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**BALANCE OF PAYMENTS
AUSTRALIA
JUNE QUARTER 1991**

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INQUIRIES • *for further information about statistics in this publication and the availability of related unpublished statistics, contact Mr Zia Abbasi on Canberra (06) 252 6689 or Mr Neil Batty on Canberra (06) 252 5540, or any ABS State office.*

• *for information about constant price estimates and implicit price deflators contact Mr Stephan Waugh on Canberra (06) 252 6716.*

• *for information about other ABS statistics and services please refer to the back page of this publication*

MAIN FEATURES

Estimates of the main balance of payments aggregates for the June quarter 1991, 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) | 1990-91 | | | | | |
|--|---------|---------|------------------------|-------------------------|---------|------------------------|---------------------|---------|------------------------|
| | 1989-90 | 1990-91 | | Not seasonally adjusted | | | Seasonally adjusted | | |
| | | | | Mar qtr | Jun qtr | Per cent change (a) | Mar qtr | Jun qtr | Per cent change (a) |
| MAIN AGGREGATES (\$ million) | | | | | | | | | |
| Balance on current account | -22,280 | -15,708 | +29 | -3,337 | -3,049 | +9 | -3,480 | -3,465 | — |
| Balance on goods and services | -7,589 | -912 | +88 | 397 | 935 | +136 | 79 | 481 | +509 |
| Balance on merchandise trade | -3,176 | 2,543 | .. | 800 | 1,841 | +130 | 858 | 1,157 | +35 |
| Net services | -4,413 | -3,455 | +22 | -403 | -906 | -125 | -779 | -676 | +13 |
| Net income | -17,037 | -17,278 | -1 | -4,348 | -4,507 | -4 | -4,212 | -4,544 | -8 |
| Net unrequited transfers | 2,346 | 2,482 | +6 | 614 | 523 | -15 | 653 | 598 | -8 |
| Balance on capital account | 14,535 | 13,326 | .. | 5,077 | 2,009 | .. | .. | .. | .. |
| Official | 442 | -3,297 | .. | 641 | -651 | .. | .. | .. | .. |
| Non-official | 14,093 | 16,623 | .. | 4,436 | 2,660 | .. | .. | .. | .. |
| EXCHANGE RATES - UNITS OF FOREIGN CURRENCY PER \$A (b) | | | | | | | | | |
| United States dollar | .7697 | .7853 | +2.0 | .7785 | .7716 | -0.9 | .. | .. | .. |
| Special drawing right | .5958 | .5656 | -5.1 | .5495 | .5766 | +4.9 | .. | .. | .. |
| TRADE-WEIGHTED INDEX OF THE VALUE OF THE \$A (MAY 1970=100) (b) | | | | | | | | | |
| | 60.0 | 58.9 | -1.8 | 57.7 | 59.4 | +2.9 | .. | .. | .. |

(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 1991 compared with March quarter 1991 —

- **Balance on current account** (seasonally adjusted). The current account deficit decreased by \$15 million. An increase of \$402 million in the surplus on goods and services was almost offset by an increase in the net income deficit and a decrease in the net unrequited transfers surplus. The June quarter 1991 result was the lowest recorded quarterly deficit since September quarter 1988.
- **Merchandise exports and imports** (seasonally adjusted). Merchandise exports fell marginally while merchandise imports fell by 3 per cent. Within merchandise exports, rural exports rose by \$421 million. The main rises were recorded in "other" rural and wool. Non-rural exports fell by \$474 million, due mainly to falls in the price of "other mineral fuels"; price and volume falls in gold; and a fall in the volume of exports of transport equipment. The fall in imports was due mainly to a fall in the price of fuels.
- **Services** (seasonally adjusted). The net services deficit fell by \$103 million, largely as a result of increased travel credits more than offsetting an increase in travel debits. The increase in both travel credits and debits was due to the end of the Gulf war.

- **Income** (seasonally adjusted). The net income deficit increased by \$332 million. Income credits fell by \$27 million, while income debits increased by \$305 million (due mainly to an increase in profits remitted abroad and increased dividends payable abroad).

- **Unrequited transfers** (seasonally adjusted). The net unrequited transfers surplus fell by \$55 million, due largely to a fall in migrants' transfers to Australia.

- **Official capital** (not seasonally adjusted). The turnaround of \$1,292 million, from a net inflow to a net outflow of \$651 million, mainly reflected similar turnarounds (from net inflows to net outflows) of \$1,711 million in general government borrowing and \$658 million in Reserve Bank transactions. Partly offsetting these changes was a turnaround of \$944 million, to an inflow of \$419 million, in general government investment abroad.

- **Non-official capital** (not seasonally adjusted). The fall of \$1,776 million in the net inflow resulted from a lower net inflow from foreign investment in Australia (down \$1,946 million). The main contributors to the change in foreign investment in Australia were a fall of \$1,647 million in the inflow from private sector borrowing from unrelated non-residents and a turnaround of \$1,046 million, to an outflow, in "other" direct investment. For Australian investment abroad, notable changes included an increase of \$2,811 million in the net inflow resulting from the withdrawal of direct investment in corporate equities abroad, significantly offset by an increase of \$1,970 mil-

lion in the outflow attributable to direct investment lending.

