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**BALANCE OF PAYMENTS
AUSTRALIA
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MAIN FEATURES

Estimates of the main balance of payments aggregates for the June quarter 1990, the preceding quarter and the two latest financial years are shown in the following table together with related data on exchange rates and the trade weighted index.

MAIN AGGREGATES, EXCHANGE RATES AND THE TRADE-WEIGHTED INDEX

			Per cent change (a)	1989-90					
				Not seasonally adjusted			Seasonally adjusted		
	1988-89	1989-90		Mar qtr	Jun qtr	Per cent change (a)	Mar qtr	Jun qtr	Per cent change (a)
MAIN AGGREGATES (\$ million)									
Balance on current account	-17,760	-20,729	-17	-5,356	-3,649	+32	-5,858	-3,876	+34
Balance on goods and services	-6,945	-7,435	-7	-1,547	-278	+82	-2,154	-447	+79
Balance on merchandise trade	-3,985	-3,779	+5	-1,067	701	+166	-1,260	287	+123
Net services	-2,960	-3,656	-24	-480	-979	-104	-894	-734	+18
Net income	-13,013	-15,720	-21	-4,338	-3,996	+8	-4,283	-4,101	+4
Net unrequited transfers	2,198	2,426	+10	529	625	+18	579	672	+16
Balance on capital account	14,455	15,212	+5.2	4,434	2,273	..	..	..	..
Official	-373	104	..	2,365	-1,831	..	..	..	..
Non-official	14,828	15,108	+1.9	2,069	4,104	..	..	..	..
EXCHANGE RATES - UNITS OF FOREIGN CURRENCY PER \$A (b)									
United States dollar	.8160	.7697	-5.7	.7659	.7681	+0.3	..	..	..
Special drawing right	.6244	.5958	-4.6	.5821	.5858	+0.6	..	..	..
TRADE-WEIGHTED INDEX OF THE VALUE OF THE \$A (MAY 1970=100) (b)									
	61.6	60.0	-2.6	59.5	60.5	+1.7	..	..	..

(a) For the current account, a minus sign means an increase in the deficit or a decrease in the surplus and a plus sign means a decrease in the deficit or an increase in the surplus. (b) Period averages.

June quarter 1990 compared with March quarter 1990 —

• **Goods and services (seasonally adjusted).** The deficit on goods and services fell by \$1,707 million, due mainly to a turnaround in the merchandise trade balance from a deficit of \$1,260 million in March quarter to a surplus of \$287 million in June quarter. A fall in merchandise exports of 1 per cent was more than compensated for by a fall in merchandise imports of 13 per cent. The fall in merchandise exports was mainly due to falls in the volume and prices of most rural goods. Falls were recorded in all groupings of merchandise imports except food, beverages and tobacco, with the largest falls occurring in machinery and transport equipment. Both exogenous and endogenous imports contributed to the fall in import values. For further details, see *Notes on the Estimates*.

• **The net services deficit decreased by \$160 million,** mainly due to increased travel credits.

• **Income and unrequited transfers (seasonally adjusted).** The net income deficit fell by \$182 million. Income credits rose by \$137 million mainly due to insurance income. Income debits fell by \$45 million. A fall in direct investment dividends was the main contributor to this decrease. The unrequited transfers surplus rose by \$93 million.

• **Official capital (not seasonally adjusted).** The major contributors to the swing from an inflow of \$2,365 million to an outflow of \$1,831 million were turnarounds (from

inflows to outflows) of \$2,704 million and \$1,771 million in official reserve assets and general government borrowing domiciled in Australia, respectively, and a lower net inflow from general government lending, down \$428 million. A partly offsetting change occurred in general government borrowing domiciled abroad which turned around \$764 million, from an outflow to an inflow.

• **Non-official capital (not seasonally adjusted).** The \$2,035 million rise in the net inflow resulted from a turnaround (from an outflow to an inflow) of \$5,751 million in Australian investment abroad, partly offset by a fall of \$3,716 million in the inflow from foreign investment in Australia. The change in Australian investment abroad was due to turnarounds (from outflows to inflows) of \$3,377 million and \$2,374 million in Australian direct investment and portfolio and other investment abroad. The lower inflow from foreign investment in Australia was due to lower inflows from both direct investment and portfolio and other investment, down \$833 million and \$2,883 million respectively.

Financial year 1989-90 compared with financial year 1988-89 —

• **The deficit on merchandise trade fell by \$206 million to \$3,779 million.** Exports, up 10 per cent, increased more than imports, up 8 per cent. For exports, increases were recorded in all groups except wool, which fell \$2,233 million, and "other" metals, down \$90 million. The largest rise occurred in coal, coke and briquettes, up \$1,216 million. Strong increases were also recorded for

"other" mineral fuels, metal ores and minerals and manufactures n.e.c.. For imports, the largest contributors to the increase were machinery, up \$1,739 million, and transport equipment, up \$905 million. Two groups recorded small falls; textiles and "other" imports. In constant price terms, exports rose 8 per cent and imports rose 4 per cent.

- The net services deficit rose by \$696 million to \$3,656 million. A 5 per cent increase in services credits was more than outweighed by a 9 per cent increase in services debits. The main contributor to the increase in services debits was travel debits which increased by \$685 million. In constant price terms, services credits fell 1 per cent while services debits rose 2 per cent.

- Australia's terms of trade for goods and services fell by 2 per cent. The implicit price deflator for exports of goods and services rose 3 per cent while the corresponding deflator for imports rose by 5 per cent.

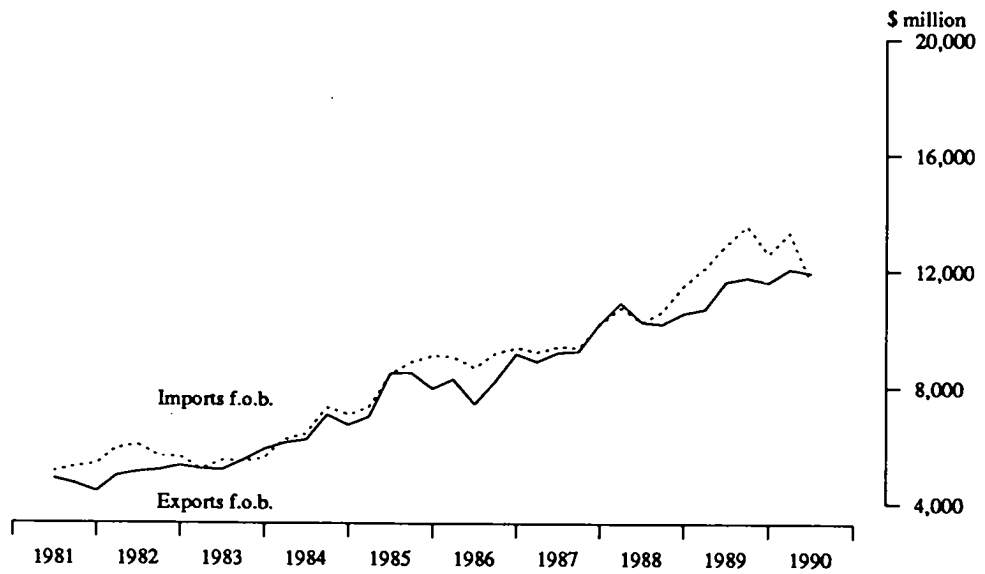
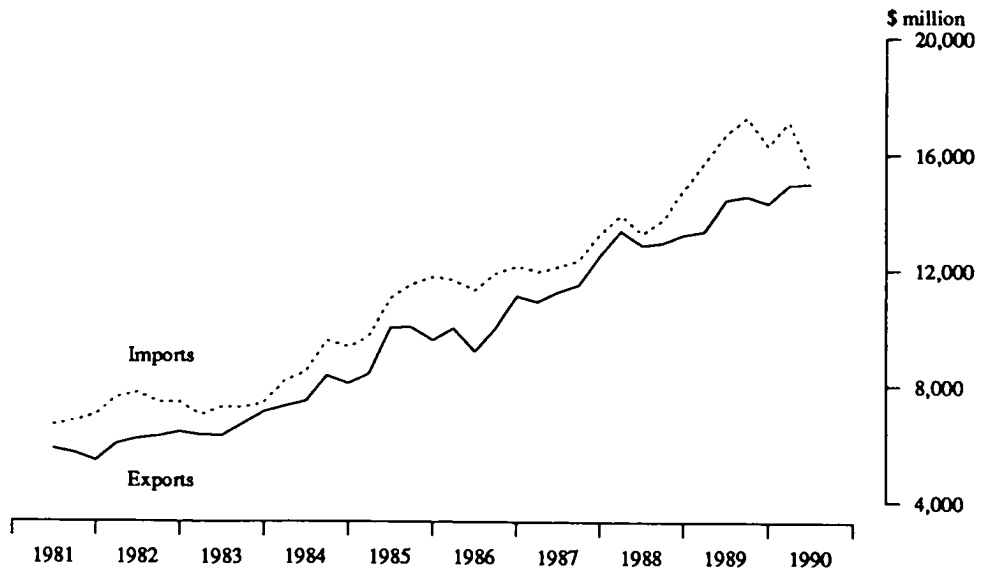
- The net income deficit rose by \$2,707 million to \$15,720 million, largely due to the increase in interest payable abroad.

- The net unrequited transfers surplus rose by \$228 million to \$2,426 million, due mainly to increased receipts of

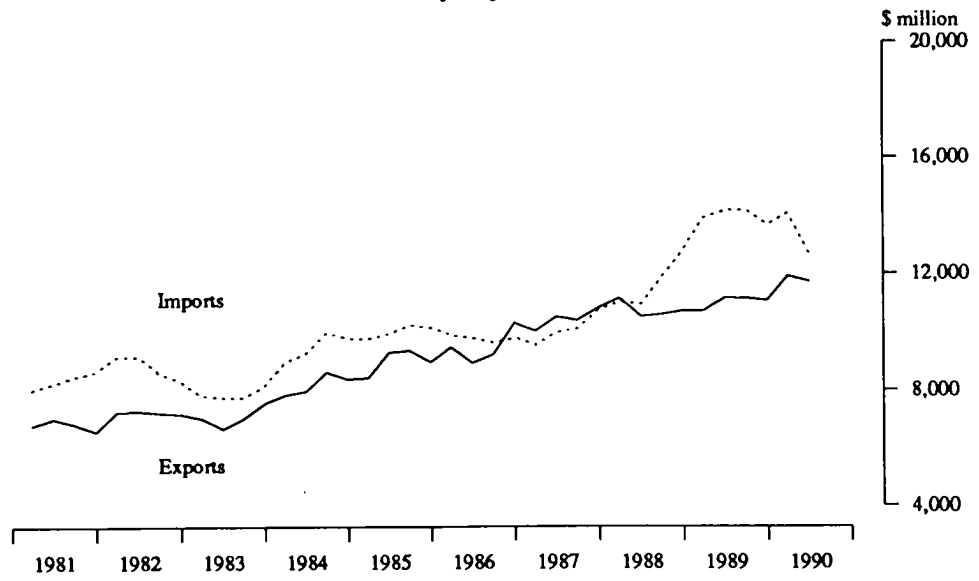
withholding taxes and immigrants' transfers into Australia.

- **Official capital.** The turnaround (from an outflow to an inflow) of \$477 million was mainly due to a higher net inflow from foreign investment in the general government sector, up \$1,176 million, and a turnaround (from an outflow to an inflow) of \$560 million in general government investment abroad. Partly offsetting was a rise of \$1,283 million in the outflow from transactions in official reserve assets.

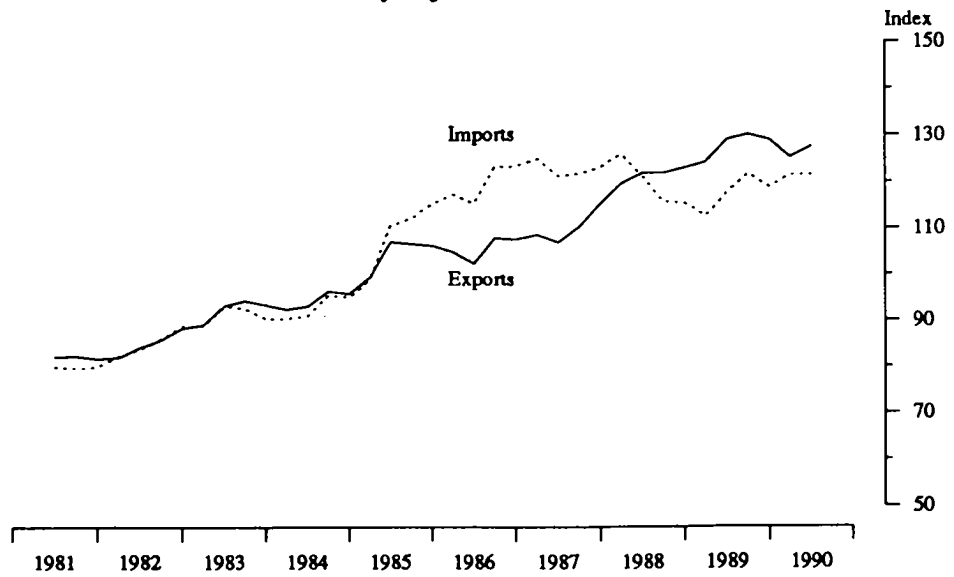
- **Non-official capital.** The increase of \$280 million in the net inflow took account of a lower net inflow from foreign investment in Australia, down \$5,069 million, more than offset by a fall of \$5,349 million in the net outflow from Australian investment abroad. The fall in foreign investment in Australia was due to decreases of \$2,813 million and \$2,256 million in the inflows from direct investment and portfolio and other investment respectively, while the lower outflow from Australian investment abroad was similarly due to lower outflows on direct investment and portfolio and other investment, down \$1,952 million and \$3,397 million respectively.

GRAPHS OF PRINCIPAL BALANCE OF PAYMENTS AGGREGATES**Graph 1. Merchandise -
seasonally adjusted****Graph 2. Goods and services at current prices -
seasonally adjusted**

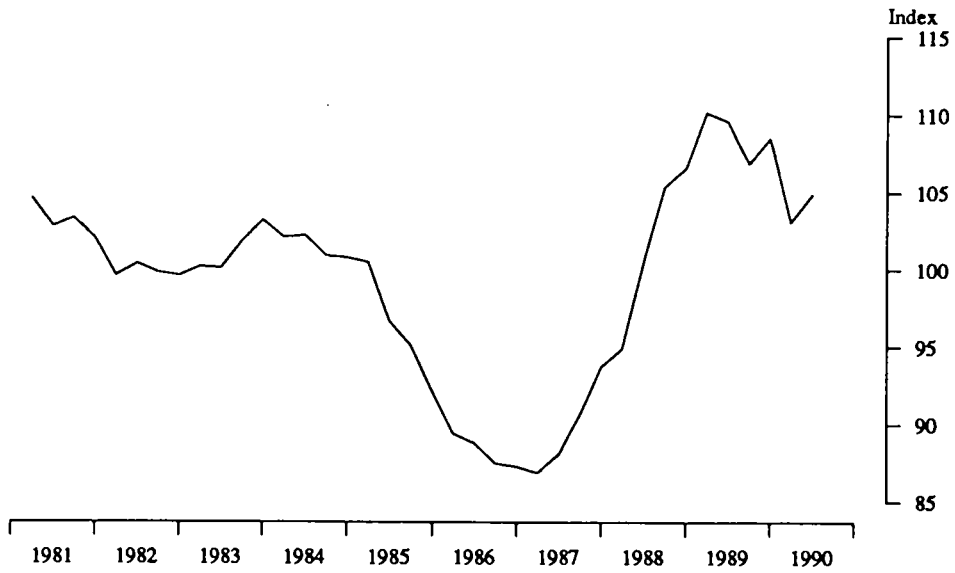
Graph 3. Goods and services at average 1984-85 prices - seasonally adjusted



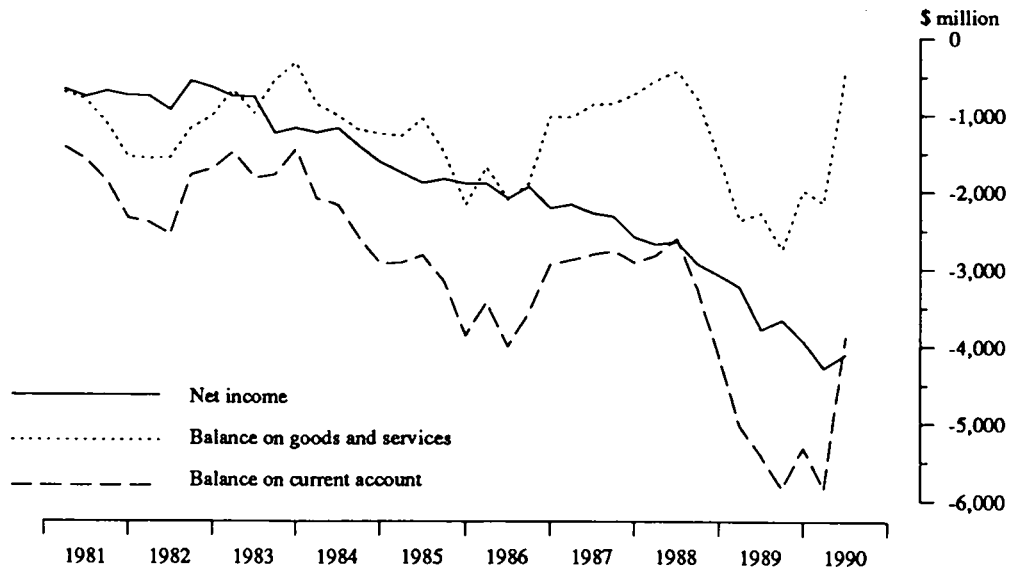
Graph 4. Implicit price deflators for goods and services - based on seasonally adjusted data (1984-85=100)



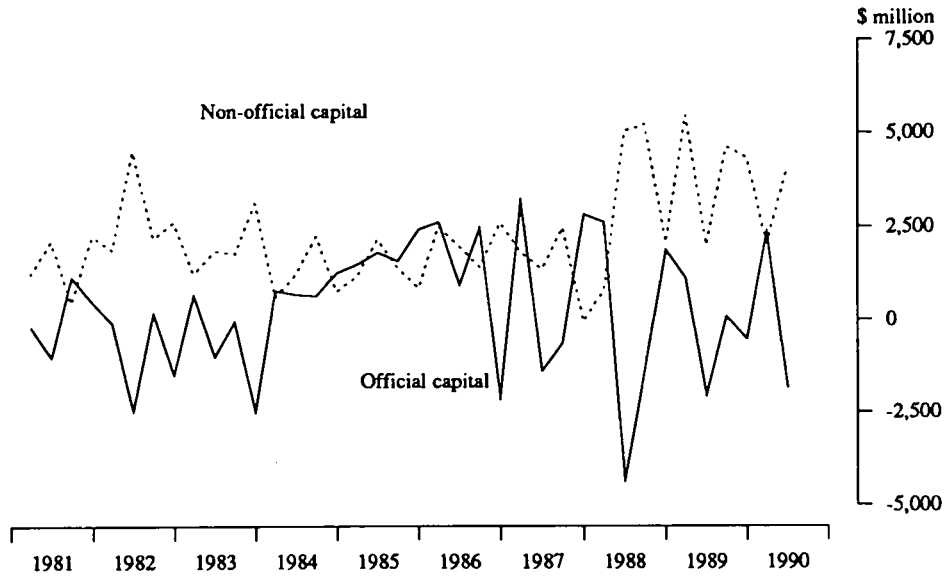
**Graph 5. Terms of trade for goods and services
- based on seasonally adjusted data (1984-85=100)**



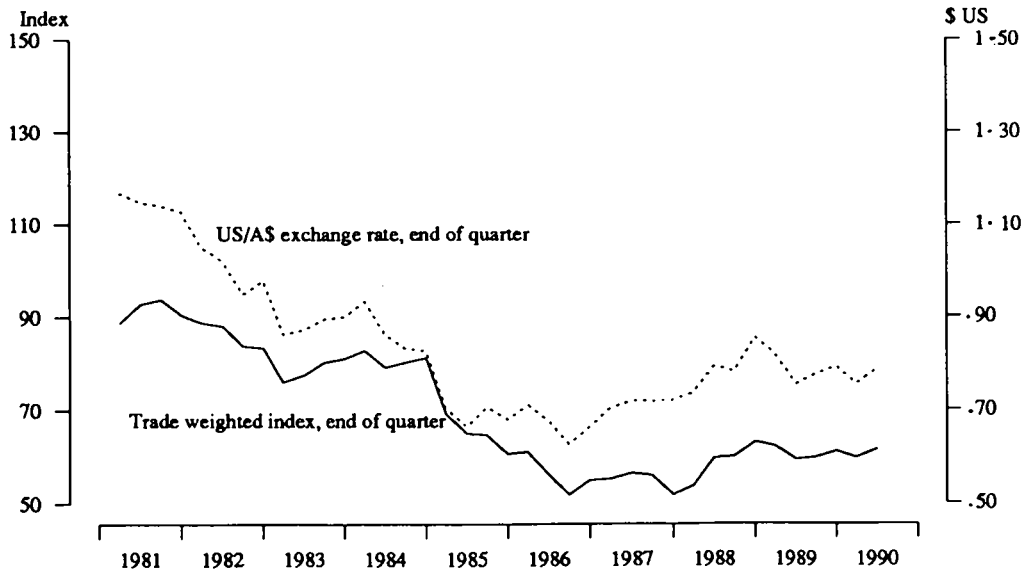
**Graph 6. Current account major aggregates
- seasonally adjusted**



Graph 7. Net capital transactions



Graph 8. Trade weighted index (May 1970=100) and US/A\$ exchange rate



NOTES ON THE ESTIMATES

Goods and services

The following table shows, for the last eight quarters, the changes in exports and imports of goods and services, seasonally adjusted, at current and constant prices, and corresponding implicit price deflators, fixed-weighted price indexes, and terms of trade measures.

