characteristics of the businesses operating on agricultural land. The owners of any particular parcel of land and the business operating on that land can, of course, be different entities.

Scope and methodology

The scope of each study together with the methodology used is outlined in the individual foreign participation publications listed in the bibliography at the end of the chapter. The statistical unit used in the compilation of the statistics is also defined in each publication. Generally, foreign participation characteristics for statistical units in each study were derived from information on ownership links collected from enterprises included in the biennial ABS Survey of Shareholdings.

Measurement of ownership and control

Foreign ownership is measured in terms of the beneficial equity interest (through ownership links) of all identified foreign residents:

- (a) in enterprises operating in Australia, or
- (b) in agricultural land.

In order to calculate the beneficial equity interests of foreign residents whose interests are held through other enterprises in Australia, all relevant ownership links are multiplied together. *Australian ownership* is all ownership not identified as foreign ownership.

To measure the aggregate levels of foreign and Australian ownership in a particular industry, the amount reported for the selected data item (such as value added, premiums received, assets, gross value of agricultural commodities produced or area of agricultural land) for each statistical unit is apportioned between foreign and Australian ownership in proportion to percentages of foreign and Australian ownership in that unit. Data for each unit are then aggregated to obtain totals of foreign and Australian ownership.

In *control statistics*, enterprises are classified to one of four categories of control: foreign control; joint foreign and Australian control; naturalised or naturalising; and Australian control.

An enterprise is classified to *foreign control* if it has not been granted naturalised or naturalising status under the government's foreign investment policy and if a foreign investor (individual, company or group of related companies) or a foreign controlled enterprise holds at least 25 per cent of its voting shares and there are no equal or larger

shareholdings by an Australian resident, an Australian controlled enterprise or a joint foreign and Australian controlled enterprise. Enterprises in which there are no dominant investors holding at least 25 per cent of the voting shares but all the voting shares are held by foreign residents are also classified to *foreign control*.

An enterprise is classified to *joint foreign and Australian control* if it does not have naturalised or naturalising status and either the single largest shareholder has 25 per cent or more of the voting shares and is itself joint foreign and Australian controlled or there are two or more equally large investors (there being no single larger investor) each with 25 per cent or more of the voting shares in the enterprise and:

- (a) at least one of these investors is either a foreign resident or foreign controlled enterprise and at least one of these investors is either an Australian resident individual or an Australian controlled enterprise; or
- (b) at least one of these investors is joint foreign and Australian controlled.

An enterprise is classified to *naturalised or naturalising* if it had such status (at the reference period pertinent to each study) under the government's foreign investment policy and would otherwise be classified to either foreign control or joint foreign and Australian control.

All enterprises not classified to foreign control, joint foreign and Australian control, or naturalised or naturalising are classified to *Australian control*.

To measure the levels of control in an industry (or economic activity) for each of these four categories of control, the whole of the amount reported for the selected data item (such as value added, type of expenditure, premiums received, assets, gross value of agricultural commodities produced or value of imports) for each statistical unit is allocated to the control category of that unit. Data for each unit are then aggregated to obtain totals for the industry (economic activity) attributable to each of the four control categories.

Country of ownership and control

In the following two tables the classification by country of foreign ownership or control are based on the country of domicile of the immediate foreign investor which may not be the country of the ultimate foreign investor.

OWNERSHIP SUMMARY BY COUNTRY OF OWNERSHIP

Industry/activity	Reference period	Ownership measured in terms of:	Total value of measure used	Foreign ownership					Total	
				—per cent—						
				USA	UK	Other EEC(a)	Other	Australian		
			\$ million							
Manufacturing industry	1982-83	value added	31,059.1	12.2	12.7	1.8	6.2	32.9	67.1	100.0
Transport industry	1983-84	value added	6,959.7	1.0	2.9	0.4	0.9	5.1	94.9	100.0
Life insurance industry	1983-84	premiums received	3,306.8	2.7	20.6	3.2	13.8	40.3	59.7	100.0
General insurance industry	1983-84	premiums receivable	5,934.8	2.5	17.0	4.9	9.8	34.1	65.9	100.0
Agriculture—										
Agriculture activity	1983-84	gross value of agricultural commodities produced	15,317.2	0.5	0.7	0.5		1.8	98.2	100.0
Agricultural land	at 31 March 1984	agricultural land area	486.6	1.8	2.4	0.2	1.4	5.9	94.1	100.0
			\$ million							
Mining industry	1984-85	value added	10,609.9	21.7	13.3	1.9	7.8	44.7	55.3	100.0
Private sector construction industry	1984-85	value added	7,950.5	1.4	3.6	2.8	1.6	9.6	90.4	100.0
Banking industry	June 1986	asset	154,587.8	5.3	7.5	8.2		21.0	79.0	100.0
Registered financial corporations	June 1986	assets	105,090.9	11.4	10.8	13.1		35.4	64.6	100.0

(a) Belgium, Denmark, France, Federal Republic of Germany, Greece, Ireland, Italy, Luxembourg and Netherlands.