Financial year 1990-91 compared with financial year 1989-90 —

• **Balance on current account.** The current account deficit fell by \$6,572 million, due mainly to a turnaround from a deficit to a surplus in the balance on merchandise trade, and a significant fall in the net services deficit. The result for 1990-91 was the lowest since 1987-88.

• **Merchandise exports and imports.** The merchandise trade balance recorded a surplus of \$2,543 million, a turnaround of \$5,719 million on the deficit recorded in 1989-90. Merchandise exports rose 8 per cent, while merchandise imports fell 3 per cent. For exports, increases were recorded in all groups except wool (down \$1,068 million), cereals (down \$801 million) and sugar (down \$161 million). The largest rise occurred in "other mineral fuels", up \$1,484 million. Strong increases were also recorded for gold, transport equipment, machinery and coal. The largest contributors to the fall in imports were machinery (down \$1,299 million) and road vehicles (down \$564 million). In constant price terms, merchandise exports rose 14 per cent while merchandise imports fell by 3 per cent.

• **Services.** The net services deficit fell by \$958 million to \$3,455 million. A 3 per cent rise in services debits was more than outweighed by a 12 per cent increase in services credits. "Other transportation", travel and "other services" all contributed strongly to the increase in services credits. The biggest contributor to the increase in debits was "other" services. In constant price terms, services credits rose 7 per cent while services debits fell by 5 per cent.

• **Terms of trade.** Australia's terms of trade for goods and services fell 5 per cent. The implicit price deflator for exports of goods and services fell 3 per cent while the

corresponding deflator for imports of goods and services rose 2 per cent.

• **Income.** The net income deficit rose by \$241 million to \$17,278 million. For the first time since 1979-80 the net income deficit exceeded the current account deficit. The increase in the deficit was due mainly to an increase in investment income debits, where increased remitted profits and interest payable on borrowing by the non-official sector were only partly offset by a fall in dividends payable and interest payable on borrowing by the official sector.

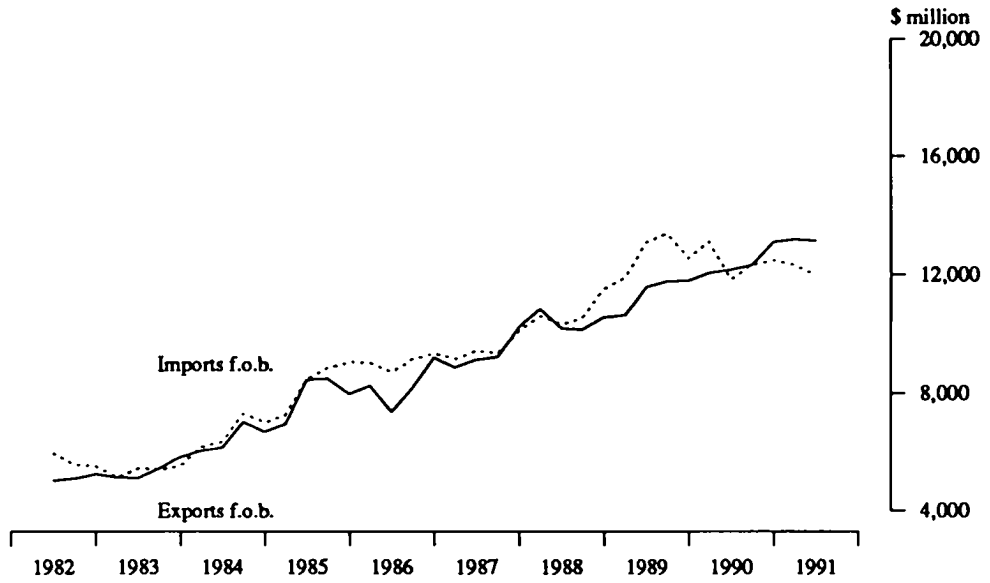
• **Unrequited transfers.** The net unrequited transfers surplus rose \$136 million to \$2,482 million, due mainly to an increase in migrants' funds transferred to Australia.

• **Official capital.** The turnaround of \$3,739 million (from an inflow to an outflow) resulted mainly from a net outflow (or withdrawal of investment) of \$1,842 million from foreign investment in the general government sector after a net inflow of \$2,660 million in 1989-90. Partly offsetting this change was a fall of \$710 million in the outflow from transactions in official reserve assets due to reduced net purchases.