PERCENTAGE CHANGES IN EXPORTS AND IMPORTS OF GOODS AND SERVICES AND TERMS OF TRADE

	1988-89				1989-90			
	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.
AT CURRENT PRICES, SEASONALLY ADJUSTED								
Exports of goods and services-	0.7	2.1	0.9	8.3	0.8	-1.5	4.5	0.1
Merchandise exports	-0.8	3.7	1.3	8.9	1.1	-1.4	3.9	-1.1
Services credits	6.8	-3.6	-0.8	5.5	-0.1	-2.2	6.9	5.3
Imports of goods and services	3.5	7.7	6.2	6.5	3.5	-5.7	5.0	-9.8
Merchandise imports	3.6	8.3	5.1	6.8	5.0	-7.2	6.0	-12.6
Services debits	3.0	5.5	9.9	5.3	-1.5	-0.1	1.6	-0.1
AT CONSTANT (AVERAGE 1984-85) PRICES, SEASONALLY ADJUSTED								
Exports of goods and services	0.7	1.3	-0.1	4.2	-0.1	-0.6	7.6	-1.7
Merchandise exports	-0.9	2.6	-	4.5	0.4	0.2	8.1	-2.5
Services credits	7.3	-4.2	-0.4	3.1	-2.0	-4.2	5.6	1.8
Imports of goods and services	8.4	7.9	8.8	1.8	0.1	-3.5	2.8	-10.0
Merchandise imports	7.9	8.8	8.5	2.5	0.4	-4.0	4.1	-11.9
Services debits	10.2	4.8	10.2	-0.8	-0.8	-1.4	-2.0	-2.7
IMPLICIT PRICE DEFLATORS (a)								
Exports of goods and services	0.1	0.9	0.9	3.9	0.9	-0.8	-2.9	1.9
Merchandise exports	0.1	1.1	1.3	4.2	0.7	-1.5	-3.8	1.5
Services credits	-0.5	0.6	-0.5	2.3	1.8	2.1	1.2	3.5
Imports of goods and services	-4.5	-0.2	-2.4	4.5	3.4	-2.3	2.1	0.2
Merchandise imports	-4.0	-0.4	-3.1	4.2	4.5	-3.3	1.8	-0.8
Services debits	-6.5	0.7	-0.3	6.1	-0.7	1.3	3.6	2.7
TERMS OF TRADE (b)								
Goods and services	4.8	1.1	3.4	-0.5	-2.5	1.5	-5.0	1.7
Merchandise trade	4.3	1.5	4.5	-	-3.7	1.9	-5.6	2.3
Services	6.5	-0.1	-0.2	-3.5	2.6	0.7	-2.3	0.9
FIXED-WEIGHTED INDEXES (c)								
Exports of goods and services	0.7	-0.1	2.7	4.5	1.3	-1.0	-0.1	1.6
Merchandise exports	1.0	-0.3	3.0	5.3	1.2	-1.6	-0.3	1.6
Services credits	-0.7	1.2	1.3	-0.1	2.0	2.3	1.3	2.1
Imports of goods and services	-4.9	-0.1	-2.0	5.1	2.4	-0.5	1.2	0.5
Merchandise imports	-4.6	-0.3	-2.1	4.5	3.2	-1.7	1.0	0.2
Services debits	6.1	0.8	-1.6	7.2	-0.2	3.2	1.5	1.4

(a) The implicit price deflators are derived by dividing seasonally adjusted current price estimates by the corresponding seasonally adjusted constant price estimates (base year 1984-85=100). (b) The terms of trade are derived by dividing the implicit price deflators for exports (of merchandise and services) by the implicit price deflators for imports (of merchandise and services). (c) The fixed-weighted indexes are derived by combining individual component prices (base year 1984-85=100) with a weighting to reflect the relative importance of the components in the base year. For further details see "Changes in this issue" on page 8 of the March quarter 1990 issue of this publication.

June quarter 1990 compared with March quarter 1990, seasonally adjusted ("Volume" refers to values at average 1984-85 prices and "price" refers to implicit price deflators) —

Exports of merchandise at current prices fell \$133 million. Rural exports fell \$280 million, or 7 per cent. Rural export volumes fell 5 per cent. Exports of meat, cereals and sugar all fell on account of reduced volumes, while wool exports rose 4 per cent due to a rise in volume. Non-rural exports rose \$147 million, or 2 per cent, despite a 1 per cent fall in volume. The largest rises occurred in mineral fuels, up \$90 million, due mainly to an increase in the price of coal; and 'other non-rural', up \$72 million. The value of gold exports fell \$100 million, due mainly to a fall in volume.

Services credits at current prices rose \$155 million, or 5 per cent, reflecting a 2 per cent increase in volume and a 3 per cent increase in price.

The *implicit price deflator* for total exports of goods and services rose 1.9 per cent. On a fixed-weight basis the IPD rose 1.6 per cent, while compositional shifts accounted for an increase of 0.3 per cent.

Imports of merchandise at current prices fell by \$1,680 million, due to falls in volume for all categories except

food, beverages and tobacco which rose slightly. Exogenous imports fell \$188 million due mainly to decreased imports of civil aircraft. Endogenous imports fell \$1,492 million, due largely to decreases in imports of machinery and transport equipment. The overall volume of endogenous imports fell 12 per cent. Prices fell slightly. The volume movements in the components of endogenous imports were: consumption goods, down 4 per cent; capital goods, down 10 per cent; and other goods, down 17 per cent.

Services debits were virtually unchanged as a result of a 3 per cent decrease in volume being offset by a 3 per cent increase in price.

The *implicit price deflator* for imports of goods and services rose 0.2 per cent. On a fixed-weight basis the overall IPD rose 0.5 per cent, while compositional shifts implied a 0.3 per cent decrease.

Australia's *terms of trade* rose 1.7 per cent reflecting the increase in the exports IPD.

It should be noted that at the time of compilation of the statistics in this publication the available information on the prices of internationally traded goods for the latest quarter is preliminary in nature and therefore subject to revision.

Exogenous imports

For purposes of analysing movements in merchandise imports, the categories exogenous and endogenous imports are shown in various tables in this publication. Statistics on the main components of exogenous imports at current

prices are shown in the following table so that the impact of identified and sizeable lumpy transactions upon total merchandise imports and other key aggregates can be more readily assessed.

EXOGENOUS MERCHANDISE IMPORTS (NOT SEASONALLY ADJUSTED)
(\$ million)

Period	Fuels (a)	Civil Aircraft (b)	Other (c)	Total	Per cent of total merchandise imports
1987-88	2,036	189	1,604	3,829	9.5
1988-89	2,014	837	1,335	4,186	8.9
1989-90	2,521	1,247	1,003	4,771	9.4
1987-88 —					
March qtr	494	63	401	958	9.4
June qtr	517	—	350	867	8.6
1988-89 —					
September qtr	411	82	306	799	7.3
December qtr	295	471	373	1,139	9.6
March qtr	561	149	284	994	8.6
June qtr	747	135	372	1,254	9.9
1989-90 —					
September qtr	633	489	257	1,379	9.9
December qtr	698	173	248	1,119	8.6
March qtr	600	373	240	1,213	9.6
June qtr	590	212	258	1,060	9.3

(a) SITC Section 3. (b) Acquisition of aircraft by selected major airline companies. (c) Acquisition of associated aircraft equipment (e.g. spare engines etc), defence equipment and ships by selected public sector enterprises and certain other government goods.

Revisions

The current price (not seasonally adjusted) estimates in this publication for the current account are consistent with those published in the June month issue of 5301.0, with the following two exceptions.

- Exports f.o.b. have been revised for the September and December quarters of 1989, and the June quarter of 1990. The revisions to the September and December quarters of 1989, due to the incorporation of the latest available recorded trade data, have resulted in a decrease in the estimates of merchandise exports of \$84 million in September quarter, and \$34 million in December quarter. Revisions to the June quarter 1990, resulting from the correction of a processing error in the compilation of foreign trade statistics, have increased the estimate for merchandise exports in the June quarter by \$488 million.

- The net income deficit for June quarter 1990 has been reduced by \$58 million following the incorporation of preliminary data from the June quarter 1990 Survey of Foreign Investment.

The overall impact of these revisions was to reduce the deficit on the current account for 1989-90 by \$428 million.

A correction of an error in the calculation of seasonally adjusted endogenous imports has resulted in revisions to the seasonally adjusted estimates of capital goods and 'other goods' for 1986-87, 1987-88 and 1988-89. The effect of these revisions has been to alter the within year pattern of seasonally adjusted estimates of these two items, while leaving the annual estimates largely unchanged. Estimates of total endogenous imports and total merchandise imports have not been affected by these revisions.

Estimations of net capital transactions have been revised to take account of more recent data from the Survey of Foreign Investment and other sources.

BALANCING ITEM

Recent results

The *balancing item* for 1989-90 was \$5,517 million. This follows balancing items of \$2,150 million, \$2,257 million and \$3,305 million for the three years 1986-87, 1987-88 and 1988-89 respectively. At this stage the balancing item for 1989-90 is still based on preliminary data and is consequently subject to revision. Past experience has shown that, on average, the balancing item tends to be revised downward as more complete data become available.

The nature of the item

The size of the balancing item provides an objective but limited measure of the accuracy of the balance of payments accounts. These accounts measure Australia's transactions with non-residents using a *double-entry accounting system*. In principle, the adoption of this system means that the net sum of all credit and debit entries should be equal to zero. In practice, due to the variety of data sources of differing quality and the myriad of complex international transactions, some transactions are not measured accurately (errors) and some may not be recorded at all (omissions). The balancing item measures the net effect of these errors and omissions.

A persistently large balancing item may be an indication of serious errors and omissions in the accounts. However, a small balancing item does not necessarily mean that errors and omissions are small, since they may be offsetting. Offsetting errors may be unrelated, reflect a direct link in the measurement of two items, or result from a measurement problem affecting both sides of a transaction. For example, any error in measuring *reinvested earnings* in the current account will be matched and offset in the capital account item *reinvestment of earnings* as the two items are of equal magnitude but opposite sign. A balancing item of predominantly one sign may also suggest that errors and omissions are occurring systematically rather than randomly.

The predominance of relatively large and positive annual balancing items in recent years suggests that care needs to be taken when interpreting the accounts.

Recent Developments

Australia's worsening balancing item in recent years coincides with a number of major changes in the Australian financial system that have increased the difficulty of measuring balance of payments transactions. Since October 1983, there have been a number of government in-

itiatives designed to liberalise the financial system and to introduce diversity and competition by allowing the entry of selected foreign financial institutions. There has been a significant increase in the number and type of entities engaging in international transactions and new instruments and methods of financing have been introduced.

It is unlikely that any single factor accounts for the recent increases in the size of the balancing item. However, problems with coverage of foreign investment activity and with the measurement of some services, income and unrequited transfers items have been identified.

Coverage of foreign investment activity by the non-official sector presents particular difficulties. Since the suspension of exchange controls in December 1983 there has been no comprehensive source of coverage for the ABS Survey of Foreign Investment and reliance has had to be placed on various partial sources in measuring this activity. Deficiencies in coverage of non-official sector capital flows may be the main capital account contributor to the size of the annual balancing item in recent years.

Three other measurement problems associated with capital transactions may also have had a significant impact. First, problems have emerged in the measurement of gains and losses on foreign exchange transactions, particularly those involving banks. The nature and extent of these deficiencies are under investigation. Second, the potential for inconsistencies in the time of recording and valuation of the two different sides of a transaction has increased with the rapid growth in the volume of international transactions and the more frequent exchange rate adjustments since the floating of the dollar and other major currencies. Timing problems may also be behind a large part of the volatility that has been evident in the size of the quarterly balancing item, although this does not appear to be strongly evident in 1989-90. Third, despite the recent improvements in the measurement of foreign investment in Australian real estate, deficiencies in coverage in this area may still exist.

The ABS is developing a methodology within the framework of the Survey of Foreign Investment to measure investment in Australian real estate on a regular basis. Once this methodology is established, it is expected that coverage of foreign investment in Australian real estate will be satisfactory and no longer a significant contributory factor to the size of the balancing item.

During the 1980s there has been significant growth in international trade in services, especially in *non-official other services*. For a number of reasons this is a difficult area about which to compile statistics. The types of ser-

vices involved are diverse while the service providers and receivers are widespread throughout the economy and continually changing. There is no comprehensive source of coverage of either transactors or transactions. There are also conceptual and practical difficulties involved in identifying internationally traded services without omission or overlap with other balance of payments items.

Although the ABS conducts a number of surveys to measure the services items, it is likely there will be deficiencies in the estimates, both current and extrapolated, that are produced from the surveys.

Deficiencies are also recognised in the measurement of travel debits. At present, estimates of per capita expenditure of Australian travellers abroad (which are multiplied by estimates of the number of such travellers to derive travel debits estimates) are based on a benchmark survey conducted in respect of 1982-83. The benchmark is updated using results from the Survey of International Travel Enterprises. Any divergence between the updated per capita expenditure estimates and actual per capita expenditure will have an impact on the balancing item.

The ABS is planning to conduct, in respect of 1990-91, a Survey of Returned Australian Travellers (SORAT). Results from the SORAT will improve the accuracy of per capita expenditure estimates.

Problems currently exist with the estimation of the transfers made by non-residents migrating to Australia under the Australian Government's Business Migration Program (included in *unrequited transfers credits*). In estimating this item, reliance is placed on the results of an out-of-date survey conducted to measure a concept of migrants' transfers that is different from that required for balance of payments purposes. Although the survey results have been adjusted for broad price and exchange rate changes since the survey was run, the pattern of migrants' transfers may have changed enough over the period to make estimates based on the survey questionable. An updated survey has recently been conducted; the ABS is currently analysing the results with the view to improving estimates of migrants' transfers.

The accuracy of investment income estimates on the current account may also be influenced by difficulties in the measurement of related capital account items. To the extent that there has been undercoverage of capital transactions, for example foreign investment activity by the non-official sector, it is likely that there will have been understatement of any associated income transactions. Some income (such as discount income) may also be unrecorded or misclassified as part of the associated investment transaction.

BALANCE OF PAYMENTS RATIOS

Introduction

In analysing an economy's balance of payments, it is often useful to relate balance of payments statistics to other economic indicators by deriving balance of payments ratios. These ratios enable the examination of the balance of payments within the framework of the economy as a whole, as well as facilitating more meaningful historical and international comparisons. However, it should be noted that any international comparisons need to be made with caution as the underlying economic indicators used to derive these ratios are often compiled on different bases. International comparisons are also complicated by a diversity of economic, political and social structures.

This article provides a selection of ratios that might be useful when analysing balance of payments performance over recent years. It also analyses the behaviour of the ratios over the sixteen year period 1974-75 to 1989-90.

The ratios are grouped into five categories: current account to gross domestic product (GDP) ratios; endogenous imports ratios; import penetration ratios; investment servicing ratios; and capital transactions ratios. The ratios are based on original current price estimates. Simple averages of the ratios for the period being analysed are also provided.

Current account to GDP ratios

Current account to GDP ratios express selected balance of payments aggregates as percentages of GDP, the measure of an economy's production level. These ratios are shown in Graph 1 and Table 1. A negative ratio indicates a deficit in the balance of payments.

The main ratio in this category is the *balance on current account to GDP ratio*. This ratio has fluctuated somewhat over the period under analysis but, with the current account in deficit over the entire period, the ratio has tended to grow. In 1989-90 the current account deficit to GDP ratio was 5.6 per cent, up 0.3 percentage points on a year earlier but down on the record level of 6.1 per cent recorded for 1985-86.

The fluctuations in the balance on current account to GDP ratio mirror those in the *balance on goods and services to GDP* and the *net income to GDP* ratios.

The net income deficit to GDP in particular has risen strongly over the period, with the ratio rising from 1.1 per cent in 1974-75 to 4.3 per cent in 1989-90.