CONTROL SUMMARY BY COUNTRY OF CONTROL

Industry/activity	Reference period	Control measured in terms of:	Foreign control				Other E.E.C. (a)	Other —per cent—	Total	Joint foreign and Australian Control	Naturalised and Naturalising	Australian Control	Total
			USA	UK	—per cent—								
Manufacturing industry	1982-83	value added	12.4	12.9	1.9	4.9	32.1	1.2	1.3	65.4	100.0		
New fixed capital expenditure by private enterprises, selected industries	1982-83	new fixed capital expenditure	15.6	10.5	1.1	2.7	29.9	7.1	2.0	61.0	100.0		
Transport industry	1983-84	value added	0.4	2.3	0.4	0.2	3.4	(b)m.a.	0.1	96.5	100.0		
Life insurance industry	1983-84	premiums received	2.9	15.7	4.6	3.4	26.6			73.4	100.0		
General insurance industry	1983-84	premiums receivable	2.4	15.6	5.7	9.0	32.6	3.3		64.1	100.0		
Agricultural activity	1983-84	gross value of agricultural commodities produced	0.5	0.5	0.5		1.5			98.2	100.0		
Mining industry	1984-85	value added	7.9	5.8	1.5		15.2	24.8	0.2	48.5	100.0		
Private sector construction industry	1984-85	value added	1.1	3.2	4.7	1.0	10.0	0.4		89.6	100.0		
Private mineral exploration other than for petroleum	1984-85	exploration expenditure	14.6	13.2	4.8	3.2	35.9		16.7	47.5	100.0		
Private petroleum exploration	1984-85	exploration expenditure	22.3	7.9	3.9	3.2	37.3		6.2	56.5	100.0		
Imports	1984-85	value of imports	18.9	12.5	4.4	17.4	53.2	0.5	0.2	46.1	100.0		
Exports	1985-86	value of exports	13.9	7.9	3.8	10.1	35.6	0.4	8.3	55.6	100.0		
Research and experimental development	1986-87	expenditure	118.9	8.9	1.5	8.5	31.5	0.3	6.9	61.3	100.0		
Banking industry	June 1986	assets	1.1	1.1	3.0		5.1	1.3		93.6	100.0		
Registered financial corporations	June 1986	assets	105,090.9	10.6	9.0	9.2	28.9	2.4		68.7	100.0		

(a) Belgium, Denmark, France, Federal Republic of Germany, Greece, Ireland, Italy, Luxembourg and Netherlands. (b) Only one enterprise in this category was identified. It has been included in the statistics for the foreign control category.

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- Balance of Payments, Australia* (5301.0)—monthly
Balance of Payments, Australia (5302.0)—quarterly
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Foreign Investment, Australia (5306.0)—quarterly
Foreign Investment, Australia (preliminary) (5307.0)—quarterly
Foreign Ownership and Control of the General Insurance Industry, Australia (5309.0)
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Foreign Control of Imports into Australia 1984–85 (5341.0)
Foreign Ownership and Control of the Private Sector Construction Industry, Australia (5343.0)
Foreign Ownership and Control of the Banking Industry, Australia (5347.0)
Foreign Control of Exports from Australia 1985–86 (5348.0)
Balance of Payments, Australia: Summary of Concepts, Sources and Methods (5351.0)
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Exports, Australia: Monthly Summary Tables (5432.0)
Imports, Australia: Monthly Summary Tables (5433.0)
Exports, Australia (5434.0)—quarterly
Imports, Australia (5435.0)—quarterly
Foreign Trade, Australia, Exports (5436.0)—annual
Foreign Trade, Australia, Imports (5437.0)—annual

Other Publications

Related publications are available from:

Australian Customs Service—

- (a) Australian Customs Tariff
Customs (Prohibited Imports) Regulations

Other Information***Foreign Trade Statistics***

In addition to the publications listed above, foreign trade statistics are also available via a number of special services which are described below. These services provide data on a monthly, quarterly or less frequent basis.

Special returns service: Subscribers to this service can receive foreign trade statistics at a particular commodity level on computer produced printout or via the electronic mail service TELESTATS. These statistics are available approximately 4 weeks after the end of the reference period in one or more of a limited number of formats, for a charge consistent with the level of detail required. More details concerning the special returns service are contained in the information paper *Foreign Trade Statistics: Special Returns Service* (5480.0).

Microfiche service: Foreign trade statistics are also available on microfiche in a variety of tabular formats. Each tabular format covers all commodities exported or imported at various levels of aggregation. This service is recommended where the subscriber wishes to obtain foreign trade statistics for a large number of commodities. Details of this service are contained in the ABS information paper *Foreign Trade and Shipping Statistics: Microfiche Service* (5483.0).

Magnetic tape service: Statistics for imports, exports and import clearances are available on magnetic tape approximately 4 weeks after the end of the reference period. This service is recommended where the subscriber wishes to obtain trade data at the most detailed level. Documentation regarding the content and structure of these tapes is contained in the ABS information paper *Foreign Trade and Shipping Statistics: Magnetic Tape Service* (5484.0).

To satisfy special needs, where none of the standard output referred to above are appropriate, special 'customised' reports can also be made available. These can be provided on floppy disk if required.

Payment is generally required in advance for all these services.

Foreign Investment and Balance of Payments Statistics

Foreign investment and balance of payments statistics are available on TELESTATS, AUSSTATS, VIATEL and floppy disk (balance of payments only). In addition, much unpublished information is available on request for a charge. The ABS should be contacted to obtain details about the availability of unpublished information.