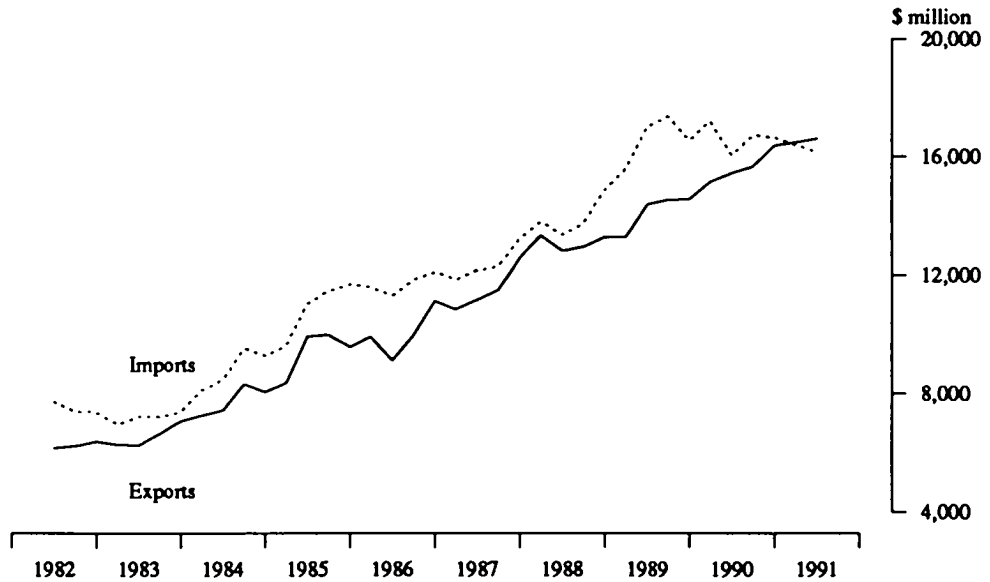
• **Non-official capital.** The increase of \$2,530 million in the net inflow mainly reflected a fall of \$2,217 million in the outflow on Australian investment abroad. The inflow on foreign investment in Australia increased by \$313 million. The lower Australian investment abroad was mainly attributable to the outflow on direct investment which fell \$2,243 million. The higher inflow for foreign investment in Australia resulted from a rise of \$1,918 million in the inflow from direct investment offset by a fall of \$1,605 million in the inflow from portfolio and other investment.

GRAPHS OF PRINCIPAL BALANCE OF PAYMENTS AGGREGATES

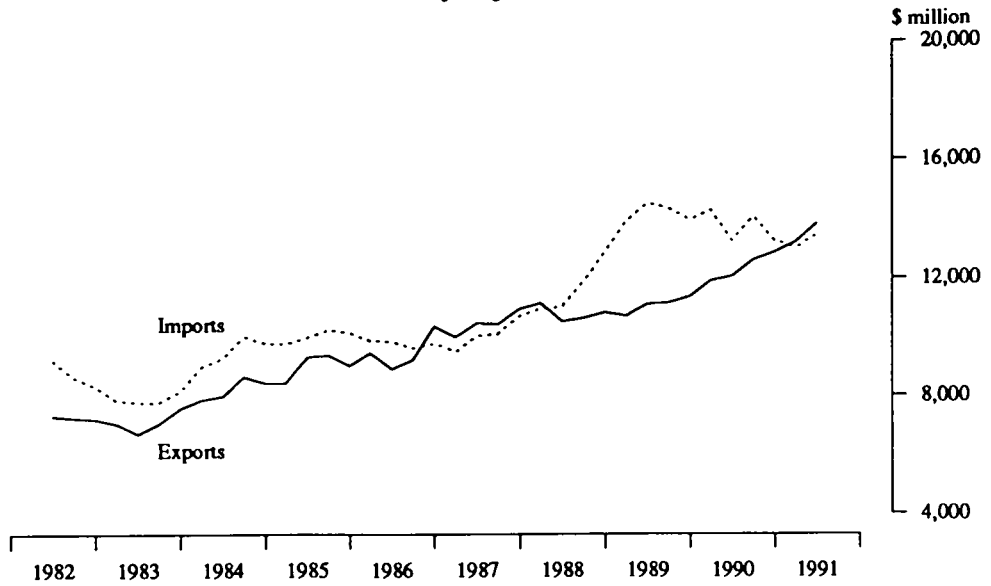
**Graph 1. Merchandise at current prices -
seasonally adjusted**



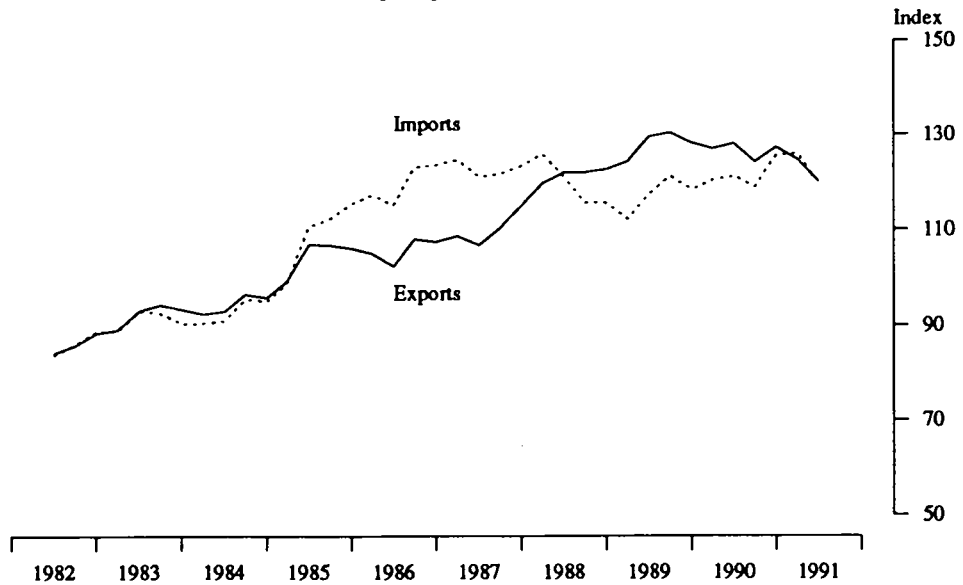
**Graph 2. Goods and services at current prices -
seasonally adjusted**