GRAPH 1. CURRENT ACCOUNT TO GDP RATIOS

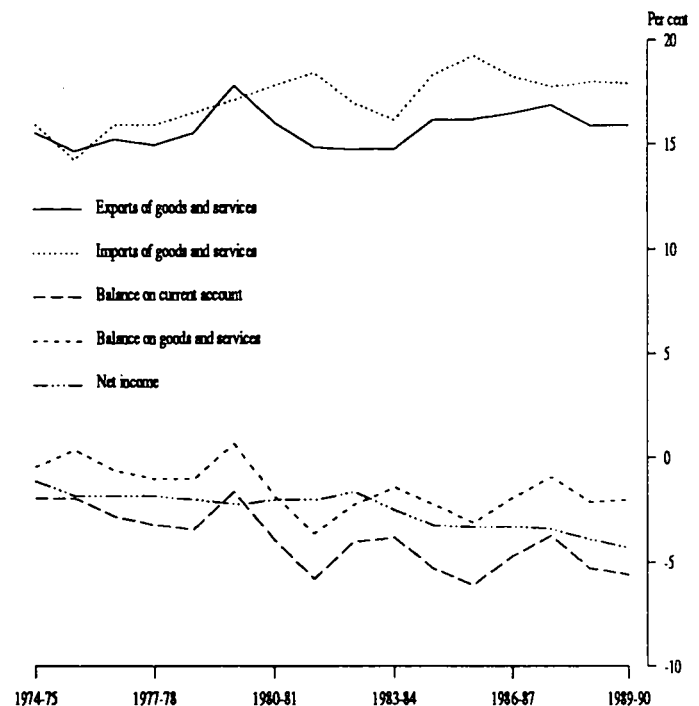


TABLE 1: CURRENT ACCOUNT TO GDP RATIOS

Year	GDP	Balance on current account (a)	Balance on goods and services (a)	Exports of goods and services	Imports of goods and services (b)	Net income (a)	Ratios to GDP				
							Balance on current account	Balance on goods and services	Exports of goods and services	Imports of goods and services	Net income
— \$'000 million —							— per cent —				
1974-75	64.7	-1.2	-0.3	10.1	10.4	-0.7	-1.9	-0.4	15.6	16.0	-1.1
1975-76	76.4	-1.4	0.3	11.2	11.0	-1.4	-1.9	0.4	14.7	14.3	-1.8
1976-77	87.3	-2.4	-0.5	13.4	13.9	-1.6	-2.8	-0.6	15.3	16.0	-1.8
1977-78	94.9	-3.0	-1.0	14.2	15.2	-1.8	-3.2	-1.0	15.0	16.0	-1.8
1978-79	108.0	-3.6	-1.1	16.9	18.0	-2.2	-3.4	-1.0	15.6	16.6	-2.0
1979-80	122.6	-2.0	0.9	22.0	21.1	-2.7	-1.6	0.7	17.9	17.2	-2.2
1980-81	139.8	-5.5	-2.6	22.5	25.1	-2.8	-3.9	-1.8	16.1	17.9	-2.0
1981-82	156.7	-9.1	-5.7	23.3	29.0	-3.2	-5.8	-3.6	14.9	18.5	-2.0
1982-83	170.6	-6.8	-3.8	25.2	29.0	-2.8	-4.0	-2.2	14.8	17.0	-1.6
1983-84	192.7	-7.4	-2.6	28.6	31.2	-4.9	-3.8	-1.4	14.8	16.2	-2.5
1984-85	214.5	-11.3	-4.8	34.8	39.5	-6.8	-5.3	-2.2	16.2	18.4	-3.2
1985-86	239.4	-14.6	-7.4	38.7	46.1	-7.9	-6.1	-3.1	16.2	19.3	-3.3
1986-87	261.9	-12.2	-4.9	43.1	48.0	-8.6	-4.7	-1.9	16.5	18.3	-3.3
1987-88	296.4	-11.1	-2.5	50.1	52.6	-10.2	-3.7	-0.9	16.9	17.8	-3.4
1988-89	337.6	-17.8	-6.9	53.8	60.8	-13.0	-5.3	-2.1	15.9	18.0	-3.9
1989-90	368.6	-20.7	-7.4	58.6	66.0	-15.7	-5.6	-2.0	15.9	17.9	-4.3
Average	..	..	..	..	..	..	-3.9	-1.4	15.8	17.2	-2.5

(a) A minus sign indicates a deficit. (b) These series carry the opposite sign to the corresponding series in the main tables of this publication.

Endogenous imports ratios

Endogenous merchandise imports can be broken down into three broad economic categories: consumption; capital; and other. Endogenous imports ratios examine the change in composition of endogenous imports over time by expressing each of these major categories as a percentage of total endogenous imports.

As Graph 2 and Table 2 show, both the *consumption imports to endogenous imports ratio* and the *other imports to endogenous imports ratio* have experienced a slight decline over the period 1974-75 to 1989-90, whereas the *capital imports to endogenous imports ratio* has risen.

The proportion of consumption goods to endogenous imports peaked at 29 per cent in 1975-76 and 1976-77, and was at its lowest at 25 per cent in 1980-81 and 1981-82, and again in 1986-87. In 1989-90, consumption goods accounted for 26 per cent of endogenous imports. The average ratio over the last sixteen years was 27 per cent.

The proportion of capital goods to endogenous imports was at its lowest at 20 per cent in 1979-80 and highest at 26 per cent in 1985-86. Capital goods accounted for 25 per cent of endogenous imports in 1989-90. The average ratio for the last sixteen years was 24 per cent.

Over the same period other goods as a proportion of endogenous imports peaked at 55 per cent in 1979-80 and bottomed out at 48 per cent in 1976-77 and 1977-78, and again from 1982-83 to 1985-86. Other goods accounted

for 48 per cent of endogenous imports in 1989-90. The period average for the ratio was 49 per cent.

GRAPH 2: ENDOGENOUS IMPORTS RATIOS

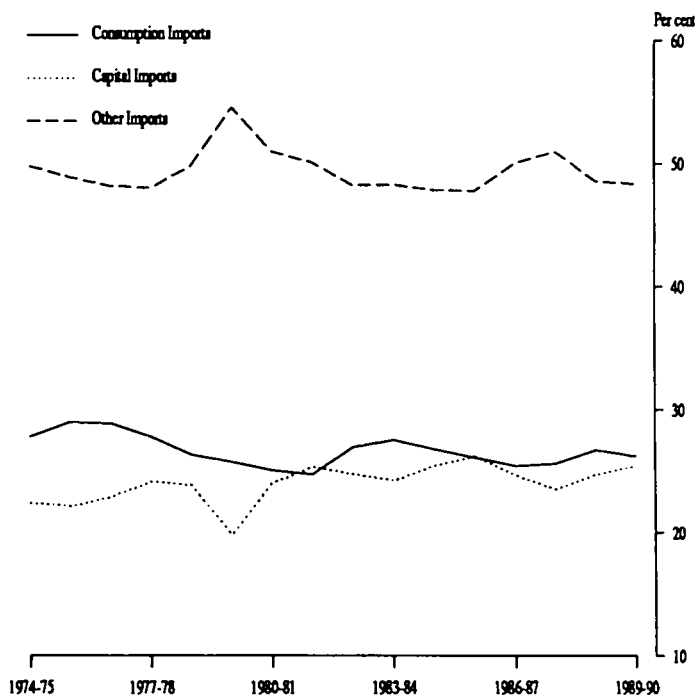


TABLE 2: ENDOGENOUS IMPORTS RATIOS

Year	Endogenous imports (a)				Per cent of total endogenous imports		
	Total	Consumption	Capital	Other	Consumption	Capital	Other
	— \$'000 million —				— per cent —		
1974-75	6.7	1.9	1.5	3.3	28	22	50
1975-76	6.9	2.0	1.5	3.4	29	22	49
1976-77	9.0	2.6	2.1	4.3	29	23	48
1977-78	9.5	2.6	2.3	4.6	28	24	48
1978-79	11.7	3.1	2.8	5.8	26	24	50
1979-80	13.2	3.4	2.6	7.2	26	20	55
1980-81	15.5	3.9	3.7	7.9	25	24	51
1981-82	18.4	4.5	4.6	9.2	25	25	50
1982-83	17.6	4.7	4.4	8.5	27	25	48
1983-84	20.4	5.6	4.9	9.8	28	24	48
1984-85	25.9	7.0	6.6	12.4	27	25	48
1985-86	31.1	8.1	8.1	14.9	26	26	48
1986-87	32.7	8.3	8.0	16.4	25	25	50
1987-88	36.6	9.3	8.6	18.6	26	24	51
1988-89	42.8	11.4	10.6	20.8	27	25	49
1989-90	46.2	12.1	11.8	22.3	26	25	48
Average	..	..	..	..	27	24	49

(a) These series carry the opposite sign to the corresponding series in the main tables of this publication.

Import penetration ratios

Import penetration ratios are used to examine the proportion of demand for goods and services in an economy that is satisfied through imports. The import penetration ratios shown in Graph 3 and Table 3 comprise *imports of goods and services to gross national expenditure*, *capital imports to gross fixed capital expenditure*, *other imports to final consumption expenditure* and *endogenous imports to sales*. All series used in the compilation of these ratios are at current prices.

Capital imports are defined as endogenous capital imports plus imports of civil aircraft. Other imports are defined as imports of goods and services less capital imports.

In the endogenous imports to sales ratio, sales are defined as gross non-farm product plus endogenous imports plus imports of services less changes in private non-farm stocks. A similarly named ratio is presented in *Australian National Accounts: National Income and Expenditure (5206.0)* using seasonally adjusted constant price equivalents of the current price numerator and denominator used here.

For a detailed discussion on the national accounting concepts of gross national expenditure, gross fixed capital expenditure, final consumption expenditure, gross non-farm product and private non-farm stocks refer to *Australian National Accounts: Concepts, Sources and Methods (5216.0)*.

Imports of goods and services as a proportion of gross national expenditure grew over the sixteen year period, rising from 16 per cent in 1974-75 to 18 per cent in 1989-90, and averaged 17 per cent for the period. The ratio was at its lowest in 1975-76 (at 14 per cent) and at its highest in 1985-86 (at 19 per cent), with a trough occurring over 1982-83 and 1983-84.

The capital imports to gross fixed capital expenditure ratio, which indicates the proportion of capital accumulation satisfied by imports from abroad, increased from 11 per cent in 1974-75 to 15 per cent in 1989-90. Like the imports of goods and services to gross national expenditure ratio, this ratio was at its lowest in 1975-76 (at 9 per cent). The ratio average for the period was 12 per cent.

GRAPH 3: IMPORT PENETRATION RATIOS

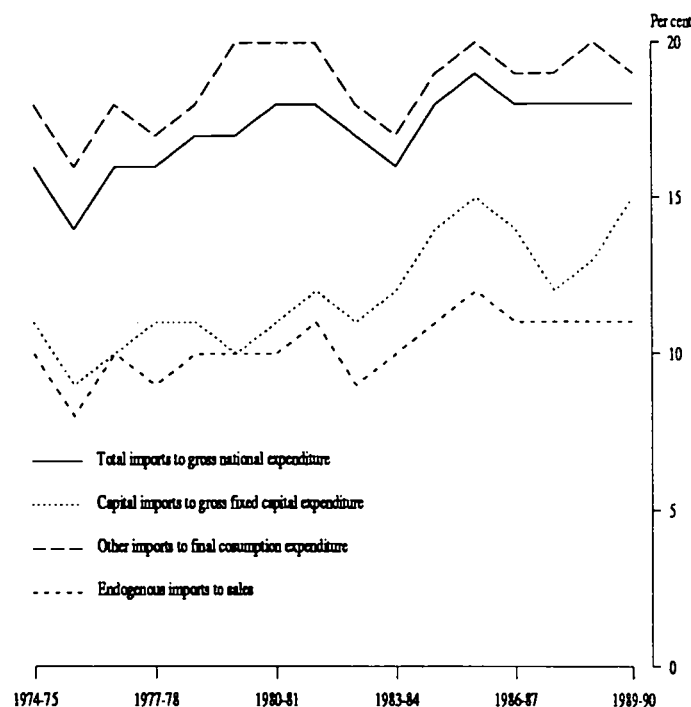


TABLE 3: IMPORT PENETRATION RATIOS

Year	Gross national expenditure (GNE)	Gross fixed capital expenditure (GFCE)	Final Consumption Expenditure (FCE)	Sales (a)	Imports of goods and services			Endogenous imports (b)	Imports of goods and services ratios			Endogenous imports to sales ratio
					Total imports (b)	Capital imports (b) (c)	Other imports (b) (d)		Total imports to GNE	Capital imports to GFCE	Other imports to FCE	
— \$'000 million —												
1974-75	64.9	15.1	48.1	69.8	10.4	1.6	8.8	6.7	16	11	18	10
1975-76	76.1	18.4	58.0	82.6	10.9	1.6	9.3	6.9	14	9	16	8
1976-77	87.8	21.0	66.4	94.6	13.9	2.1	11.8	9.0	16	10	18	10
1977-78	95.8	22.6	74.1	104.6	15.2	2.4	12.7	9.5	16	11	17	9
1978-79	109.1	26.0	83.1	117.7	18.0	2.9	15.0	11.7	17	11	18	10
1979-80	121.8	28.8	93.7	132.8	21.1	2.8	18.3	13.2	17	10	20	10
1980-81	142.4	35.2	107.6	153.8	25.1	4.0	21.0	15.5	18	11	20	10
1981-82	162.3	41.5	122.7	173.9	29.0	5.2	23.8	18.4	18	12	20	11
1982-83	174.4	41.2	137.9	192.4	29.0	4.6	24.4	17.6	17	11	18	9
1983-84	195.3	44.4	152.2	212.5	31.2	5.1	26.1	20.4	16	12	17	10
1984-85	219.2	51.1	168.1	240.0	39.5	7.0	32.5	25.9	18	14	19	11
1985-86	245.5	59.4	188.1	270.4	46.1	8.8	37.2	31.1	19	15	20	12
1986-87	266.7	64.1	205.9	297.3	48.0	9.2	38.8	32.7	18	14	19	11
1987-88	299.0	72.3	227.7	333.6	52.6	8.8	43.9	36.6	18	12	19	11
1988-89	345.4	86.6	251.2	377.0	60.8	11.4	49.4	42.8	18	13	20	11
1989-90	376.1	89.1	276.7	414.7	66.0	13.0	53.0	46.2	18	15	19	11
Average	..	..	..	..	..	..	..	..	17	12	19	10

(a) Sales are defined as gross non-farm product plus endogenous imports plus imports of services less changes in private non-farm stocks. (b) These series carry the opposite sign to the corresponding series in the main tables of this publication. (c) Capital imports are defined as endogenous capital imports plus imports of civil aircraft. (d) Other imports are defined as imports of goods and services less capital imports.

The other imports to final consumption expenditure ratio, which indicates the proportion of consumption that is met through imports, increased slightly over the period, up from 18 per cent in 1974-75 to 19 per cent in 1989-90. The ratio was at its lowest in 1975-76 (at 16 per cent). The ratio averaged 19 per cent for the period.

The endogenous imports to sales ratio rose from 10 per cent in 1974-75 to 11 per cent in 1989-90. The ratio was at its lowest in 1975-76 (at 8 per cent) and peaked in 1985-86 (at 12 per cent). The ratio average for the period was 10 per cent.

Investment servicing ratios

When an economy raises capital from non-residents to finance economic activity, various measures can be developed to examine the servicing costs of that finance to the economy. One approach is to analyse net investment income payable to non-residents as a proportion of exports of goods and services. The ratios in Graph 4 and Table 4 include the *net investment income to exports ratio*, the *net interest to exports ratio* and the *net other investment income to exports ratio*.

Net investment income payable as a proportion of exports of goods and services grew from 7 per cent in 1974-75 to 25 per cent in 1989-90. The main increase in the ratio occurred from 1983-84 onwards, with the deregulation of financial markets. The ratio averaged 15 per cent for the period.

Net interest payable as a proportion of exports of goods and services grew from 1 per cent in 1974-75 to 20 per cent in 1989-90. The period average for the ratio was 9 per cent.

Net other investment income payable as a proportion of exports of goods and services was at a peak of 9 per cent in 1975-76 and 1976-77, but troughed in 1982-83 (at 1 per cent) and again in 1986-87 (at 2 per cent) before rising to 6 per cent in 1989-90. The period average for the ratio was 6 per cent.

GRAPH 4: INVESTMENT SERVICING RATIOS

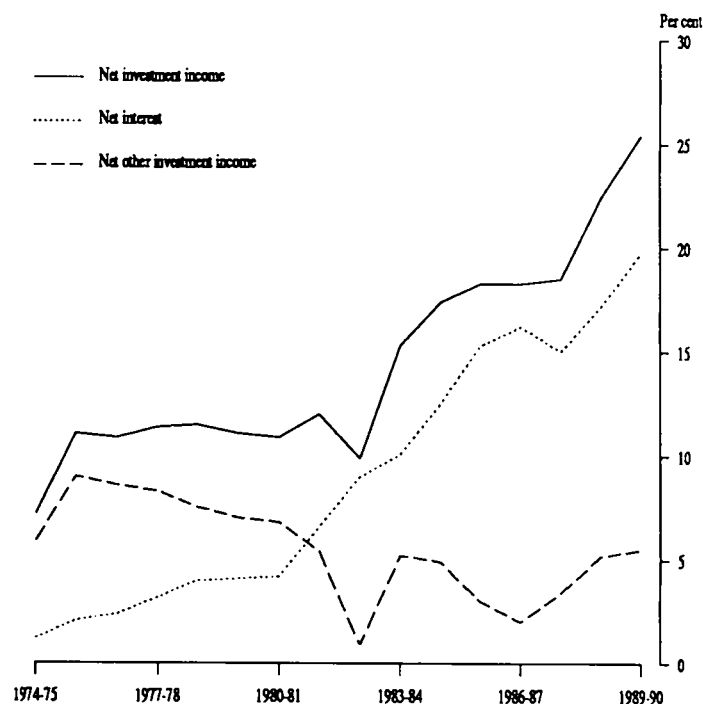


TABLE 4: INVESTMENT SERVICING RATIOS

Year	Exports of goods services	Net investment income payable (a)			Ratio of net investment income to exports (b)		
		Total	Interest	Other investment income	Total	Interest	Other investment income
		— \$'000 million —			— per cent —		
1974-75	10.1	0.7	0.1	0.6	7	1	6
1975-76	11.2	1.2	0.2	1.0	11	2	9
1976-77	13.4	1.5	0.3	1.1	11	2	9
1977-78	14.2	1.6	0.4	1.2	11	3	8
1978-79	16.9	1.9	0.7	1.3	12	4	8
1979-80	22.0	2.4	0.9	1.5	11	4	7
1980-81	22.5	2.5	0.9	1.5	11	4	7
1981-82	23.3	2.8	1.5	1.3	12	7	5
1982-83	25.2	2.5	2.3	0.2	10	9	1
1983-84	28.6	4.4	2.9	1.5	15	10	5
1984-85	34.8	6.0	4.3	1.7	17	13	5
1985-86	38.7	7.1	5.9	1.2	18	15	3
1986-87	43.1	7.9	7.0	0.9	18	16	2
1987-88	50.1	9.2	7.5	1.7	19	15	3
1988-89	53.8	12.1	9.3	2.8	22	17	5
1989-90	58.6	14.9	11.6	3.3	25	20	6
Average	..	..	..	..	15	9	6

(a) These series carry the opposite sign to corresponding series in the main tables of this publication. (b) Net investment income payable as a percentage of exports of goods and services.

Capital transactions ratios

The capital transactions ratios provided in Table 5 can be used to examine the composition of the net balance on capital account. This is achieved by expressing transactions in broad instrument categories by direction of investment as a proportion of total net capital transactions. The broad instrument categories used are debt and "equity and other" transactions and the directions of investment are foreign investment in Australia (FIA) and Australian investment abroad (AIA). Positive transactions indicate a net capital inflow into Australia and negative transactions indicate a net capital outflow.

Graph 5 shows the behaviour of both FIA and AIA ratios. With a persistent current account deficit (which has to be financed by borrowing or other inflow) over the period under analysis, any relative change in the outflow of AIA must be accommodated by corresponding relative changes in inflow of FIA. Consequently, the significant increases in investment flows abroad, first in 1982-83 through 1983-84 and again in 1986-87 through 1987-88, are matched by increased flows into Australia.

The graph also indicates a shift in the composition of both inflows and outflows. From 1981-82 borrowing became the dominant source of finance for FIA, although this dominance somewhat moderated in 1988-89 and 1989-90. On the other hand for outflows (AIA), the acquisition by Australian residents of equity in foreign companies dominated net outflows for all periods with the exception of 1980-81 to 1982-83 where the reverse is true. However, for 1989-90, the relative contribution of equity investment

abroad to net capital transactions was at its lowest level since the early 1980s (1982-83).