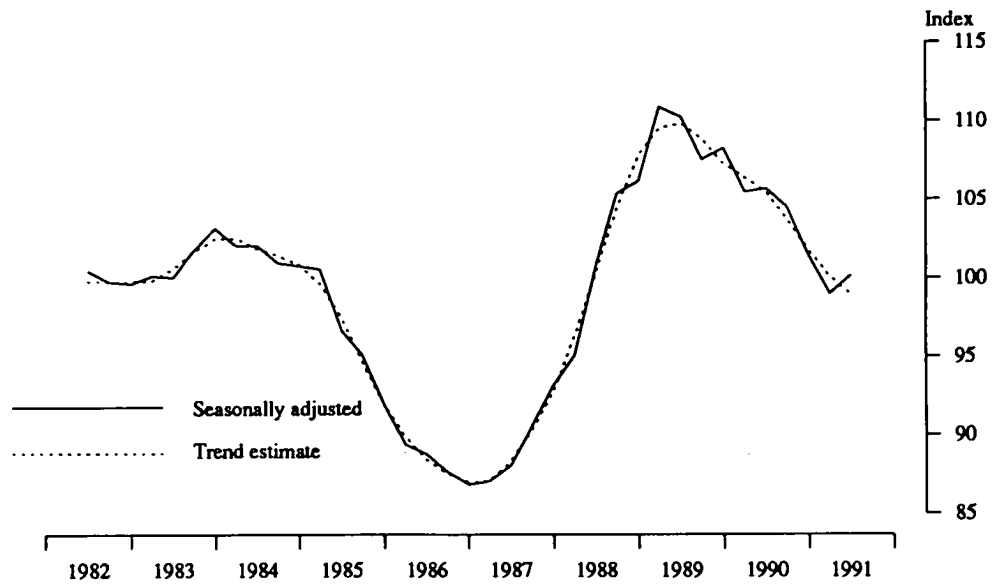
**Graph 3. Goods and services at average 1984-85 prices -
seasonally adjusted**



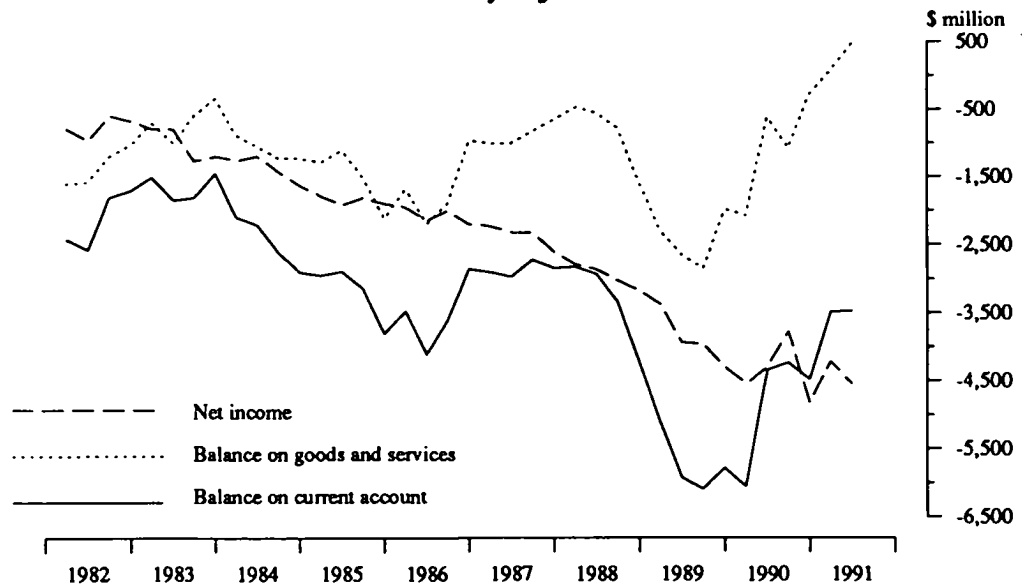
**Graph 4. Implicit price deflators for goods and services -
based on seasonally adjusted data (1984-85=100)**