GRAPH 5: CAPITAL TRANSACTIONS RATIOS

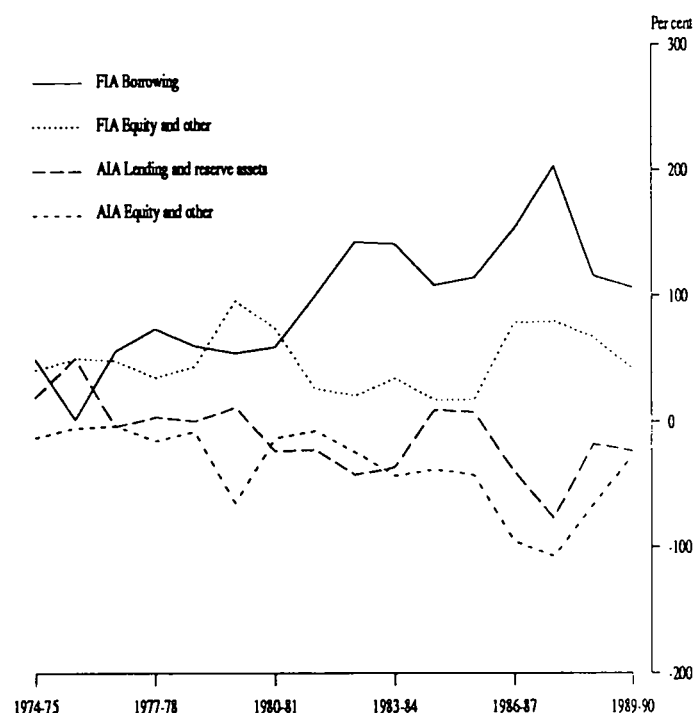


TABLE 5: CAPITAL TRANSACTIONS RATIOS

Year	Foreign investment in Australia (FIA)		Australian investment abroad (AIA)		Total net capital transactions	Ratio to total net capital transactions			
	Borrowing	Equity and other	Lending and reserve assets	Equity and other		FIA Borrowing	FIA Equity and other	AIA Lending and reserve assets	AIA Equity and other
	— \$'000 million —					— per cent —			
1974-75	0.6	0.5	0.3	-0.2	1.3	50	42	20	-12
1975-76	—	0.8	0.8	-0.1	1.6	3	51	51	-4
1976-77	1.3	1.1	-0.1	-0.1	2.3	57	49	-3	-3
1977-78	2.2	1.0	0.1	-0.4	2.9	75	36	4	-15
1978-79	2.0	1.5	—	-0.2	3.3	61	45	1	-7
1979-80	1.2	2.0	0.3	-1.3	2.1	55	96	12	-64
1980-81	2.7	3.4	-1.0	-0.6	4.5	60	75	-23	-12
1981-82	8.3	2.3	-1.8	-0.5	8.3	100	27	-21	-6
1982-83	9.1	1.4	-2.6	-1.5	6.3	144	22	-42	-24
1983-84	8.1	2.0	-2.0	-2.4	5.7	142	35	-35	-42
1984-85	12.7	2.1	1.2	-4.3	11.6	109	18	10	-37
1985-86	16.5	2.7	1.1	-6.0	14.3	115	19	8	-42
1986-87	14.6	7.5	-3.7	-9.0	9.4	155	80	-39	-95
1987-88	18.0	7.1	-6.8	-9.5	8.8	204	80	-77	-107
1988-89	16.8	9.7	-2.5	-9.5	14.5	116	67	-17	-66
1989-90	16.3	6.4	-3.5	-3.9	15.2	107	42	-23	-26
Average	..	..	..	..	..	97	49	-11	-35

INTERNATIONAL COMPARISON OF BALANCE OF PAYMENTS STATISTICS

There are two frequently used methods of comparing balance of payments statistics of different countries.

The first method involves converting the relevant aggregates for each country from the unit of currency in which the data are normally presented into a chosen common unit of account - either a particular currency (often the US dollar) or a chosen weighted average of foreign currencies (often the SDR). Presentation using a common unit of account allows convenient comparison of the absolute size and trends in the direction of key aggregates.

The other method is to express each country's aggregates as proportions of its gross domestic product (GDP) or gross national product (GNP). These ratios place the country's balance of payments developments in the context of the size of the country's economic activity. However, this is a comparison in domestic currency terms; movements over time in the ratios will be affected by differences in impact of exchange rate variations on the two series.

Care should always be exercised in the use and interpretation of international statistical comparisons. One important qualification is that, despite the fact countries tend to follow international recommendations for the compilation of balance of payments statistics, differences still occur between countries in concepts, coverage, data

sources and collection methods. For example, a significant coverage difference occurs in comparisons of current account balances because some countries (including Australia, United Kingdom, West Germany and the United States) follow the international recommendation that reinvested earnings should be included in the statistics, while most countries do not.

Current account balances in US dollars for selected countries

Australia's current account balance (both including and excluding reinvested earnings) for the last 13 years, converted to US dollars at quarterly period average exchange rates, is compared with corresponding balances for a selection of countries in the table below.

Current account balances as a percentage of GDP for selected countries

In 1989-90, Australia's deficit on current account (including reinvested earnings) was 5.6 per cent of GDP. This compares with average ratios of 4.9 per cent over the period 1983-84 to 1989-90 and 3.7 per cent over the period 1977-78 to 1982-83. Australia's ratio from 1977-78 is compared with the corresponding ratios for a selection of countries in the table on the following page.

INTERNATIONAL COMPARISON OF CURRENT ACCOUNT BALANCES (a)(b)
\$US billion

Year	Australia (c)	United States	United Kingdom	West Germany	Japan	Canada
— Including Reinvested Earnings —						
1977-78	-3.4	-19.4	1.5	5.9	na	na
1978-79	-4.1	-5.3	-0.1	5.3	na	na
1979-80	-2.2	-3.6	-0.5	-13.0	na	na
1980-81	-6.3	9.7	17.9	-15.0	na	na
1981-82	-10.0	4.3	7.1	1.6	na	na
1982-83	-6.4	-24.4	7.3	9.6	na	na
1983-84	-6.7	-81.1	4.5	4.0	na	na
1984-85	-8.8	-114.4	2.7	12.0	na	na
1985-86	-10.2	-122.8	5.0	27.2	na	na
1986-87	-8.0	-143.2	-2.0	46.1	na	na
1987-88	-8.0	-136.1	-16.2	47.1	na	na
1988-89	-14.5	-123.5	-31.4	54.1	na	na
1989-90	-16.9	na	na	na	na	na
— Excluding Reinvested Earnings —						
1977-78	-2.7	-25.1	3.7	na	16.4	-3.6
1978-79	-3.4	-17.5	2.9	na	6.1	-5.0
1979-80	-1.3	-19.1	5.9	na	-17.3	-3.1
1980-81	-5.6	0.1	20.8	na	-1.0	-2.1
1981-82	-9.8	-5.6	10.4	1.2	7.1	-2.3
1982-83	-7.1	-31.8	9.9	9.8	12.8	3.7
1983-84	-6.4	-89.7	4.6	3.1	27.9	0.9
1984-85	-8.6	-120.5	-0.5	11.0	40.3	2.9
1985-86	-10.1	-149.3	2.7	25.6	64.9	-5.4
1986-87	-8.0	-165.6	8.7	45.0	93.8	-7.0
1987-88	-7.8	-155.6	-22.5	46.6	80.3	-7.6
1988-89	-14.2	-135.7	-39.1	53.4	73.0	-12.4
1989-90	-16.9	na	na	na	na	na

(a) A minus sign indicates a deficit on current account. (b) The source for all countries except Australia is *OECD (Main Economic Indicators)* April 1990 and national source data. (c) Australia's current account balance has been converted to US dollars using quarterly period average exchange rates.

INTERNATIONAL COMPARISON OF CURRENT ACCOUNT BALANCES AS A PERCENTAGE OF GROSS DOMESTIC PRODUCT (a)(b)

Year	Australia	United States (c)	United Kingdom	West Germany (c)	Japan (c)	Canada
— Including Reinvested Earnings —						
1977-78	-3.2	-0.9	0.5	1.0	na	na
1978-79	-3.4	-0.2	—	0.8	na	na
1979-80	-1.6	-0.1	-0.1	-1.6	na	na
1980-81	-3.9	0.3	3.4	-2.0	na	na
1981-82	-5.8	0.1	1.5	0.2	na	na
1982-83	-4.0	-0.7	1.6	1.4	na	na
1983-84	-3.8	-2.2	0.9	0.6	na	na
1984-85	-5.3	-2.9	0.7	2.1	na	na
1985-86	-6.1	-3.0	1.0	3.5	na	na
1986-87	-4.7	-3.3	-0.3	4.5	na	na
1987-88	-3.7	-2.9	-2.1	3.9	na	na
1988-89	-5.3	-2.4	-3.8	4.6	na	na
1989-90	-5.6	na	na	na	na	na
— Excluding Reinvested Earnings —						
1977-78	-2.6	-1.2	1.3	na	2.0	-1.7
1978-79	-2.8	-0.7	0.8	na	0.6	-2.3
1979-80	-1.0	-0.7	1.2	na	-1.8	-1.3
1980-81	-3.5	—	4.0	na	-0.2	-0.7
1981-82	-5.6	-0.2	2.1	0.2	0.7	-0.8
1982-83	-4.5	-1.0	2.1	1.5	1.2	1.2
1983-84	-3.7	-2.5	1.0	0.5	2.4	0.3
1984-85	-5.2	-3.1	-0.1	1.9	3.3	0.9
1985-86	-6.0	-3.6	0.5	3.4	3.9	-1.5
1986-87	-4.6	-3.8	1.4	4.4	4.3	-1.8
1987-88	-3.6	-3.3	-2.9	3.9	3.0	-1.7
1988-89	-5.2	-2.7	-4.7	4.5	2.5	-2.5
1989-90	-5.6	na	na	na	na	na

(a) A minus sign indicates a deficit on current account. (b) The source for all countries except Australia is *OECD (Main Economic Indicators)* April 1990 and national source data. For Australia the source is the March quarter 1990 issue of ABS Catalogue No. 5206.0. (c) Ratios for United States, Japan, West Germany are calculated using gross national product.

TABLE 1. BALANCE OF PAYMENTS
(\$ million)

	Year			Quarters ended									
	1987-88	1988-89	1989-90	1987-88		1988-89			1989-90				
				Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
Current transactions —													
<i>Goods and services —</i>													
<i>Merchandise (a) —</i>													
Exports fob	40,541	43,047	47,211	10,646	10,462	10,056	10,669	10,424	11,898	11,716	11,727	11,624	12,144
Imports fob	-40,386	-47,032	-50,990	-10,222	-10,069	-10,964	-11,860	-11,511	-12,697	-13,897	-12,959	-12,691	-11,443
<i>Balance on merchandise trade</i>	155	-3,985	-3,779	424	393	-908	-1,191	-1,087	-799	-2,181	-1,232	-1,067	701
<i>Services —</i>													
Credits	9,517	10,791	11,379	2,640	2,384	2,572	2,765	2,883	2,571	2,611	2,789	3,203	2,776
Debits	-12,213	-13,751	-15,035	-3,084	-3,004	-3,239	-3,243	-3,506	-3,763	-3,911	-3,686	-3,683	-3,755
<i>Net services</i>	-2,696	-2,960	-3,656	-444	-620	-667	-478	-623	-1,192	-1,300	-897	-480	-979
<i>Balance on goods and services</i>	-2,541	-6,945	-7,435	-20	-227	-1,575	-1,669	-1,710	-1,991	-3,481	-2,129	-1,547	-278
<i>Income —</i>													
Credits	3,934	4,240	5,704	948	976	997	978	1,121	1,144	1,388	1,410	1,372	1,534
Debits	-14,138	-17,253	-21,424	-3,723	-3,541	-3,866	-4,050	-4,491	-4,846	-4,886	-5,298	-5,710	-5,530
<i>Net income</i>	-10,204	-13,013	-15,720	-2,775	-2,565	-2,869	-3,072	-3,370	-3,702	-3,498	-3,888	-4,338	-3,996
<i>Unrequited transfers —</i>													
Credits	3,545	4,210	4,602	902	950	930	1,030	1,095	1,155	1,096	1,111	1,191	1,204
Debits	-1,881	-2,012	-2,176	-538	-526	-412	-472	-559	-569	-450	-485	-662	-579
<i>Net unrequited transfers</i>	1,664	2,198	2,426	364	424	518	558	536	586	646	626	529	625
Balance on current account	-11,081	-17,760	-20,729	-2,431	-2,368	-3,926	-4,183	-4,544	-5,107	-6,333	-5,391	-5,356	-3,649
Net capital transactions —													
<i>Official —</i>													
<i>General government —</i>													
Foreign investment in Australia	4,016	859	2,035	3,845	-134	-172	2,151	967	-2,087	626	410	1,012	-13
Australian investment abroad	415	-359	201	-141	366	-386	96	-80	11	136	-500	535	30
<i>Total</i>	4,431	500	2,236	3,704	232	-558	2,247	887	-2,076	762	-90	1,547	17
<i>Reserve bank —</i>													
Foreign investment in Australia	-8	—	24	1	3	-36	64	-18	-10	—	-6	-4	34
Australian investment abroad	-3,924	-873	-2,156	-1,077	-4,571	-758	-410	250	45	-672	-424	822	-1,882
<i>Total</i>	-3,932	-873	-2,132	-1,076	-4,568	-794	-346	232	35	-672	-430	818	-1,848
<i>Total official</i>	499	-373	104	2,628	-4,336	-1,352	1,901	1,119	-2,041	90	-520	2,365	-1,831
<i>Non-official —</i>													
Foreign investment in Australia	21,041	25,654	20,585	1,944	7,889	7,477	3,901	8,558	5,718	6,137	5,326	6,419	2,703
Australian investment abroad	-12,716	-10,826	-5,477	-1,143	-2,826	-2,224	-1,814	-3,084	-3,704	-1,515	-1,013	-4,350	1,401
<i>Total non-official</i>	8,325	14,828	15,108	801	5,063	5,253	2,087	5,474	2,014	4,622	4,313	2,069	4,104
Balance on capital account	8,824	14,455	15,212	3,429	727	3,901	3,988	6,593	-27	4,712	3,793	4,434	2,273
<i>Balancing item</i>	2,257	3,305	5,517	-998	1,641	25	195	-2,049	5,134	1,621	1,598	922	1,376

(a) Balance of payments basis.

TABLE 2. BALANCE OF PAYMENTS — CURRENT ACCOUNT
(\$ million)

	Year			Quarters ended									
	1987-88	1988-89	1989-90	1987-88		1988-89		1989-90					
				Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
Current transactions —													
<i>Goods and services —</i>													
<i>Merchandise (a) —</i>													
Exports fob	40,541	43,047	47,211	10,646	10,462	10,056	10,669	10,424	11,898	11,716	11,727	11,624	12,144
Imports fob	-40,386	-47,032	-50,990	-10,222	-10,069	-10,964	-11,860	-11,511	-12,697	-13,897	-12,959	-12,691	-11,443
<i>Balance on merchandise trade</i>	155	-3,985	-3,779	424	393	-908	-1,191	-1,087	-799	-2,181	-1,232	-1,067	701
<i>Services —</i>													
<i>Credits —</i>													
Shipment	537	554	602	137	130	130	134	143	147	144	151	154	153
Other transportation	3,142	3,209	3,362	853	788	794	839	805	771	798	808	932	824
Travel	3,565	4,467	4,650	1,085	880	1,059	1,209	1,289	910	978	1,158	1,438	1,076
Other services	2,273	2,561	2,765	565	586	589	583	646	743	691	672	679	723
<i>Total services credits</i>	9,517	10,791	11,379	2,640	2,384	2,572	2,765	2,883	2,571	2,611	2,789	3,203	2,776
<i>Debits —</i>													
Shipment	-2,856	-3,176	-3,278	-723	-687	-736	-760	-808	-872	-870	-849	-801	-758
Other transportation	-2,510	-2,912	-3,377	-649	-632	-661	-711	-736	-804	-839	-855	-808	-875
Travel	-3,712	-4,263	-4,948	-873	-891	-1,027	-932	-1,049	-1,255	-1,357	-1,113	-1,228	-1,250
Other services	-3,135	-3,400	-3,432	-839	-794	-815	-840	-913	-832	-845	-869	-846	-872
<i>Total services debits</i>	-12,213	-13,751	-15,035	-3,084	-3,004	-3,239	-3,243	-3,506	-3,763	-3,911	-3,686	-3,683	-3,755
<i>Net services</i>	-2,696	-2,960	-3,656	-444	-620	-667	-478	-623	-1,192	-1,300	-897	-480	-979
<i>Balance on goods and services</i>	-2,541	-6,945	-7,435	-20	-227	-1,575	-1,669	-1,710	-1,991	-3,481	-2,129	-1,547	-278
<i>Income —</i>													
<i>Credits —</i>													
Property income —													
Reinvested earnings	2,162	2,123	2,700	540	541	531	530	531	531	675	675	675	675
Other	1,596	1,927	2,642	367	392	418	402	542	565	658	682	646	656
Labour and other income	176	190	362	41	43	48	46	48	48	55	53	51	203
<i>Total income credits</i>	3,934	4,240	5,704	948	976	997	978	1,121	1,144	1,388	1,410	1,372	1,534
<i>Debits —</i>													
Property income —													
Reinvested earnings	-2,417	-2,225	-2,688	-604	-605	-556	-556	-556	-557	-672	-672	-672	-672
Other	-11,511	-14,809	-18,511	-3,062	-2,884	-3,252	-3,435	-3,881	-4,241	-4,161	-4,569	-4,978	-4,803
Labour and other income	-210	-219	-225	-57	-52	-58	-59	-54	-48	-53	-57	-60	-55
<i>Total income debits</i>	-14,138	-17,253	-21,424	-3,723	-3,541	-3,866	-4,050	-4,491	-4,846	-4,886	-5,298	-5,710	-5,530
<i>Net income</i>	-10,204	-13,013	-15,720	-2,775	-2,565	-2,869	-3,072	-3,370	-3,702	-3,498	-3,888	-4,338	-3,996
<i>Unrequited transfers —</i>													
Credits	3,545	4,210	4,602	902	950	930	1,030	1,095	1,155	1,096	1,111	1,191	1,204
Debits	-1,881	-2,012	-2,176	-538	-526	-412	-472	-559	-569	-450	-485	-662	-579
<i>Net unrequited transfers</i>	1,664	2,198	2,426	364	424	518	558	536	586	646	626	529	625
Balance on current account	-11,081	-17,760	-20,729	-2,431	-2,368	-3,926	-4,183	-4,544	-5,107	-6,333	-5,391	-5,356	-3,649

(a) Balance of payments basis.

TABLE 3. BALANCE OF PAYMENTS — CURRENT ACCOUNT — SEASONALLY ADJUSTED
(\$ million)

	Quarters ended-									
	1987-88		1988-89				1989-90			
	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
Current transactions —										
<i>Goods and services —</i>										
<i>Merchandise (a) —</i>										
Exports fob	10,888	10,243	10,164	10,539	10,676	11,631	11,757	11,598	12,054	11,921
Imports fob	-10,714	-10,229	-10,599	-11,483	-12,073	-12,896	-13,538	-12,565	-13,314	-11,634
<i>Balance on merchandise trade</i>	174	14	-435	-944	-1,397	-1,265	-1,781	-967	-1,260	287
<i>Services —</i>										
<i>Credits —</i>										
Shipment	137	130	130	134	143	147	144	151	154	153
Other transportation	806	836	835	805	763	814	833	779	885	872
Travel	919	1,053	1,204	1,112	1,066	1,108	1,104	1,084	1,166	1,329
Other services	578	560	585	603	660	708	692	698	694	700
<i>Total services credits</i>	2,440	2,579	2,754	2,654	2,632	2,777	2,773	2,712	2,899	3,054
<i>Debits —</i>										
Shipment	-752	-703	-712	-740	-838	-894	-843	-826	-829	-778
Other transportation	-669	-628	-638	-718	-763	-798	-806	-862	-840	-869
Travel	-927	-907	-921	-968	-1,113	-1,280	-1,219	-1,155	-1,302	-1,276
Other services	-814	-781	-838	-854	-890	-822	-868	-889	-822	-865
<i>Total services debits</i>	-3,162	-3,019	-3,109	-3,280	-3,604	-3,794	-3,736	-3,732	-3,793	-3,788
<i>Net services</i>	-722	-440	-355	-626	-972	-1,017	-963	-1,020	-894	-734
<i>Balance on goods and services</i>	-548	-426	-790	-1,570	-2,369	-2,282	-2,744	-1,987	-2,154	-447
<i>Income —</i>										
<i>Credits —</i>										
Property income —										
Reinvested earnings	540	541	531	530	531	531	675	675	675	675
Other	371	373	434	402	548	554	677	708	657	643
Labour and other income	43	45	44	46	51	50	50	53	54	205
<i>Total income credits</i>	954	959	1,009	978	1,130	1,135	1,402	1,436	1,386	1,523
<i>Debits —</i>										
Property income —										
Reinvested earnings	-604	-605	-556	-556	-556	-557	-672	-672	-672	-672
Other	-2,976	-2,940	-3,323	-3,446	-3,751	-4,309	-4,336	-4,639	-4,940	-4,891
Labour and other income	-55	-57	-60	-55	-51	-53	-54	-54	-57	-61
<i>Total income debits</i>	-3,635	-3,602	-3,939	-4,057	-4,358	-4,919	-5,062	-5,365	-5,669	-5,624
<i>Net income</i>	-2,681	-2,643	-2,930	-3,079	-3,228	-3,784	-3,660	-3,929	-4,283	-4,101
<i>Unrequited transfers —</i>										
Credits	897	943	963	1,007	1,085	1,154	1,133	1,087	1,178	1,201
Debits	-490	-477	-497	-484	-513	-513	-571	-496	-599	-529
<i>Net unrequited transfers</i>	407	466	466	523	572	641	562	591	579	672
Balance on current account	-2,822	-2,603	-3,254	-4,126	-5,025	-5,425	-5,842	-5,325	-5,858	-3,876

(a) Balance of payments basis.

TABLE 4. BALANCE OF PAYMENTS — CAPITAL ACCOUNT
(\$ million)

	Year			Quarters ended									
	1987-88	1988-89	1989-90	1987-88		1988-89		1989-90					
				Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
Net capital transactions —													
<i>Official —</i>													
<i>General government —</i>													
<i>Foreign investment in Australia —</i>													
Borrowing	4,087	1,047	2,109	3,872	-106	-160	2,170	991	-1,954	626	412	1,039	32
Other	-71	-188	-74	-27	-28	-12	-19	-24	-133	—	-2	-27	-45
Total	4,016	859	2,035	3,845	-134	-172	2,151	967	-2,087	626	410	1,012	-13
<i>Australian investment abroad</i>	415	-359	201	-141	366	-386	96	-80	11	136	-500	535	30
Total general government	4,431	500	2,236	3,704	232	-558	2,247	887	-2,076	762	-90	1,547	17
<i>Reserve Bank —</i>													
<i>Foreign investment in Australia</i>	-8	—	24	1	3	-36	64	-18	-10	—	-6	-4	34
<i>Australian investment abroad —</i>													
Reserve assets	-3,924	-873	-2,156	-1,077	-4,571	-758	-410	250	45	-672	-424	822	-1,882
Other	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	-3,924	-873	-2,156	-1,077	-4,571	-758	-410	250	45	-672	-424	822	-1,882
Total Reserve Bank	-3,932	-873	-2,132	-1,076	-4,568	-794	-346	232	35	-672	-430	818	-1,848
Total official	499	-373	104	2,628	-4,336	-1,352	1,901	1,119	-2,041	90	-520	2,365	-1,831
<i>Non official —</i>													
<i>Foreign investment in Australia —</i>													
<i>Direct investment —</i>													
Reinvestment of earnings	2,417	2,225	2,688	604	604	557	556	556	556	672	672	672	672
Other	4,582	8,358	5,082	323	2,027	2,870	1,652	1,637	2,199	1,481	1,764	1,335	502
Portfolio & other investment	14,042	15,071	12,815	1,017	5,258	4,050	1,693	6,365	2,963	3,984	2,890	4,412	1,529
Total foreign investment in Australia	21,041	25,654	20,585	1,944	7,889	7,477	3,901	8,558	5,718	6,137	5,326	6,419	2,703
<i>Australian investment abroad —</i>													
<i>Direct investment —</i>													
Reinvestment of earnings	-2,162	-2,123	-2,700	-540	-541	-531	-530	-531	-531	-675	-675	-675	-675
Other	-8,612	-4,428	-1,899	-1,309	-1,699	-844	-1,335	-938	-1,311	-1,084	978	-2,585	792
Portfolio & other investment	-1,942	-4,275	-878	706	-586	-849	51	-1,615	-1,862	244	-1,316	-1,090	1,284
Total Australian investment abroad	-12,716	-10,826	-5,477	-1,143	-2,826	-2,224	-1,814	-3,084	-3,704	-1,515	-1,013	-4,350	1,401
Total non-official	8,325	14,828	15,108	801	5,063	5,253	2,087	5,474	2,014	4,622	4,313	2,069	4,104
Balance on capital account	8,824	14,455	15,212	3,429	727	3,901	3,988	6,593	-27	4,712	3,793	4,434	2,273

TABLE 5. BALANCE OF PAYMENTS — EXPORTS AND IMPORTS OF GOODS AND SERVICES AT CURRENT AND AVERAGE 1984-85 PRICES — ORIGINAL AND SEASONALLY ADJUSTED

	(\$ million)												
	Year			Quarters ended									
	1987-88	1988-89	1989-90	1987-88		1988-89			1989-90				
			Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June	
At current prices													
Merchandise exports fob	40,541	43,047	47,211	10,646	10,462	10,056	10,669	10,424	11,898	11,716	11,727	11,624	12,144
Services, credits	9,517	10,791	11,379	2,640	2,384	2,572	2,765	2,883	2,571	2,611	2,789	3,203	2,776
Total exports of goods and services	50,058	53,838	58,590	13,286	12,846	12,628	13,434	13,307	14,469	14,327	14,516	14,827	14,920
Merchandise imports fob	-40,386	-47,032	-50,990	-10,222	-10,069	-10,964	-11,860	-11,511	-12,697	-13,897	-12,959	-12,691	-11,443
Services, debits	-12,213	-13,751	-15,035	-3,084	-3,004	-3,239	-3,243	-3,506	-3,763	-3,911	-3,686	-3,683	-3,755
Total imports of goods and services	-52,599	-60,783	-66,025	-13,306	-13,073	-14,203	-15,103	-15,017	-16,460	-17,808	-16,645	-16,374	-15,198
At average 1984-85 prices													
Merchandise exports fob	35,111	34,797	37,515	8,903	8,646	8,429	8,782	8,371	9,215	9,076	9,233	9,478	9,728
Services, credits	7,623	8,383	8,280	2,080	1,880	2,026	2,142	2,228	1,987	1,970	2,043	2,294	1,973
Total exports of goods and services	42,734	43,180	45,795	10,983	10,526	10,455	10,924	10,599	11,202	11,046	11,276	11,772	11,701
Merchandise imports fob	-33,138	-41,234	-42,895	-8,215	-8,425	-9,496	-10,329	-10,396	-11,013	-11,450	-11,045	-10,678	-9,722
Services, debits	-9,618	-11,469	-11,679	-2,366	-2,400	-2,734	-2,729	-2,977	-3,029	-3,118	-2,919	-2,820	-2,822
Total imports of goods and services	-42,756	-52,703	-54,574	-10,581	-10,825	-12,230	-13,058	-13,373	-14,042	-14,568	-13,964	-13,498	-12,544
At current prices seasonally adjusted													
Merchandise exports fob	..	..	..	10,888	10,243	10,164	10,539	10,676	11,631	11,757	11,598	12,054	11,921
Services, credits	..	..	..	2,440	2,579	2,754	2,654	2,632	2,777	2,773	2,712	2,899	3,054
Total exports of goods and services	..	..	..	13,328	12,822	12,918	13,193	13,308	14,408	14,530	14,310	14,953	14,975
Merchandise imports fob	..	..	..	-10,714	-10,229	-10,599	-11,483	-12,073	-12,896	-13,538	-12,565	-13,314	-11,634
Services, debits	..	..	..	-3,162	-3,019	-3,109	-3,280	-3,604	-3,794	-3,736	-3,732	-3,793	-3,788
Total imports of goods and services	..	..	..	-13,876	-13,248	-13,708	-14,763	-15,677	-16,690	-17,274	-16,297	-17,107	-15,422
At average 1984-85 prices — seasonally adjusted													
Merchandise exports fob	..	..	..	9,200	8,506	8,432	8,655	8,655	9,041	9,076	9,093	9,829	9,585
Services, credits	..	..	..	1,942	2,010	2,156	2,066	2,058	2,122	2,080	1,992	2,104	2,142
Total exports of goods and services	..	..	..	11,142	10,516	10,588	10,721	10,713	11,163	11,156	11,085	11,933	11,727
Merchandise imports fob	..	..	..	-8,589	-8,532	-9,208	-10,017	-10,865	-11,141	-11,186	-10,736	-11,181	-9,851
Services, debits	..	..	..	-2,421	-2,397	-2,641	-2,767	-3,050	-3,025	-3,001	-2,960	-2,901	-2,823
Total imports of goods and services	..	..	..	-11,010	-10,929	-11,849	-12,784	-13,915	-14,166	-14,187	-13,696	-14,082	-12,674

TABLE 6. BALANCE OF PAYMENTS — EXPORTS AND IMPORTS OF GOODS AND SERVICES — IMPLICIT PRICE DEFLATORS, FIXED-WEIGHTED INDEXES AND TERMS OF TRADE (1984-85 = 100) (a)

	Year			Quarters ended									
	1987-88	1988-89	1989-90	1987-88		1988-89		1989-90		Sept.	Dec.	Mar.	June
				Mar.	June	Sept.	Dec.	Mar.	June				
Implicit price deflators													
<i>Merchandise exports</i>													
Rural exports fob	128.5	141.5	138.7	136.2	141.7	140.4	143.9	140.2	140.6	143.2	140.3	138.1	134.7
Non-rural exports fob	108.8	115.3	120.6	109.5	111.2	111.8	110.9	115.7	122.7	123.2	122.3	116.7	120.6
<i>Total exports fob</i>	115.5	123.7	125.8	118.3	120.4	120.5	121.8	123.4	128.6	129.5	127.5	122.6	124.4
<i>Services, credits</i>	124.8	128.7	137.4	125.6	128.3	127.7	128.5	127.9	130.9	133.3	136.1	137.8	142.6
<i>Total exports of goods and services</i>	117.1	124.7	127.9	119.6	121.9	122.0	123.1	124.2	129.1	130.2	129.1	125.3	127.7
<i>Merchandise imports fob (b)</i>													
Exogenous imports fob	83.3	72.9	85.5	84.0	75.8	71.7	78.2	64.6	76.8	86.9	79.2	90.5	85.4
Endogenous imports fob	128.1	120.7	123.9	131.0	126.5	121.1	120.9	118.8	122.2	126.8	122.9	123.0	122.6
<i>Total imports fob</i>	121.9	114.1	118.9	124.7	119.9	115.1	114.6	111.1	115.8	121.0	117.0	119.1	118.1
<i>Services, debits (b)</i>	127.0	119.9	128.7	130.6	125.9	117.7	118.5	118.2	125.4	124.5	126.1	130.7	134.2
<i>Total imports of goods and services</i>	123.0	115.3	121.0	126.0	121.2	115.7	115.5	112.7	117.8	121.8	119.0	121.5	121.7
Terms of trade													
<i>Merchandise trade (c)</i>	94.7	108.4	105.8	94.9	100.4	104.7	106.3	111.1	111.1	107.0	109.0	102.9	105.3
<i>Services (d)</i>	98.3	107.3	106.8	96.2	101.9	108.5	108.4	108.2	104.4	107.1	107.9	105.4	106.3
<i>Goods and services (e)</i>	95.2	108.2	105.7	94.9	100.6	105.4	106.6	110.2	109.6	106.9	108.5	103.1	104.9
Fixed-weighted indexes (f)													
<i>Merchandise exports fob</i>	112.2	122.0	128.7	115.4	117.7	118.9	118.5	122.0	128.5	130.0	127.9	127.5	129.5
<i>Services, credits</i>	123.4	126.7	134.2	124.6	125.6	124.7	126.2	127.9	127.8	130.4	133.4	135.1	137.9
<i>Total exports of goods and services</i>	114.0	122.7	129.6	116.9	119.0	119.8	119.7	122.9	128.4	130.1	128.8	128.7	130.8
<i>Merchandise imports fob (b)</i>	128.6	122.1	127.8	131.0	128.2	122.3	121.9	119.3	124.7	128.7	126.5	127.8	128.1
<i>Services, debits (b)</i>	128.6	120.9	130.8	132.3	126.7	119.0	119.9	118.0	126.5	126.3	130.3	132.3	134.2
<i>Total imports of goods and services (b)</i>	128.6	121.8	128.5	131.3	127.8	121.5	121.4	119.0	125.1	128.1	127.4	128.9	129.6

(a) Quarterly figures are derived from seasonally adjusted data. (b) These entries carry the opposite sign to related entries in Tables 1,2,3,5,7,8,9,10 and 13. (c) Derived by dividing the implicit price deflator (IPD) for merchandise exports fob by the IPD for merchandise imports fob. (d) Derived by dividing the IPD for services, credits by the IPD for services, debits. (e) Derived by dividing the IPD for total exports of goods and services by the IPD for total imports of goods and services. (f) The fixed-weighted indexes are derived by combining individual component prices (base year 1984-85 = 100) with a weighting to reflect the relative importance of the components in the base year.

TABLE 7. MERCHANDISE (BALANCE OF PAYMENTS BASIS)

(\$ million)

	Year			Quarters ended									
	1987-88	1988-89	1989-90	1987-88		1988-89		1989-90					
				Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
Exports fob (a) —													
<i>Rural exports fob —</i>													
Meat & meat preparations	2,555	2,249	2,869	621	668	534	601	481	633	696	770	697	706
Cereal grains & cereal preparations	2,202	2,729	3,174	623	405	453	501	719	1,056	705	606	1,017	846
Sugar, sugar preparations & honey	698	885	1,036	152	196	305	205	155	220	407	272	189	168
Wool and sheepskins	5,811	5,939	3,706	1,904	1,454	1,039	1,780	1,717	1,403	942	1,064	892	808
Other rural	3,976	4,015	4,233	1,014	1,049	1,017	1,024	889	1,085	1,170	990	987	1,086
<i>Total rural</i>	<i>15,242</i>	<i>15,817</i>	<i>15,018</i>	<i>4,314</i>	<i>3,772</i>	<i>3,348</i>	<i>4,111</i>	<i>3,961</i>	<i>4,397</i>	<i>3,920</i>	<i>3,702</i>	<i>3,782</i>	<i>3,614</i>
<i>Non-rural exports fob —</i>													
Metal ores & minerals	5,455	6,586	7,372	1,305	1,441	1,433	1,513	1,635	2,005	1,833	1,808	1,705	2,026
Mineral fuels —													
Coal, coke and briquettes	4,850	4,737	5,953	1,269	1,127	1,126	1,212	1,100	1,299	1,419	1,342	1,557	1,635
Other mineral fuels	1,779	1,258	2,037	456	390	374	261	271	352	370	425	618	624
Metals —													
Gold	2,563	2,731	3,192	737	774	761	612	745	613	650	839	888	815
Other metals	3,749	4,662	4,572	918	985	1,125	1,160	1,074	1,303	1,200	1,178	1,073	1,121
Machinery	1,835	1,869	2,396	416	508	475	482	405	507	576	650	540	630
Transport equipment	957	886	1,087	231	263	209	180	231	266	291	269	242	285
Manufactures nec	2,941	3,276	3,948	703	830	860	834	714	868	981	1,136	851	980
Other non-rural	1,170	1,225	1,636	297	372	345	304	288	288	476	378	368	414
<i>Total non-rural</i>	<i>25,299</i>	<i>27,230</i>	<i>32,193</i>	<i>6,332</i>	<i>6,690</i>	<i>6,708</i>	<i>6,558</i>	<i>6,463</i>	<i>7,501</i>	<i>7,796</i>	<i>8,025</i>	<i>7,842</i>	<i>8,530</i>
Total exports fob	40,541	43,047	47,211	10,646	10,462	10,056	10,669	10,424	11,898	11,716	11,727	11,624	12,144
Imports fob (a) —													
Food, beverages & tobacco	-2,013	-2,200	-2,285	-552	-464	-494	-572	-584	-550	-584	-581	-589	-531
Fuels	-2,036	-2,014	-2,521	-494	-517	-411	-295	-561	-747	-633	-698	-600	-590
Chemicals (including plastics)	-4,280	-4,973	-5,205	-1,145	-1,123	-1,223	-1,198	-1,211	-1,341	-1,337	-1,247	-1,327	-1,294
Textiles, fabrics etc	-1,931	-2,002	-1,946	-448	-475	-522	-493	-473	-514	-554	-489	-461	-442
Metals & metal manufactures	-2,205	-2,625	-2,763	-540	-552	-602	-609	-657	-757	-770	-784	-633	-576
Machinery	-12,230	-13,793	-15,532	-3,024	-3,067	-3,237	-3,453	-3,304	-3,799	-4,064	-4,021	-3,907	-3,540
Transport equipment	-4,152	-6,849	-7,754	-1,075	-1,130	-1,303	-2,025	-1,669	-1,852	-2,484	-1,812	-1,917	-1,541
Manufactures nec	-8,563	-9,766	-10,310	-2,228	-2,029	-2,431	-2,482	-2,399	-2,454	-2,782	-2,647	-2,592	-2,289
Other imports	-2,976	-2,810	-2,674	-716	-712	-741	-733	-653	-683	-689	-680	-665	-640
Total imports fob	-40,386	-47,032	-50,990	-10,222	-10,069	-10,964	-11,860	-11,511	-12,697	-13,897	-12,959	-12,691	-11,443
<i>Of which —</i>													
<i>Exogenous</i>	<i>-3,829</i>	<i>-4,186</i>	<i>-4,771</i>	<i>-958</i>	<i>-867</i>	<i>-799</i>	<i>-1,139</i>	<i>-994</i>	<i>-1,254</i>	<i>-1,379</i>	<i>-1,119</i>	<i>-1,213</i>	<i>-1,060</i>
<i>Endogenous —</i>													
Consumption goods	-9,348	-11,432	-12,122	-2,478	-2,190	-2,658	-2,995	-2,903	-2,876	-3,376	-3,185	-2,935	-2,626
Capital goods	-8,578	-10,583	-11,761	-2,066	-2,282	-2,430	-2,708	-2,562	-2,883	-3,315	-2,981	-2,853	-2,612
Other goods	-18,631	-20,831	-22,336	-4,720	-4,730	-5,077	-5,018	-5,052	-5,684	-5,827	-5,674	-5,690	-5,145
<i>Total endogenous</i>	<i>-36,557</i>	<i>-42,846</i>	<i>-46,219</i>	<i>-9,264</i>	<i>-9,202</i>	<i>-10,165</i>	<i>-10,721</i>	<i>-10,517</i>	<i>-11,443</i>	<i>-12,518</i>	<i>-11,840</i>	<i>-11,478</i>	<i>-10,383</i>
Balance on merchandise trade	155	-3,985	-3,779	424	393	-908	-1,191	-1,087	-799	-2,181	-1,232	-1,067	701

(a) From March quarter 1988 entries for categories of exports fob and imports fob are not strictly comparable with entries for earlier periods. See note on 'Changes in this issue' on page 8 of the September quarter 1988 issue of this publication.