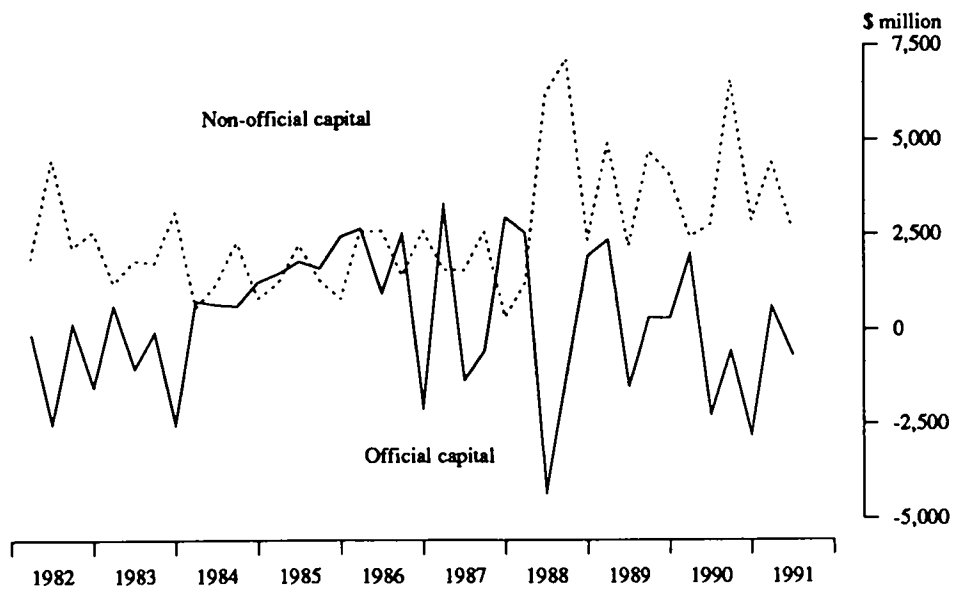
**Graph 5. Terms of trade for goods and services
(1984-85=100)**



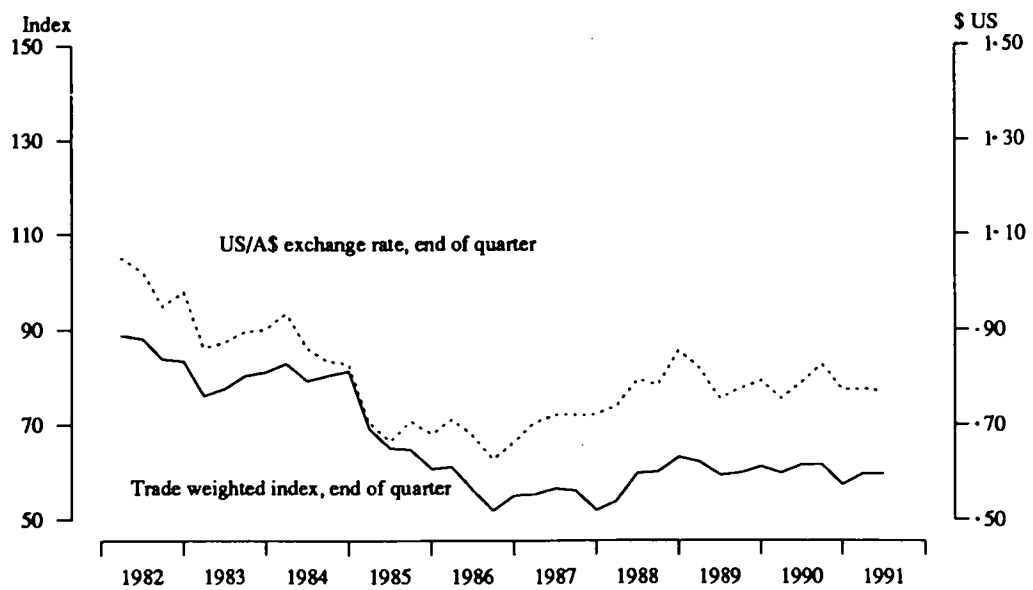
**Graph 6. Current account major aggregates at current prices
- seasonally adjusted**



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 ten 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