TABLE 8. MERCHANDISE (BALANCE OF PAYMENTS BASIS) AT AVERAGE 1984-85 PRICES
(\$ million)

	Year			Quarters ended									
	1987-88	1988-89	1989-90	1987-88		1988-89				1989-90			
				Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
Exports fob (a) —													
<i>Rural exports fob —</i>													
Meat & meat preparations	2,130	1,866	2,208	515	561	444	489	420	513	526	580	539	563
Cereal grains & cereal preparations	2,764	2,576	2,656	712	455	495	503	665	913	587	497	837	735
Sugar, sugar preparations & honey	641	673	667	121	174	238	162	122	151	261	185	124	97
Wool and sheepskins	3,204	2,898	2,127	977	670	493	845	838	722	524	624	507	472
Other rural	3,126	3,168	3,170	784	804	806	825	707	830	893	748	712	817
<i>Total rural</i>	<i>11,865</i>	<i>11,181</i>	<i>10,828</i>	<i>3,109</i>	<i>2,664</i>	<i>2,476</i>	<i>2,824</i>	<i>2,752</i>	<i>3,129</i>	<i>2,791</i>	<i>2,634</i>	<i>2,719</i>	<i>2,684</i>
<i>Non-rural exports fob —</i>													
Metal ores & minerals	5,219	5,314	5,143	1,246	1,329	1,270	1,368	1,262	1,414	1,304	1,286	1,225	1,328
Mineral fuels —													
Coal, coke and briquettes	5,543	5,319	5,717	1,452	1,333	1,282	1,394	1,280	1,363	1,368	1,303	1,508	1,538
Other mineral fuels	2,542	2,250	3,152	651	608	664	552	489	545	597	666	988	901
Metals —													
Gold	1,561	2,060	2,566	441	474	536	461	592	471	506	663	722	675
Other metals	2,662	2,849	3,067	633	651	689	717	664	779	724	790	772	781
Machinery	1,647	1,651	2,140	377	436	416	433	361	441	499	587	477	577
Transport equipment	878	837	988	218	252	204	175	218	240	263	247	214	264
Manufactures nec	2,187	2,390	2,768	511	591	614	611	536	629	694	795	591	688
Other non-rural	1,007	946	1,146	265	308	278	247	217	204	330	262	262	292
<i>Total non-rural</i>	<i>23,246</i>	<i>23,616</i>	<i>26,687</i>	<i>5,794</i>	<i>5,982</i>	<i>5,953</i>	<i>5,958</i>	<i>5,619</i>	<i>6,086</i>	<i>6,285</i>	<i>6,599</i>	<i>6,759</i>	<i>7,044</i>
Total exports fob	35,111	34,797	37,515	8,903	8,646	8,429	8,782	8,371	9,215	9,076	9,233	9,478	9,728
Imports fob (a) —													
Food, beverages & tobacco	-1,633	-1,943	-2,009	-438	-382	-433	-501	-528	-481	-498	-516	-525	-470
Fuels	-2,936	-3,621	-3,542	-710	-821	-734	-591	-1,107	-1,189	-905	-1,017	-795	-825
Chemicals (including plastics)	-3,282	-3,780	-3,991	-856	-843	-928	-902	-928	-1,022	-991	-971	-1,033	-996
Textiles, fabrics etc	-1,453	-1,572	-1,453	-330	-355	-407	-386	-380	-399	-413	-369	-343	-328
Metals & metal manufactures	-1,603	-1,813	-1,832	-379	-385	-425	-422	-461	-505	-498	-523	-425	-386
Machinery	-10,834	-13,795	-15,095	-2,645	-2,852	-3,197	-3,480	-3,361	-3,757	-3,830	-3,925	-3,797	-3,543
Transport equipment	-2,807	-5,105	-5,581	-706	-758	-940	-1,595	-1,249	-1,321	-1,808	-1,304	-1,391	-1,078
Manufactures nec	-6,310	-7,416	-7,395	-1,620	-1,489	-1,855	-1,881	-1,865	-1,815	-1,999	-1,913	-1,863	-1,620
Other imports	-2,280	-2,189	-1,997	-531	-540	-577	-571	-517	-524	-508	-507	-506	-476
Total imports fob	-33,138	-41,234	-42,895	-8,215	-8,425	-9,496	-10,329	-10,396	-11,013	-11,450	-11,045	-10,678	-9,722
<i>Of which—</i>													
<i>Exogenous</i>	<i>-4,599</i>	<i>-5,743</i>	<i>-5,581</i>	<i>-1,142</i>	<i>-1,150</i>	<i>-1,110</i>	<i>-1,450</i>	<i>-1,539</i>	<i>-1,644</i>	<i>-1,581</i>	<i>-1,410</i>	<i>-1,342</i>	<i>-1,248</i>
<i>Endogenous —</i>													
Consumption goods	-6,989	-8,929	-9,166	-1,810	-1,640	-2,087	-2,304	-2,304	-2,234	-2,521	-2,416	-2,251	-1,978
Capital goods	-7,292	-10,023	-10,886	-1,731	-2,006	-2,267	-2,582	-2,478	-2,696	-2,949	-2,806	-2,649	-2,482
Other goods	-14,258	-16,539	-17,262	-3,532	-3,629	-4,032	-3,993	-4,075	-4,439	-4,399	-4,413	-4,436	-4,014
<i>Total endogenous</i>	<i>-28,539</i>	<i>-35,491</i>	<i>-37,314</i>	<i>-7,073</i>	<i>-7,275</i>	<i>-8,386</i>	<i>-8,879</i>	<i>-8,857</i>	<i>-9,369</i>	<i>-9,869</i>	<i>-9,635</i>	<i>-9,336</i>	<i>-8,474</i>
Balance on merchandise trade	1,973	-6,437	-5,380	688	221	-1,067	-1,547	-2,025	-1,798	-2,374	-1,812	-1,200	6

(a) From March Quarter 1988 entries for categories of exports fob and imports fob are not strictly comparable with entries for earlier periods. See note on 'Changes in this issue' on page 8 of the September quarter 1988 issue of this publication.

TABLE 9. MERCHANDISE (BALANCE OF PAYMENTS BASIS) — SEASONALLY ADJUSTED
(\$ million)

	Quarters ended-									
	1987-88		1988-89				1989-90			
	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
Exports fob (a) —										
<i>Rural exports fob —</i>										
Meat & meat preparations	699	641	512	585	540	607	671	746	782	677
Cereal grains & cereal preparations	538	378	505	571	626	980	787	688	889	783
Sugar, sugar preparations & honey	208	190	238	215	209	216	315	287	254	166
Wool and sheepskins	1,612	1,421	1,399	1,685	1,456	1,371	1,276	1,002	757	790
Other rural	1,108	1,020	947	1,042	969	1,058	1,090	1,006	1,074	1,060
Total rural	4,165	3,650	3,601	4,098	3,800	4,232	4,139	3,729	3,756	3,476
<i>Non-rural exports fob —</i>										
Metal ores & minerals	1,463	1,387	1,383	1,470	1,822	1,928	1,776	1,755	1,895	1,948
<i>Mineral fuels —</i>										
Coal, coke and briquettes	1,301	1,143	1,126	1,166	1,128	1,321	1,418	1,288	1,597	1,665
Other mineral fuels	459	404	399	236	274	365	394	385	625	647
<i>Metals —</i>										
Gold	727	710	777	667	727	570	664	910	862	762
Other metals	978	970	1,072	1,163	1,144	1,285	1,144	1,179	1,142	1,107
Machinery	473	497	462	450	461	495	562	607	615	614
Transport equipment	236	264	216	172	230	271	297	264	238	292
Manufactures nec	784	813	825	801	796	852	942	1,090	948	962
Other non-rural	302	405	303	316	294	312	421	391	376	448
Total non-rural	6,723	6,593	6,563	6,441	6,876	7,399	7,618	7,869	8,298	8,445
Total exports fob	10,888	10,243	10,164	10,539	10,676	11,631	11,757	11,598	12,054	11,921
Imports fob (a) —										
Food, beverages & tobacco	-523	-495	-509	-553	-550	-590	-601	-561	-553	-572
Fuels	-491	-493	-419	-306	-559	-706	-652	-718	-600	-555
Chemicals (including plastics)	-1,192	-1,088	-1,183	-1,230	-1,260	-1,300	-1,295	-1,278	-1,380	-1,255
Textiles, fabrics etc	-490	-477	-482	-489	-517	-516	-512	-486	-504	-443
Metals & metal manufactures	-571	-556	-565	-612	-694	-764	-722	-788	-668	-582
Machinery	-3,196	-3,106	-3,143	-3,331	-3,489	-3,849	-3,953	-3,873	-4,124	-3,587
Transport equipment	-1,169	-1,143	-1,325	-1,822	-1,816	-1,873	-2,544	-1,620	-2,087	-1,559
Manufactures nec	-2,306	-2,168	-2,274	-2,411	-2,482	-2,622	-2,609	-2,565	-2,680	-2,446
Other imports	-776	-703	-699	-729	-706	-676	-650	-676	-718	-635
Total Imports fob	-10,714	-10,229	-10,599	-11,483	-12,073	-12,896	-13,538	-12,565	-13,314	-11,634
<i>Of which —</i>										
<i>Exogenous</i>	-955	-843	-807	-1,150	-992	-1,213	-1,398	-1,139	-1,213	-1,025
<i>Endogenous —</i>										
Consumption goods	-2,531	-2,422	-2,520	-2,827	-2,950	-3,189	-3,203	-3,005	-2,975	-2,916
Capital goods	-2,190	-2,293	-2,359	-2,623	-2,710	-2,909	-3,218	-2,883	-3,015	-2,641
Other goods	-5,038	-4,671	-4,913	-4,883	-5,421	-5,585	-5,719	-5,538	-6,111	-5,052
Total endogenous	-9,759	-9,386	-9,792	-10,333	-11,081	-11,683	-12,140	-11,426	-12,101	-10,609
Balance on merchandise trade	174	14	-435	-944	-1,397	-1,265	-1,781	-967	-1,260	287

(a) From March Quarter 1988 entries for categories of exports fob and imports fob are not strictly comparable with entries for earlier periods. See note on 'Changes in this issue' on page 8 of the September quarter 1988 issue of this publication.

TABLE 10. MERCHANDISE (BALANCE OF PAYMENTS BASIS) AT AVERAGE 1984-85 PRICES SEASONALLY ADJUSTED
(\$ million)

	Quarters ended-									
	1987-88		1988-89				1989-90			
	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
Exports fob (a) —										
<i>Rural exports fob —</i>										
Meat & meat preparations	580	538	426	476	472	492	507	562	605	540
Cereal grains & cereal preparations	615	425	551	574	579	847	655	564	732	680
Sugar, sugar preparations & honey	170	167	187	167	169	147	203	191	171	95
Wool and sheepskins	837	664	649	791	720	716	694	580	436	468
Other rural	857	782	751	840	771	809	832	760	775	798
Total rural	3,059	2,576	2,564	2,848	2,711	3,011	2,891	2,657	2,719	2,581
<i>Non-rural exports fob —</i>										
Metal ores & minerals	1,397	1,279	1,226	1,329	1,407	1,360	1,263	1,248	1,361	1,277
Mineral fuels —										
Coal, coke and briquettes	1,488	1,352	1,282	1,341	1,312	1,386	1,367	1,250	1,547	1,566
Other mineral fuels	656	629	708	499	494	565	635	604	999	934
Metals —										
Gold	435	435	547	502	578	438	517	719	701	631
Other metals	675	641	656	719	707	769	690	791	822	771
Machinery	428	427	404	405	411	430	487	548	543	562
Transport equipment	223	253	211	168	217	244	268	242	211	271
Manufactures nec	570	579	589	587	597	617	666	763	658	676
Other non-rural	269	335	245	257	221	221	292	271	268	316
Total non-rural	6,141	5,930	5,868	5,807	5,944	6,030	6,185	6,436	7,110	7,004
Total exports fob	9,200	8,506	8,432	8,655	8,655	9,041	9,076	9,093	9,829	9,585
Imports fob (a) —										
Food, beverages & tobacco	-415	-408	-446	-485	-497	-516	-512	-499	-493	-506
Fuels	-705	-783	-749	-612	-1,104	-1,124	-933	-1,046	-794	-777
Chemicals (including plastics)	-891	-817	-898	-926	-965	-991	-960	-995	-1,074	-966
Textiles, fabrics etc	-361	-357	-376	-383	-416	-400	-382	-366	-375	-329
Metals & metal manufactures	-401	-388	-399	-424	-487	-509	-467	-526	-449	-390
Machinery	-2,795	-2,888	-3,104	-3,357	-3,549	-3,806	-3,726	-3,780	-4,008	-3,590
Transport equipment	-768	-767	-956	-1,435	-1,359	-1,336	-1,852	-1,166	-1,514	-1,090
Manufactures nec	-1,677	-1,591	-1,735	-1,827	-1,929	-1,940	-1,875	-1,854	-1,927	-1,731
Other imports	-576	-533	-545	-568	-559	-519	-479	-504	-547	-472
Total imports fob	-8,589	-8,532	-9,208	-10,017	-10,865	-11,141	-11,186	-10,736	-11,181	-9,851
<i>Of which—</i>										
<i>Exogenous</i>	-1,137	-1,112	-1,125	-1,471	-1,536	-1,579	-1,609	-1,439	-1,341	-1,200
<i>Endogenous —</i>										
Consumption goods	-1,849	-1,814	-1,979	-2,174	-2,341	-2,477	-2,392	-2,280	-2,282	-2,196
Capital goods	-1,835	-2,016	-2,201	-2,501	-2,621	-2,720	-2,863	-2,713	-2,799	-2,509
Other goods	-3,768	-3,590	-3,903	-3,871	-4,367	-4,365	-4,322	-4,304	-4,759	-3,946
Total endogenous	-7,452	-7,420	-8,083	-8,546	-9,329	-9,562	-9,577	-9,297	-9,840	-8,651
Balance on merchandise trade	611	-26	-776	-1,362	-2,210	-2,100	-2,110	-1,643	-1,352	-266

(a) From March Quarter 1988 entries for categories of exports fob and imports fob are not strictly comparable with entries for earlier periods. See note on 'Changes in this issue' on page 8 of the September quarter 1988 issue of this publication.

TABLE 11. MERCHANDISE— FOREIGN TRADE STATISTICS ADJUSTED FOR BALANCE OF PAYMENTS PURPOSES
(\$ million)

	Year			Quarters ended									
	1987-88	1988-89	1989-90	1987-88		1988-89				1989-90			
				Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
Exports —													
Foreign trade statistics(a)	41,078	43,505	48,714	10,776	10,545	10,167	10,798	10,499	12,041	12,121	12,181	11,890	12,522
Adjustments —													
Coverage(b)	-523	-424	-564	-122	-64	-111	-114	-85	-114	-177	-123	-141	-123
Timing	-14	-34	-939	-8	-19	—	-15	10	-29	-228	-331	-125	-255
Merchandise exports (balance of payments basis)	40,541	43,047	47,211	10,646	10,462	10,056	10,669	10,424	11,898	11,716	11,727	11,624	12,144
Imports —													
Foreign trade statistics(a)	40,597	47,039	51,352	10,265	10,078	10,718	11,355	12,110	12,856	13,447	13,339	12,708	11,858
Adjustments —													
Coverage(b)	-134	-82	-14	-6	-5	-3	-5	-86	12	-36	10	19	-7
Timing	-51	72	-327	-30	—	250	514	-519	-173	489	-391	-35	-390
Valuation	-26	3	-21	-7	-4	-1	-4	6	2	-3	1	-1	-18
Merchandise imports (balance of payments basis) (c)	40,386	47,032	50,990	10,222	10,069	10,964	11,860	11,511	12,697	13,897	12,959	12,691	11,443

(a) From 1 July 1987, gold coin and other coin that are legal tender are included in exports/imports of merchandise trade (b) Prior to 1 July 1987 a coverage adjustment is made to include exports/imports of gold coin and other coin that are legal tender (c) These entries carry the opposite sign to corresponding entries in Tables 1,2,3,5,7,8,9 and 10.

TABLE 12. BALANCE OF PAYMENTS — CURRENT ACCOUNT — SERVICES CREDITS
(\$ million)

	Year			Quarters ended									
	1987-88	1988-89	1989-90	1987-88		1988-89		1989-90					
				Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
<i>Shipment —</i>													
Freight on exports	528	543	590	134	128	127	132	140	144	141	148	151	150
Insurance on exports	9	11	12	3	2	3	2	3	3	3	3	3	3
<i>Total</i>	<i>537</i>	<i>554</i>	<i>602</i>	<i>137</i>	<i>130</i>	<i>130</i>	<i>134</i>	<i>143</i>	<i>147</i>	<i>144</i>	<i>151</i>	<i>154</i>	<i>153</i>
<i>Other transportation —</i>													
Passenger services	1,511	1,531	1,504	455	371	387	414	398	332	342	355	442	365
Port services etc	1,631	1,678	1,858	398	417	407	425	407	439	456	453	490	459
<i>Total</i>	<i>3,142</i>	<i>3,209</i>	<i>3,362</i>	<i>853</i>	<i>788</i>	<i>794</i>	<i>839</i>	<i>805</i>	<i>771</i>	<i>798</i>	<i>808</i>	<i>932</i>	<i>824</i>
<i>Travel</i>													
Students' expenditure	457	661	826	208	75	128	122	310	101	119	161	402	144
Other	3,108	3,806	3,824	877	805	931	1,087	979	809	859	997	1,036	932
<i>Total</i>	<i>3,565</i>	<i>4,467</i>	<i>4,650</i>	<i>1,085</i>	<i>880</i>	<i>1,059</i>	<i>1,209</i>	<i>1,289</i>	<i>910</i>	<i>978</i>	<i>1,158</i>	<i>1,438</i>	<i>1,076</i>
<i>Other services —</i>													
Official	200	249	255	67	53	50	44	64	91	49	64	70	72
Non-official —													
Expenditure of foreign govts	84	87	97	19	22	22	23	19	23	30	23	22	22
Expenditure of foreign govt employees	73	76	73	18	19	19	19	19	19	19	18	18	18
Expenditure of resident entity employees	144	161	159	40	35	42	45	41	33	36	41	43	39
Financial services	208	192	204	35	40	36	35	46	75	69	48	42	45
Insurance services nec	29	22	24	7	8	5	5	6	6	6	6	6	6
Miscellaneous services	1,535	1,774	1,953	379	409	415	412	451	496	482	472	478	521
<i>Total</i>	<i>2,073</i>	<i>2,312</i>	<i>2,510</i>	<i>498</i>	<i>533</i>	<i>539</i>	<i>539</i>	<i>582</i>	<i>652</i>	<i>642</i>	<i>608</i>	<i>609</i>	<i>651</i>
<i>Total other services</i>	<i>2,273</i>	<i>2,561</i>	<i>2,765</i>	<i>565</i>	<i>586</i>	<i>589</i>	<i>583</i>	<i>646</i>	<i>743</i>	<i>691</i>	<i>672</i>	<i>679</i>	<i>723</i>
Total services credits	9,517	10,791	11,379	2,640	2,384	2,572	2,765	2,883	2,571	2,611	2,789	3,203	2,776

TABLE 13. BALANCE OF PAYMENTS — CURRENT ACCOUNT — SERVICES DEBITS

(\$ million)