| | Quarters ended- | | | | | | | | | |
|---|-----------------|------|---------|------|------|------|---------|-------|------|------|
| | 1988-89 | | 1989-90 | | | | 1990-91 | | | |
| | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| AT CURRENT PRICES SEASONALLY ADJUSTED | | | | | | | | | | |
| Exports of goods and services | — | 8.3 | 1.0 | 0.2 | 4.0 | 2.0 | 1.4 | 4.6 | 0.6 | 0.8 |
| Merchandise exports | 0.6 | 8.9 | 1.6 | 0.2 | 2.3 | 0.8 | 1.3 | 6.4 | 0.6 | -0.4 |
| Services credits | -2.3 | 5.5 | -1.3 | — | 11.3 | 6.9 | 1.7 | -2.2 | 0.8 | 5.8 |
| Imports of goods and services | 4.8 | 9.2 | 2.0 | -4.8 | 4.0 | -6.7 | 4.2 | -0.5 | -1.4 | -1.6 |
| Merchandise imports | 3.4 | 10.0 | 2.3 | -6.4 | 4.5 | -9.7 | 4.3 | 1.0 | -1.2 | -2.9 |
| Services debits | 9.6 | 6.8 | 1.0 | 0.6 | 2.6 | 2.7 | 3.9 | -4.8 | -2.2 | 2.1 |
| AT AVERAGE 1984-85 PRICES, SEASONALLY ADJUSTED | | | | | | | | | | |
| Exports of goods and services | -1.3 | 4.0 | 0.3 | 1.9 | 4.9 | 1.2 | 4.5 | 2.1 | 2.8 | 4.7 |
| Merchandise exports | -1.0 | 4.1 | 1.5 | 2.5 | 3.9 | 0.6 | 5.4 | 3.5 | 3.1 | 4.0 |
| Services credits | -2.3 | 3.4 | -4.5 | -0.5 | 9.5 | 3.7 | 0.6 | -4.5 | 1.3 | 8.3 |
| Imports of goods and services | 8.1 | 4.3 | -1.3 | -2.5 | 2.3 | -7.3 | 6.2 | -5.7 | -1.9 | 3.5 |
| Merchandise imports | 7.7 | 5.0 | -1.3 | -3.6 | 3.5 | -9.3 | 7.0 | -4.1 | -1.8 | 2.9 |
| Services debits | 9.5 | 2.0 | -1.0 | 1.5 | -1.9 | 0.0 | 3.4 | -11.1 | -1.9 | 5.6 |
| IMPLICIT PRICE DEFLATORS(a) | | | | | | | | | | |
| Exports of goods and services | 1.3 | 4.2 | 0.7 | -1.7 | -0.9 | 0.9 | -3.0 | 2.5 | -2.0 | -3.8 |
| Merchandise exports | 1.7 | 4.7 | 0.1 | -2.2 | -1.6 | 0.2 | -3.9 | 2.7 | -2.4 | -4.3 |
| Services credits | -0.1 | 2.1 | 3.4 | 0.5 | 1.6 | 3.0 | 1.1 | 2.4 | -0.5 | -2.4 |
| Imports of goods and services | -2.9 | 4.7 | 3.2 | -2.3 | 1.7 | 0.7 | -1.9 | 5.5 | 0.4 | -4.9 |
| Merchandise imports | -3.9 | 4.7 | 3.7 | -2.8 | 0.9 | -0.3 | -2.6 | 5.3 | 0.7 | -5.6 |
| Services debits | 0.1 | 4.7 | 2.0 | -0.9 | 4.5 | 2.7 | 0.5 | 7.1 | -0.3 | -3.3 |
| FIXED-WEIGHTED-INDEXES(b) | | | | | | | | | | |
| Exports of goods and services | 2.7 | 4.8 | 1.1 | -1.5 | 0.9 | 1.3 | -4.4 | 0.9 | -1.6 | -4.5 |
| Merchandise exports | 3.0 | 5.7 | 0.8 | -2.2 | 0.9 | 1.2 | -5.5 | 0.4 | -1.7 | -5.3 |
| Services credits | 1.3 | — | 2.5 | 1.8 | 0.8 | 2.1 | 1.1 | 3.4 | -1.0 | -1.4 |
| Imports of goods and services | -2.2 | 5.0 | 2.7 | -1.3 | 1.4 | 0.9 | -1.5 | 6.3 | 0.1 | -2.8 |
| Merchandise imports | -2.4 | 4.8 | 3.1 | -2.0 | 1.0 | 0.4 | -2.2 | 5.2 | 1.0 | -2.6 |
| Services debits | -1.7 | 5.6 | 1.1 | 1.0 | 3.1 | 2.2 | 0.8 | 9.2 | -2.0 | -3.7 |
| TERMS OF TRADE(c) | | | | | | | | | | |
| Goods and services | 4.4 | -0.5 | -2.4 | 0.7 | -2.6 | 0.2 | -1.1 | -3.0 | -2.4 | 1.2 |
| Merchandise trade | 6.0 | -0.1 | -3.5 | 0.7 | -2.6 | 0.6 | -1.4 | -2.4 | -3.1 | 1.4 |
| Services | -0.2 | -2.5 | 1.3 | 1.5 | -2.8 | 0.3 | 0.6 | -4.3 | -0.1 | 0.9 |

(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 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. (c) 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).

June quarter 1991 compared with March quarter 1991, 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 marginally from the March quarter. Rural exports rose \$421 million or 13 per cent, with rises being recorded in all groupings except sugar. The largest rises were recorded in "other" rural and wool. The volume of rural exports rose 19 per cent, with sugar (down \$71 million) the only commodity grouping to record a volume decrease. The most significant increase was in wool which rose \$349 million, or 79 per cent. Non-rural exports fell \$474 million or 5 per cent, due to falls in both prices and volumes. The largest falls occurred in "other mineral fuels", down \$220 million (due to price falls); transport equipment; down \$187 million (due mainly to a fall in volume); and gold, down \$121 million (due to falls in both prices and volumes). The decrease in transport equipment volumes largely reflected a decrease in exports of Qantas aircraft from five in the March quarter to two in the June quarter.

Overall, merchandise exports volumes rose 4 per cent. Merchandise export prices fell by 4 per cent in June, due to a 5 per cent fall in rural prices and a 4 per cent fall in non-rural prices.