	Year			Quarters ended									
	1987-88	1988-89	1989-90	1987-88		1988-89			1989-90				
				Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
<i>Shipment —</i>													
Freight on imports	-2,832	-3,152	-3,254	-717	-681	-730	-754	-802	-866	-864	-843	-795	-752
Insurance on imports	-24	-24	-24	-6	-6	-6	-6	-6	-6	-6	-6	-6	-6
<i>Total</i>	-2,856	-3,176	-3,278	-723	-687	-736	-760	-808	-872	-870	-849	-801	-758
<i>Other transportation —</i>													
Passenger services	-1,547	-1,849	-2,199	-391	-393	-446	-440	-440	-523	-585	-544	-489	-581
Port services etc	-963	-1,063	-1,178	-258	-239	-215	-271	-296	-281	-254	-311	-319	-294
<i>Total</i>	-2,510	-2,912	-3,377	-649	-632	-661	-711	-736	-804	-839	-855	-808	-875
<i>Travel</i>													
Students' expenditure	-129	-191	-226	-38	-24	-56	-39	-55	-41	-61	-47	-72	-46
Other	-3,583	-4,072	-4,722	-835	-867	-971	-893	-994	-1,214	-1,296	-1,066	-1,156	-1,204
<i>Total</i>	-3,712	-4,263	-4,948	-873	-891	-1,027	-932	-1,049	-1,255	-1,357	-1,113	-1,228	-1,250
<i>Other services —</i>													
<i>Official —</i>													
Defence services	-86	-83	-93	-24	-29	-21	-13	-23	-26	-23	-23	-23	-24
Financial services	-4	-3	-5	-1	-1	-1	-1	-1	—	-1	-1	-1	-2
Miscellaneous services	-221	-221	-259	-65	-71	-51	-45	-55	-70	-55	-82	-59	-63
<i>Total</i>	-311	-307	-357	-90	-101	-73	-59	-79	-96	-79	-106	-83	-89
<i>Non-official —</i>													
Expenditure of Aust govt employees	-113	-102	-115	-29	-29	-27	-24	-25	-26	-29	-29	-29	-28
Expenditure of non-resident entity employees	-121	-132	-152	-27	-29	-34	-32	-33	-33	-40	-38	-36	-38
Financial services	-148	-302	-192	-24	-28	-64	-65	-112	-61	-53	-43	-45	-51
Insurance services nec	-288	-357	-360	-72	-72	-89	-89	-89	-90	-90	-90	-90	-90
Miscellaneous services	-2,154	-2,200	-2,256	-597	-535	-528	-571	-575	-526	-554	-563	-563	-576
<i>Total</i>	-2,824	-3,093	-3,075	-749	-693	-742	-781	-834	-736	-766	-763	-763	-783
<i>Total other services</i>	-3,135	-3,400	-3,432	-839	-794	-815	-840	-913	-832	-845	-869	-846	-872
Total services debits	-12,213	-13,751	-15,035	-3,084	-3,004	-3,239	-3,243	-3,506	-3,763	-3,911	-3,686	-3,683	-3,755

TABLE 14. BALANCE OF PAYMENTS — CURRENT ACCOUNT — INCOME CREDITS
(\$ million)

	Year			Quarters ended									
	1987-88	1988-89	1989-90	1987-88		1988-89		1989-90					
				Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
Property income —													
<i>Investment income —</i>													
<i>Official —</i>													
General government	47	74	114	12	11	5	17	23	29	18	37	32	27
Reserve Bank (a)	706	998	1,260	140	176	222	204	285	287	307	315	297	341
<i>Total official</i>	<i>753</i>	<i>1,072</i>	<i>1,374</i>	<i>152</i>	<i>187</i>	<i>227</i>	<i>221</i>	<i>308</i>	<i>316</i>	<i>325</i>	<i>352</i>	<i>329</i>	<i>368</i>
<i>Non-official —</i>													
<i>Direct investment income —</i>													
Reinvested earnings	2,162	2,123	2,700	540	541	531	530	531	531	675	675	675	675
Distributed earnings —													
Remitted profits	79	63	37	10	14	6	43	4	10	11	7	7	12
Dividends	102	60	96	3	35	31	4	2	23	35	28	6	27
Interest	-111	-85	72	-21	—	-19	-38	-25	-3	43	22	13	-6
Total	70	38	205	-8	49	18	9	-19	30	89	57	26	33
<i>Total direct investment income</i>	<i>2,232</i>	<i>2,161</i>	<i>2,905</i>	<i>532</i>	<i>590</i>	<i>549</i>	<i>539</i>	<i>512</i>	<i>561</i>	<i>764</i>	<i>732</i>	<i>701</i>	<i>708</i>
<i>Portfolio and other investment income —</i>													
Dividends	127	221	302	24	34	39	36	75	71	54	84	91	73
Interest	452	421	585	149	81	95	92	134	100	146	145	156	138
Total	579	642	887	173	115	134	128	209	171	200	229	247	211
<i>Total non-official</i>	<i>2,811</i>	<i>2,803</i>	<i>3,792</i>	<i>705</i>	<i>705</i>	<i>683</i>	<i>667</i>	<i>721</i>	<i>732</i>	<i>964</i>	<i>961</i>	<i>948</i>	<i>919</i>
<i>Total investment income</i>	<i>3,564</i>	<i>3,875</i>	<i>5,166</i>	<i>857</i>	<i>892</i>	<i>910</i>	<i>888</i>	<i>1,029</i>	<i>1,048</i>	<i>1,289</i>	<i>1,313</i>	<i>1,277</i>	<i>1,287</i>
<i>Other property income</i>	<i>194</i>	<i>175</i>	<i>176</i>	<i>50</i>	<i>41</i>	<i>39</i>	<i>44</i>	<i>44</i>	<i>48</i>	<i>44</i>	<i>44</i>	<i>44</i>	<i>44</i>
Total property income	3,758	4,050	5,342	907	933	949	932	1,073	1,096	1,333	1,357	1,321	1,331
Labour and other income —													
<i>Labour income —</i>													
Earnings in Australia	54	58	60	13	14	14	14	15	15	15	15	15	15
Earnings abroad	122	132	152	28	29	34	32	33	33	40	38	36	38
Total	176	190	212	41	43	48	46	48	48	55	53	51	53
<i>Insurance income</i>	—	—	150	—	—	—	—	—	—	—	—	—	150
Total labour and other income	176	190	362	41	43	48	46	48	48	55	53	51	203
Total income credits	3,934	4,240	5,704	948	976	997	978	1,121	1,144	1,388	1,410	1,372	1,534

(a) Also includes interest/remuneration received from the IMF on behalf of the Commonwealth Government.

TABLE 15. BALANCE OF PAYMENTS — CURRENT ACCOUNT — INCOME DEBITS
(\$ million)

	Year			Quarters ended									
	1987-88	1988-89	1989-90	1987-88		1988-89		1988-89		1989-90			
				Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
Property income —													
<i>Investment income —</i>													
<i>Official —</i>													
General government —													
Interest on borrowing domiciled abroad	-1,761	-1,545	-1,822	-473	-384	-274	-483	-386	-402	-393	-557	-421	-451
Interest on borrowing domiciled in Australia	-1,117	-1,486	-1,818	-352	-251	-316	-338	-466	-366	-415	-447	-490	-466
Total	-2,878	-3,031	-3,640	-825	-635	-590	-821	-852	-768	-808	-1,004	-911	-917
Reserve Bank (a)	-22	-18	-34	-6	-5	-5	-6	—	-7	-8	-8	-9	-9
Total official	-2,900	-3,049	-3,674	-831	-640	-595	-827	-852	-775	-816	-1,012	-920	-926
<i>Non-official —</i>													
<i>Direct investment income —</i>													
Reinvested earnings	-2,417	-2,225	-2,688	-604	-605	-556	-556	-556	-557	-672	-672	-672	-672
Distributed earnings —													
Remitted profits	-233	-556	-571	-62	-68	-141	-192	-127	-96	-99	-140	-237	-95
Dividends	-933	-1,394	-2,017	-268	-209	-392	-139	-308	-555	-246	-450	-754	-567
Interest	-616	-1,062	-1,312	-125	-156	-217	-328	-246	-271	-280	-406	-270	-356
Total	-1,782	-3,012	-3,900	-455	-433	-750	-659	-681	-922	-625	-996	-1,261	-1,018
Total direct investment income	-4,199	-5,237	-6,588	-1,059	-1,038	-1,306	-1,215	-1,237	-1,479	-1,297	-1,668	-1,933	-1,690
<i>Portfolio and other investment income —</i>													
Dividends	-602	-1,096	-1,107	-182	-172	-137	-228	-318	-413	-201	-315	-231	-360
Interest —													
Public sector	-1,586	-1,892	-2,681	-447	-385	-457	-333	-562	-540	-705	-546	-756	-674
Private sector	-3,509	-4,675	-5,981	-891	-969	-1,062	-1,122	-1,177	-1,314	-1,522	-1,408	-1,518	-1,533
Total	-5,095	-6,567	-8,662	-1,338	-1,354	-1,519	-1,455	-1,739	-1,854	-2,227	-1,954	-2,274	-2,207
Total portfolio and other investment income	-5,697	-7,663	-9,769	-1,520	-1,526	-1,656	-1,683	-2,057	-2,267	-2,428	-2,269	-2,505	-2,567
Total non-official	-9,896	-12,900	-16,357	-2,579	-2,564	-2,962	-2,898	-3,294	-3,746	-3,725	-3,937	-4,438	-4,257
Total investment income	-12,796	-15,949	-20,031	-3,410	-3,204	-3,557	-3,725	-4,146	-4,521	-4,541	-4,949	-5,358	-5,183
<i>Other property income —</i>													
Cinema and TV film royalties	-374	-403	-433	-65	-97	-98	-86	-118	-101	-109	-108	-108	-108
Other	-758	-682	-735	-191	-188	-153	-180	-173	-176	-183	-184	-184	-184
Total	-1,132	-1,085	-1,168	-256	-285	-251	-266	-291	-277	-292	-292	-292	-292
Total property income	-13,928	-17,034	-21,199	-3,666	-3,489	-3,808	-3,991	-4,437	-4,798	-4,833	-5,241	-5,650	-5,475
Labour and other income —													
<i>Official</i>	-65	-58	-66	-17	-16	-16	-14	-13	-15	-17	-16	-17	-16
<i>Non-official —</i>													
Labour income	-145	-161	-159	-40	-36	-42	-45	-41	-33	-36	-41	-43	-39
Insurance income	—	—	—	—	—	—	—	—	—	—	—	—	—
Total non-official	-145	-161	-159	-40	-36	-42	-45	-41	-33	-36	-41	-43	-39
Total labour and other income	-210	-219	-225	-57	-52	-58	-59	-54	-48	-53	-57	-60	-55
Total income debits	-14,138	-17,253	-21,424	-3,723	-3,541	-3,866	-4,050	-4,491	-4,846	-4,886	-5,298	-5,710	-5,530

(a) Also includes interest /charges paid to the IMF on behalf of the Commonwealth Government.

TABLE 16. BALANCE OF PAYMENTS — CURRENT ACCOUNT — UNREQUITED TRANSFERS
(\$ million)

	Year			Quarters ended									
	1987-88	1988-89	1989-90	1987-88		1988-89		1988-89		1989-90			
				Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
Credits —													
<i>Official</i>	819	897	1,108	194	237	209	199	238	251	262	228	328	290
<i>Non-official —</i>													
Migrants' transfers	2,074	2,580	2,747	539	542	553	643	673	711	649	698	674	726
Foreign government pensions	34	24	27	9	9	8	8	4	4	5	5	9	8
Miscellaneous transfers	618	709	720	160	162	160	180	180	189	180	180	180	180
Total	2,726	3,313	3,494	708	713	721	831	857	904	834	883	863	914
Total unrequited transfers credits	3,545	4,210	4,602	902	950	930	1,030	1,095	1,155	1,096	1,111	1,191	1,204
Debits —													
<i>Official —</i>													
Foreign aid —													
Papua New Guinea aid	-323	-328	-361	-84	-84	-99	-59	-87	-83	-81	-82	-94	-104
Other foreign aid	-561	-620	-694	-191	-192	-73	-147	-182	-218	-108	-134	-253	-199
Total	-884	-948	-1,055	-275	-276	-172	-206	-269	-301	-189	-216	-347	-303
Pensions	-139	-148	-156	-36	-37	-37	-37	-37	-37	-39	-39	-39	-39
Miscellaneous transfers	-75	-61	-67	-36	-14	-8	-17	-31	-5	-9	-6	-40	-12
Total official	-1,098	-1,157	-1,278	-347	-327	-217	-260	-337	-343	-237	-261	-426	-354
<i>Non-official —</i>													
Migrants' transfers	-319	-349	-408	-77	-81	-77	-86	-101	-85	-90	-102	-114	-102
Withholding taxes	-28	-40	-34	-7	-7	-6	-7	-5	-22	-9	-8	-8	-9
Miscellaneous transfers	-436	-466	-456	-107	-111	-112	-119	-116	-119	-114	-114	-114	-114
Total non-official	-783	-855	-898	-191	-199	-195	-212	-222	-226	-213	-224	-236	-225
Total unrequited transfers debits	-1,881	-2,012	-2,176	-538	-526	-412	-472	-559	-569	-450	-485	-662	-579
Net unrequited transfers	1,664	2,198	2,426	364	424	518	558	536	586	646	626	529	625

TABLE 17. BALANCE OF PAYMENTS — CAPITAL ACCOUNT — NET CAPITAL TRANSACTIONS OF GENERAL GOVERNMENT
(\$ million)

	Year			Quarters ended									
	1987-88	1988-89	1989-90	1987-88		1988-89		1989-90					
				Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
Foreign investment in Australia —													
<i>Borrowing —</i>													
Domiciled abroad —													
Commonwealth Government —													
Drawings	—	—	—	—	—	—	—	—	—	—	—	—	—
Repayments	-1,622	-3,175	-2,660	-145	-765	-997	-1,117	-521	-540	-1,253	-670	-736	-1
Total	-1,622	-3,175	-2,660	-145	-765	-997	-1,117	-521	-540	-1,253	-670	-736	-1
State government —													
Drawings	4,822	9,236	13,079	1,734	1,405	2,069	1,718	2,564	2,885	2,713	2,514	3,464	4,388
Repayments	-2,743	-6,477	-10,690	-1,057	-928	-1,299	-1,548	-1,265	-2,365	-1,552	-1,953	-3,145	-4,040
Total	2,079	2,759	2,389	677	477	770	170	1,299	520	1,161	561	319	348
Total domiciled abroad	457	-416	-271	532	-288	-227	-947	778	-20	-92	-109	-417	347
Domiciled in Australia —													
Purchases by non — residents	25,976	23,055	18,537	8,508	6,508	6,046	8,004	5,662	3,343	4,972	4,046	6,205	3,314
Sales by non — residents	-22,346	-21,592	-16,157	-5,168	-6,326	-5,979	-4,887	-5,449	-5,277	-4,254	-3,525	-4,749	-3,629
Total domiciled in Australia	3,630	1,463	2,380	3,340	182	67	3,117	213	-1,934	718	521	1,456	-315
Total borrowing	4,087	1,047	2,109	3,872	-106	-160	2,170	991	-1,954	626	412	1,039	32
Other	-71	-188	-74	-27	-28	-12	-19	-24	-133	—	-2	-27	-45
Total foreign investment in Australia	4,016	859	2,035	3,845	-134	-172	2,151	967	-2,087	626	410	1,012	-13
Australian investment abroad —													
Lending	-279	-249	43	-103	-143	-353	114	-74	64	78	-475	434	6
Accounts receivable/prepayments made	120	-104	258	-34	-74	-27	-18	-6	-53	58	26	55	119
Other	574	-6	-100	-4	583	-6	—	—	—	—	-51	46	-95
Total Australian investment abroad	415	-359	201	-141	366	-386	96	-80	11	136	-500	535	30
Total general government	4,431	500	2,236	3,704	232	-558	2,247	887	-2,076	762	-90	1,547	17

TABLE 18. BALANCE OF PAYMENTS — CAPITAL ACCOUNT — NET CAPITAL TRANSACTIONS OF THE RESERVE BANK
(\$ million)

	<i>Year</i>			<i>Quarters ended</i>									
	<i>1987-88</i>	<i>1988-89</i>	<i>1989-90</i>	<i>1987-88</i>		<i>1988-89</i>			<i>1989-90</i>				
				<i>Mar.</i>	<i>June</i>	<i>Sept.</i>	<i>Dec.</i>	<i>Mar.</i>	<i>June</i>	<i>Sept.</i>	<i>Dec.</i>	<i>Mar.</i>	<i>June</i>
Foreign investment in Australia —													
Use of IMF credit	—	—	—	—	—	—	—	—	—	—	—	—	—
Other	-8	—	24	1	3	-36	64	-18	-10	—	-6	-4	34
Total foreign investment in Australia	-8	—	24	1	3	-36	64	-18	-10	—	-6	-4	34
Australian investment abroad —													
<i>Reserve assets —</i>													
<i>Official reserve assets —</i>													
Monetary gold	—	—	—	—	—	—	—	—	—	—	—	—	—
SDRs	20	18	29	5	5	5	6	—	7	8	8	6	7
Reserve position in IMF	—	-96	9	—	—	—	-26	14	-84	9	—	—	—
Foreign exchange	-3,944	-795	-2,194	-1,082	-4,576	-763	-390	236	122	-689	-432	816	-1,889
<i>Total</i>	<i>-3,924</i>	<i>-873</i>	<i>-2,156</i>	<i>-1,077</i>	<i>-4,571</i>	<i>-758</i>	<i>-410</i>	<i>250</i>	<i>45</i>	<i>-672</i>	<i>-424</i>	<i>822</i>	<i>-1,882</i>
Allocation of SDRs	—	—	—	—	—	—	—	—	—	—	—	—	—
<i>Total reserve assets</i>	<i>-3,924</i>	<i>-873</i>	<i>-2,156</i>	<i>-1,077</i>	<i>-4,571</i>	<i>-758</i>	<i>-410</i>	<i>250</i>	<i>45</i>	<i>-672</i>	<i>-424</i>	<i>822</i>	<i>-1,882</i>
<i>Other</i>	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Australian investment abroad	-3,924	-873	-2,156	-1,077	-4,571	-758	-410	250	45	-672	-424	822	-1,882
Total Reserve Bank	-3,932	-873	-2,132	-1,076	-4,568	-794	-346	232	35	-672	-430	818	-1,848

TABLE 19. BALANCE OF PAYMENTS — CAPITAL ACCOUNT — NET CAPITAL TRANSACTIONS OF THE NON-OFFICIAL SECTOR
(\$ million)