Services credits at current prices rose \$189 million or 6 per cent, as a result of an 8 per cent rise in volumes and a 2 per cent fall in prices.

The *implicit price deflator* for total exports of goods and services fell 4 per cent. On a fixed weighted basis export prices fell 5 per cent, indicating that compositional change

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

had a small positive effect on the change on the implicit price deflator.

Imports of merchandise at current prices fell by \$352 million or 3 per cent. The largest fall occurred in fuels, down \$309 million, due mainly to a fall in price. Exogenous imports fell by \$462 million or 31 per cent, due to falls in fuel prices and reduced imports of civil aircraft. Endogenous imports rose \$110 million or 1 per cent. The overall volume of endogenous imports rose 6 per cent, while prices fell 5 per cent. In terms of volume, consumption goods rose by 8 per cent, capital goods rose 6 per cent and other goods rose 5 per cent. Overall, merchandise import volumes were up 3 per cent with prices down 6 per cent.

Services debits at current prices rose \$86 million or 2 per cent, due to a 6 per cent rise in volumes being partly offset by a 3 per cent fall in prices.

The *implicit price deflator* for imports of goods and services fell 5 per cent. On a fixed-weighted basis, prices fell 3 per cent indicating that compositional changes accounted for a 2 per cent decrease in the implicit price deflator.

Australia's *terms of trade* rose 1 per cent. The fall in the IPD for exports of goods and services was more than counteracted by the fall in the IPD for imports of goods and services. On a smoothed basis the terms of trade fell 1 per cent.

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

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 |
|---------------|-----------|--------------------|-----------|-------|---------------------------------------|
| 1988-89 | 2,014 | 837 | 1,335 | 4,186 | 8.9 |
| 1989-90 | 2,520 | 1,247 | 1,003 | 4,770 | 9.4 |
| 1990-91 | 3,146 | 1,519 | 982 | 5,647 | 11.5 |
| 1988-89 — | | | | | |
| March qtr | 561 | 149 | 284 | 994 | 8.6 |
| June qtr | 747 | 135 | 372 | 1,254 | 9.9 |
| 1989-90 — | | | | | |
| September qtr | 632 | 489 | 257 | 1,378 | 9.9 |
| December qtr | 697 | 173 | 248 | 1,118 | 8.6 |
| March qtr | 601 | 373 | 240 | 1,214 | 9.6 |
| June qtr | 590 | 212 | 258 | 1,060 | 9.2 |
| 1990-91 — | | | | | |
| September qtr | 543 | 560 | 277 | 1,380 | 10.8 |
| December qtr | 1,059 | 423 | 216 | 1,698 | 13.2 |
| March qtr | 895 | 366 | 223 | 1,484 | 12.4 |
| June qtr | 649 | 170 | 266 | 1,085 | 9.4 |

(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.

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). This form of presentation 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 14 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 1990-91, Australia's deficit on current account (including reinvested earnings) was 4.1 per cent of GDP. This compares with average ratios of 5.2 per cent over the period 1984-85 to 1989-90 and 3.6 per cent over the period 1977-78 to 1983-84. 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 '000 million