	Year			Quarters ended									
	1987-88	1988-89	1989-90	1987-88		1988-89		1989-90					
				Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
Foreign Investment in Australia —													
<i>Direct investment —</i>													
Reinvestment of earnings	2,417	2,225	2,688	604	604	557	556	556	556	672	672	672	672
Corporate equities	1,024	3,539	2,425	638	260	1,238	577	1,126	598	128	661	613	1,023
Net equity in branches	1,440	2,307	793	153	371	514	290	637	866	135	286	244	128
Borrowing	2,059	2,425	2,117	-70	1,292	1,087	913	-294	719	917	819	920	-539
Other	59	87	-253	-398	104	31	-128	168	16	301	-2	-442	-110
<i>Total direct investment</i>	<i>6,999</i>	<i>10,583</i>	<i>7,770</i>	<i>927</i>	<i>2,631</i>	<i>3,427</i>	<i>2,208</i>	<i>2,193</i>	<i>2,755</i>	<i>2,153</i>	<i>2,436</i>	<i>2,007</i>	<i>1,174</i>
<i>Portfolio and other investment —</i>													
Corporate equities	2,162	1,443	1,009	216	-195	-3	353	229	864	60	53	741	155
Borrowing —													
Public sector	3,790	4,703	5,641	1,768	1,658	1,115	625	2,228	735	910	810	1,728	2,193
Private sector	8,056	8,626	6,360	-859	3,575	2,755	573	4,054	1,244	3,018	1,935	2,277	-870
Total	11,846	13,329	12,001	909	5,233	3,870	1,198	6,282	1,979	3,928	2,745	4,005	1,323
Accounts payable/prepayments received —													
Public sector	-627	-20	12	-20	-9	5	-6	-15	-4	-1	4	-13	22
Private sector	661	319	-207	-88	229	178	148	-131	124	-3	88	-321	29
Total	34	299	-195	-108	220	183	142	-146	120	-4	92	-334	51
<i>Total portfolio and other investment</i>	<i>14,042</i>	<i>15,071</i>	<i>12,815</i>	<i>1,017</i>	<i>5,258</i>	<i>4,050</i>	<i>1,693</i>	<i>6,365</i>	<i>2,963</i>	<i>3,984</i>	<i>2,890</i>	<i>4,412</i>	<i>1,529</i>
Total foreign investment in Australia	21,041	25,654	20,585	1,944	7,889	7,477	3,901	8,558	5,718	6,137	5,326	6,419	2,703
Australian investment abroad —													
<i>Direct investment —</i>													
Reinvestment of earnings	-2,162	-2,123	-2,700	-540	-541	-531	-530	-531	-531	-675	-675	-675	-675
Corporate equities	-7,629	-3,247	-3,000	-1,644	-1,537	-511	-1,862	-358	-516	-911	-781	-1,904	596
Net equity in branches	-143	-261	-7	-5	38	81	-185	-77	-80	9	60	14	-90
Lending	-760	-893	735	401	-147	-412	615	-375	-721	-85	1,689	-1,016	147
Other	-80	-27	373	-61	-53	-2	97	-128	6	-97	10	321	139
<i>Total direct investment</i>	<i>-10,774</i>	<i>-6,551</i>	<i>-4,599</i>	<i>-1,849</i>	<i>-2,240</i>	<i>-1,375</i>	<i>-1,865</i>	<i>-1,469</i>	<i>-1,842</i>	<i>-1,759</i>	<i>303</i>	<i>-3,260</i>	<i>117</i>
<i>Portfolio and other investment —</i>													
Corporate equities	445	-2,930	1,774	-397	-267	-700	-47	-1,305	-878	680	-1,066	2,024	136
Lending —													
Banks	-227	-732	542	-74	-172	412	-506	107	-745	252	425	-433	298
Non-bank enterprises	-1,569	231	-2,632	1,093	-47	-290	632	-148	37	-600	-636	-2,308	912
Total	-1,796	-501	-2,090	1,019	-219	122	126	-41	-708	-348	-211	-2,741	1,210
Accounts receivable/prepayments made —													
Public sector	-29	-588	-283	116	-67	-161	62	-207	-282	23	-113	-237	44
Private sector	-562	-256	-279	-32	-33	-110	-90	-62	6	-111	74	-136	-106
Total	-591	-844	-562	84	-100	-271	-28	-269	-276	-88	-39	-373	-62
<i>Total portfolio and other investment</i>	<i>-1,942</i>	<i>-4,275</i>	<i>-878</i>	<i>706</i>	<i>-586</i>	<i>-849</i>	<i>51</i>	<i>-1,615</i>	<i>-1,862</i>	<i>244</i>	<i>-1,316</i>	<i>-1,090</i>	<i>1,284</i>
Total Australian investment abroad	-12,716	-10,826	-5,477	-1,143	-2,826	-2,224	-1,814	-3,084	-3,704	-1,515	-1,013	-4,350	1,401
Total non-official	8,325	14,828	15,108	801	5,063	5,253	2,087	5,474	2,014	4,622	4,313	2,069	4,104

TABLE 20. NET BORROWING TRANSACTIONS OF THE NON-OFFICIAL SECTOR
(\$ million)

	Year			Quarters ended									
	1987-88	1988-89	1989-90	1987-88		1988-89			1989-90				
				Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June
Direct investment borrowing —													
<i>Domiciled abroad —</i>													
Drawings	33,943	36,619	13,275	4,407	10,684	15,381	9,298	4,796	7,144	16	6,225	3,578	3,456
Repayments	-31,570	-34,147	-10,969	-4,561	-9,357	-14,259	-8,374	-5,114	-6,400	740	-5,411	-2,496	-3,802
Total	2,373	2,472	2,306	-154	1,327	1,122	924	-318	744	756	814	1,082	-346
<i>Domiciled in Australia</i>	-314	-47	-189	84	-35	-35	-11	24	-25	161	5	-162	-193
Total direct investment borrowing	2,059	2,425	2,117	-70	1,292	1,087	913	-294	719	917	819	920	-539
Other borrowing —													
<i>Domiciled abroad —</i>													
<i>Banks —</i>													
Drawings	28,848	44,367	70,650	6,617	10,200	11,814	7,781	11,505	13,267	13,225	14,337	27,720	15,368
Repayments	-25,979	-37,157	-65,822	-8,076	-7,366	-10,593	-6,896	-8,183	-11,485	-11,659	-12,619	-26,204	-15,340
Total	2,869	7,210	4,828	-1,459	2,834	1,221	885	3,322	1,782	1,566	1,718	1,516	28
<i>Non-bank enterprises —</i>													
Drawings	75,377	112,706	111,059	17,258	20,032	27,496	27,096	26,855	31,259	25,513	27,471	34,146	23,929
Repayments	-68,204	-106,990	-106,000	-15,685	-18,664	-24,817	-26,228	-24,268	-31,677	-24,149	-27,652	-31,281	-22,918
Total	7,173	5,716	5,059	1,573	1,368	2,679	868	2,587	-418	1,364	-181	2,865	1,011
Total domiciled abroad	10,042	12,926	9,887	114	4,202	3,900	1,753	5,909	1,364	2,930	1,537	4,381	1,039
<i>Domiciled in Australia —</i>													
<i>Banks —</i>													
Securities	126	15	467	116	6	121	-153	-15	62	65	346	47	9
Deposits	1,117	310	1,700	163	997	-519	83	399	347	1,118	987	-795	390
Total	1,243	325	2,167	279	1,003	-398	-70	384	409	1,183	1,333	-748	399
<i>Non-bank enterprises</i>	561	78	-53	516	28	368	-485	-11	206	-185	-125	372	-115
Total domiciled in Australia	1,804	403	2,114	795	1,031	-30	-555	373	615	998	1,208	-376	284
<i>of which —</i>													
Public sector securities (a)	1,006	-352	112	924	51	602	-557	-508	111	-166	-150	416	12
Total other borrowing	11,846	13,329	12,001	909	5,233	3,870	1,198	6,282	1,979	3,928	2,745	4,005	1,323
Total borrowing (b)	13,905	15,754	14,118	839	6,525	4,957	2,111	5,988	2,698	4,845	3,564	4,925	784

(a) Excludes bank securities. (b) Corresponds to the sum of direct investment borrowing and total portfolio and other investment borrowing in Table 19.

TABLE 21. OFFICIAL RESERVE ASSETS AND EXCHANGE RATES

	Year			Quarters ended										
	1987-88	1988-89	1989-90	1987-88		1988-89				1989-90				
				Mar.	June	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June	
Official reserve assets (\$ million) —														
<i>Levels at end of year/month</i>	20,182	20,410	21,871	17,331	20,182	20,628	19,772	19,509	20,410	20,774	21,487	21,065	21,871	
<i>Changes in levels</i>	2,588	228	1,461	-99	2,851	446	-856	-263	901	364	713	-422	806	
<i>Of which —</i>														
<i>Changes due to effects of revaluations</i>	-1,336	-645	-695	-1,176	-1,720	-312	-1,266	-13	946	-308	289	400	-1,076	
<i>Changes included in the balance of payments (a)</i>	3,924	873	2,156	1,077	4,571	758	410	-250	-45	672	424	-822	1,882	
Exchange rates —														
<i>Units of foreign currency per \$A —</i>														
<i>End of year/quarter (b) —</i>														
United States dollar	0.7940	0.7553	0.7890	0.7388	0.7940	0.7829	0.8555	0.8194	0.7553	0.7764	0.7927	0.7542	0.7890	
United Kingdom pound	0.4612	0.4882	0.4536	0.3934	0.4612	0.4647	0.4764	0.4855	0.4882	0.4788	0.4927	0.4584	0.4536	
West German mark	1.441	1.480	1.318	1.226	1.441	1.472	1.528	1.550	1.480	1.453	1.339	1.278	1.318	
Japanese yen	105.17	108.79	120.41	92.04	105.17	105.28	107.71	108.64	108.79	108.23	113.61	118.79	120.41	
Special drawing right	0.6059	0.6051	0.5967	0.5350	0.6059	0.6067	0.6382	0.6332	0.6051	0.6109	0.5990	0.5803	0.5967	
<i>Period average (c) —</i>														
United States dollar	0.7290	0.8160	0.7697	0.7196	0.7783	0.7994	0.8392	0.8475	0.7777	0.7638	0.7811	0.7659	0.7681	
United Kingdom pound	0.4167	0.4755	0.4733	0.4004	0.4230	0.4713	0.4688	0.4844	0.4776	0.4786	0.4927	0.4626	0.4592	
West German mark	1.262	1.512	1.367	1.205	1.329	1.491	1.488	1.567	1.501	1.469	1.416	1.296	1.288	
Japanese yen	97.58	106.95	113.27	92.05	97.83	106.90	105.04	108.76	107.09	108.71	111.77	113.27	119.33	
Special drawing right	0.5448	0.6244	0.5958	0.5255	0.5688	0.6163	0.6246	0.6439	0.6126	0.6065	0.6089	0.5821	0.5858	
Trade-weighted index of value of the Australian dollar (May 1970 = 100) —														
<i>End of year/quarter (b)</i>	59.8	59.4	61.6	53.8	59.8	60.0	63.2	62.2	59.4	59.8	61.1	59.8	61.6	
<i>Period average (c)</i>	54.8	61.6	60.0	53.0	57.0	60.9	62.0	63.4	60.0	59.5	60.5	59.5	60.5	

(a) The entries carry the opposite sign to corresponding entries in Tables 1 and 4. (b) These exchange rates and index numbers relate to the last trading day of the reference period. (c) These exchange rates and index numbers are derived by averaging figures for each trading day.

EXPLANATORY NOTES

Introduction

This publication provides detailed estimates of Australia's balance of payments for the June quarter 1990 together with revised estimates for previous quarters and financial years. Longer term estimates, from September quarter 1959, consistent with those shown in this issue, will shortly be made available on request for a charge.

2. Tables 1 to 4 in this publication provide summary statistics; they show the main aggregates and the more important components of the aggregates. The remaining tables, Tables 5 to 21, provide additional breakdowns, related series (e.g. exchange rates and the trade-weighted index) and reconciliations of selected balance of payments series with other series (i.e. with foreign trade statistics and levels of official reserve assets).

Concepts, sources and methods

3. Summary descriptions of the underlying concepts and structure of the balance of payments and the sources and methods used in compiling the estimates are presented in *Balance of Payments, Australia: Summary of Concepts, Sources and Methods* (5351.0). The publication also provides item definitions and explanations of seasonal adjustment, constant price estimates, implicit price deflators and the terms of trade.

Commodity breakdowns of merchandise

4. Commodity breakdowns of merchandise exports and imports are provided in Table 7 (at current prices), 8 (at average 1984-85 prices), 9 (at current prices, seasonally adjusted) and 10 (at average 1984-85 prices, seasonally adjusted). The groupings shown are based on the third revision of the United Nations Standard International Trade Classification (SITC rev 3) as follows:

<i>Exports</i>	<i>SITC rev 3 Section or Division</i>
Rural -	
Meat & meat preparations	01
Cereal grains and cereal preparations	04
Sugar, sugar preparations & honey	06
Wool and sheepskins	21(part),26(part)
Other rural	00,02,03,05,07 to 09, 12,21(part),22 to 25, 26(part),29,4
Non-rural -	
Metal ores & minerals	27,28
Mineral fuels -	
Coal, coke and briquettes	32

Exports (cont.)

	<i>SITC rev 3 Section or Division</i>
Other mineral fuels	33 to 35
Metals -	
Gold	97
Other metals	67,68
Machinery	71 to 77
Transport equipment	78,79
Manufactures nec	5,61 to 66,69,8
Other non-rural	11,91 to 96

Imports

Food, beverages & tobacco	0,1
Fuels	3
Chemicals (incl. plastics)	5
Textiles, fabrics etc	65
Metals and metal manufactures	67 to 69
Machinery	71 to 77
Transport equipment	78,79
Manufactures nec	61 to 64,66,8
Other imports	2,4,9

Seasonal adjustment

5. Most of the current account series in this publication are affected to some extent by seasonal influences and it is useful to recognise and take account of this element of variation. However, seasonally adjusted statistics in this publication should not be regarded as in any way definitive as results from seasonal adjustment vary according to the method used.

6. The factors used in compiling seasonally adjusted estimates for certain series (principally components of merchandise trade and investment income) up to and including December quarter 1990 can be obtained, for a charge, from Mr Zia Abbasi on Canberra (06) 252 6689.

Accuracy and reliability of estimates

7. Because the transactions recorded in the balance of payments are of many different kinds, compilation of balance of payments estimates entails the use of a very wide range of statistical data of varying degrees of accuracy and timeliness.

8. Therefore care should be exercised in the use and interpretation of estimates in this publication. The latest estimates are *preliminary and subject to revision* as more accurate data come to hand. Also, the more detailed estimates may be less accurate in relative terms than broader items and aggregates of which they form components.

Investment income and capital transactions

9. Additional information about capital account and investment income transactions is available in the quarterly publications *Foreign Investment, Australia* (5306.0) and *Foreign Investment, Australia, Preliminary* (5307.0) and

in the annual publication *Foreign Investment, Australia* (5305.0). Statistics in foreign investment publications are consistent with those in balance of payments publications. Foreign investment publications also provide comprehensive statistics on the level of foreign investment in Australia, the level of Australian investment abroad and Australia's external debt.

Transportation transactions

10. The quarterly publication *International Transportation Services, Australia* (5350.0) has been discontinued. However the, additional information on freight and other transportation transactions is now available on request for a charge from Mr. John Rattur on (06) 252 5733.

Comparability with capital expenditure statistics

11. Tables 7 and 9 in this publication contain current price estimates of *imports of endogenous capital goods*. Shorter-term movements in this series can differ quite significantly from the corresponding movements in the *new private capital expenditure on equipment, plant and machinery* series published in *Private New Capital Expenditure, Australia* (5625.0 and 5626.0). The main reasons for the differences are:

- The imports series includes all goods defined as endogenous capital goods, whereas the capital expenditure series relates only to goods classified as equipment, plant and machinery that are acquired by private enterprises in selected industries.
- The capital expenditure series includes all plant, machinery and equipment, irrespective of whether it has been imported or manufactured in Australia.
- Imports are valued f.o.b. at the point of export whereas estimates of capital expenditure are measured at domestic market prices, including international transport margins, government duties and domestic trade and transport margins.

12. Accordingly, while movements in imports of endogenous capital goods can provide a broad indication of movements in the *import component* of new private capital expenditure on equipment, plant and machinery, they do not necessarily provide an accurate indication of movements in total new private capital expenditure on these goods.

Series available on request

13. Detailed quarterly export and import series at constant (average 1984-85) prices can be obtained by contacting Mr Stephen Waugh on Canberra (06) 252 6716. These series are based on foreign trade statistics (ie they are not adjusted to a balance of payments basis) and relate to selected divisions and sections of the SITC rev 3. Quarterly tables showing components of services can also be obtained from Mr Waugh. These tables provide original and

seasonally adjusted current and constant price estimates, corresponding to the series shown (in original current price terms) in Tables 12 and 13 of this publication. Both sets of estimates are working estimates only and may not always be completely consistent with published estimates.

Related publications

14. Other ABS publications which may be of interest include:

Balance of Payments Australia (5301.0) - issued monthly

Balance of Payments, Australia (5303.0) - issued annually

Balance of Payments, Australia: Summary of Concepts, Sources and Methods (5351.0)

Balance of Payments, Australia: Concepts, Sources and Methods (5331.0)

Information paper - Seasonally Adjustment of Australia's Monthly Balance of Payments Statistics (5359.0).

Exports, Australia: Monthly Summary Tables (5432.0) - issued monthly

Imports, Australia: Monthly Summary Tables (5433.0) - issued monthly

Export Price Index, Australia (6405.0) - issued monthly

Import Price Index, Australia (6414.0) - issued quarterly

Foreign Investment, Australia 1987-88 (5305.0)

Foreign Investment, Australia (Preliminary) (5307.0) - issued quarterly

Foreign Investment, Australia (5306.0) - issued quarterly

15. Current publications produced by the ABS are listed in the *Catalogue of Publications, Australia* (1101.0). The ABS also issues, on Tuesdays and Fridays, a *Publications Advice* (1105.0) which lists publications to be released in the next few days. The Catalogue and Publications Advice are available from any ABS office.

Symbols and other usages

f.o.b.	free on board
n.a.	not available
n.y.a.	not yet available
n.e.c.	not elsewhere classified
n.e.i.	not elsewhere included
—	nil or rounded to zero
..	not applicable.

16. Where figures have been rounded, discrepancies may occur between the sums of component items and totals.

Electronic services

DISCOVERY. Key *656# for selected current economic, social and demographic statistics.

AUSSTATS. Thousands of up-to-date time series are available on this ABS on-line service through PAXUS COMNET. For further information phone the AUSSTATS Help Desk on (06) 252 6017.

TELESTATS. This service provides:

- foreign trade statistics tailored to users' requirements. Further information is available on (06) 252 5404.
- text and tables for main economic indicator publications. Further information is available on (06) 252 5405.

Floppy disk service

Selected ABS statistics are available on floppy disk. Further information is available on (06) 252 6684.

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

<i>Article</i>	<i>Publication (ABS Catalogue no)</i>	<i>Issue</i>	<i>Page reference</i>
Impact of trading days on merchandise trade estimates	5301.0	June 1990	5-7
Fixed-weighted price indexes	5302.0	Mar qtr 1990	8
Treatment of insurance services in the balance of payments	5302.0	Dec qtr 1989	8-11
Balancing item	5302.0	Dec qtr 1989	11
New publication: international trade in services statistics	5302.0	Sept qtr 1989	9-10
Quarterly survey of international travel enterprises	5302.0	Sept qtr 1989	10-11
Measurement of foreign investment in Australian real estate in foreign investment statistics	5306.0	Sept qtr 1989	8-10
Survey of international travel enterprises - results for 1987-88	5302.0	June qtr 1989	13
Survey of international trade in services	5302.0	June qtr 1989	14
Time series decomposition of balance of payments statistics	5302.0	Mar qtr 1989	8
Reliability of quarterly balance of payments estimates	5302.0	Dec qtr 1988	12-15
International comparisons of balance of payment statistics	5302.0	Sept qtr 1988	10-11
Reliability of monthly balance of payments estimates	5301.0	Sept 1988	4-5
Foreign debt ratios	5306.0	June qtr 1988	6-7
Changed methodology for measuring foreign borrowing domiciled in Australia	5307.0	June qtr 1988	2-3
Foreign ownership of Australian real estate - treatment in foreign investment statistics	5306.0	March qtr 1988	5-6
The balance of payments as a record of transactions, not payments	5302.0	Sept qtr 1987	9-10
Exchange rates and the trade weighted index	5302.0	June qtr 1987	9
Conversion of balance of payments aggregates expressed in domestic currency into foreign currency equivalents	5302.0	June qtr 1987	10-11
The puzzle of a global balance of payments discrepancy	5302.0	June qtr 1987	14-16
Changed methodology for measuring foreign portfolio investment in Australian corporate equities	5307.0	June qtr 1987	2-3
Relationship between balance of payments and foreign investment statistics	5305.0	1985-86	88-89
Foreign investment activity of banks	5305.0	1985-86	91-95
Direct investment	5305.0	1985-86	95-98
Foreign borrowing domiciled in Australia and domiciled abroad	5305.0	1985-86	98-99
Statistical bridging issues associated with the introduction of the new framework for foreign investment statistics	5305.0	1985-86	99-100

Copies of the above articles may be ordered from Mr Zia Abbasi, Balance of Payments Section (Phone (06) 252 6689) for \$5 per article. Facsimilies will be charged for at current Australia Post rates.