| Year | Australia (c) | United States | United Kingdom | Germany (d) | France | Italy | Japan | Canada |
|-----------------------------------|------------------|------------------|-------------------|----------------|--------|--------|--------|--------|
| — Including Reinvested Earnings — | | | | | | | | |
| 1977-78 | - 3.4 | - 19.4 | 1.5 | 5.9 | n.a. | n.a. | n.a. | n.a. |
| 1978-79 | - 4.1 | - 5.3 | - 0.1 | 5.3 | n.a. | n.a. | n.a. | n.a. |
| 1979-80 | - 2.2 | - 3.6 | - 0.4 | - 13.1 | n.a. | n.a. | n.a. | n.a. |
| 1980-81 | - 6.3 | 9.7 | 17.9 | - 15.0 | n.a. | n.a. | n.a. | n.a. |
| 1981-82 | - 10.0 | 4.3 | 7.1 | 1.5 | n.a. | n.a. | n.a. | n.a. |
| 1982-83 | - 6.4 | - 24.4 | 7.3 | 6.6 | n.a. | n.a. | n.a. | n.a. |
| 1983-84 | - 6.7 | - 81.1 | 4.5 | 4.0 | n.a. | n.a. | n.a. | n.a. |
| 1984-85 | - 8.8 | - 114.4 | 2.7 | 12.0 | n.a. | n.a. | n.a. | n.a. |
| 1985-86 | - 10.2 | - 125.9 | 5.0 | 27.2 | n.a. | n.a. | n.a. | n.a. |
| 1986-87 | - 8.1 | - 151.1 | - 1.3 | 46.1 | n.a. | n.a. | n.a. | n.a. |
| 1987-88 | - 8.2 | - 146.3 | - 16.4 | 47.1 | n.a. | n.a. | n.a. | n.a. |
| 1988-89 | - 15.1 | - 115.2 | - 30.9 | 57.3 | n.a. | n.a. | n.a. | n.a. |
| 1989-90 | - 17.1 | - 99.3 | - 33.3 | 55.3 | n.a. | n.a. | n.a. | n.a. |
| 1990-91 | - 12.4 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| — Excluding Reinvested Earnings — | | | | | | | | |
| 1977-78 | - 2.7 | - 25.1 | 3.7 | n.a. | 3.5 | 4.9 | 16.4 | - 3.6 |
| 1978-79 | - 3.4 | - 17.5 | 2.9 | n.a. | 7.3 | 8.0 | 6.1 | - 5.0 |
| 1979-80 | - 1.3 | - 19.1 | 5.9 | n.a. | — | - 3.7 | - 17.3 | - 3.1 |
| 1980-81 | - 5.6 | 1.0 | 20.9 | n.a. | - 3.9 | - 12.7 | - 1.0 | - 2.1 |
| 1981-82 | - 9.8 | - 5.6 | 10.4 | 1.2 | - 9.8 | - 6.0 | 7.1 | - 2.3 |
| 1982-83 | - 7.1 | - 31.8 | 9.9 | 6.8 | - 11.2 | - 2.7 | 12.8 | 3.7 |
| 1983-84 | - 6.4 | - 89.7 | 4.6 | 3.1 | - 1.7 | - 0.3 | 27.9 | 0.9 |
| 1984-85 | - 8.6 | - 120.5 | - 0.5 | 10.9 | - 0.4 | - 4.2 | 40.3 | 2.9 |
| 1985-86 | - 10.0 | - 152.4 | 2.7 | 25.6 | 1.5 | - 1.7 | 64.9 | - 5.4 |
| 1986-87 | - 8.1 | - 173.5 | - 8.0 | 45.0 | - 0.4 | 3.2 | 93.8 | - 7.0 |
| 1987-88 | - 8.0 | - 169.7 | - 22.8 | 46.6 | - 2.7 | - 4.4 | 80.3 | - 7.6 |
| 1988-89 | - 15.0 | - 137.4 | - 37.7 | 56.6 | - 4.0 | - 11.1 | 73.0 | - 10.8 |
| 1989-90 | - 17.1 | - 115.4 | - 42.7 | n.a. | - 6.2 | - 13.4 | 47.1 | - 15.6 |
| 1990-91 | - 12.3 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |

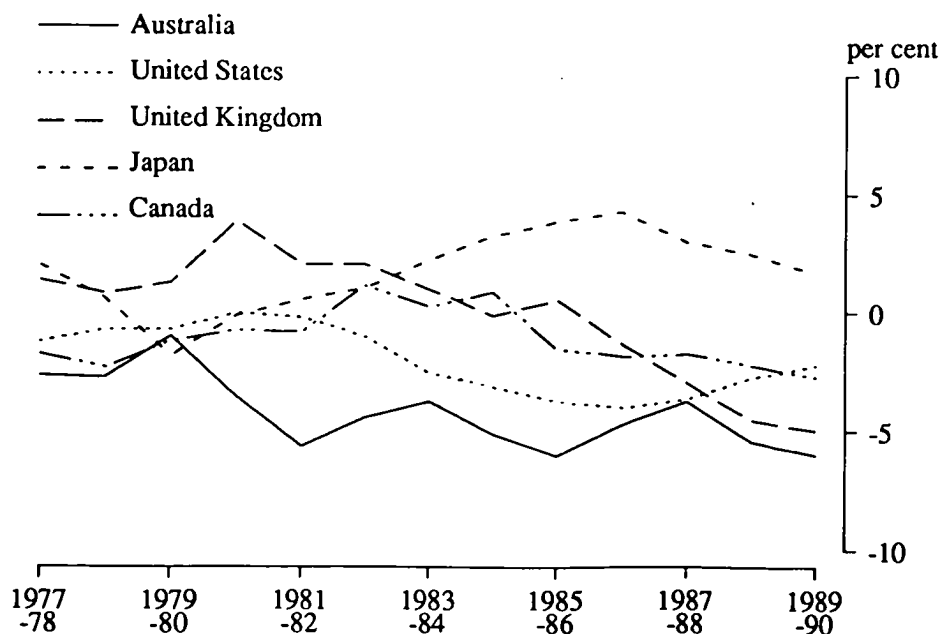
(a) A minus sign indicates a deficit on current account. (b) The source for all countries except Australia is OECD (Main Economic Indicators) June 1991. (c) Australia's current account balance has been converted to US dollars using quarterly period average exchange rates. (d) The statistics for Germany refer to western Germany (Federal Republic of Germany before the unification of Germany).

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

| Year | Australia | United States (c) | United Kingdom | Germany (c) (d) | France | Italy | Japan (c) | Canada |
|-----------------------------------|-----------|-------------------|----------------|-----------------|--------|-------|-----------|--------|
| — Including Reinvested Earnings — | | | | | | | | |
| 1977-78 | -3.1 | -0.9 | 0.6 | 1.0 | n.a. | n.a. | n.a. | n.a. |
| 1978-79 | -3.3 | -0.2 | — | 0.8 | n.a. | n.a. | n.a. | n.a. |
| 1979-80 | -1.6 | -0.1 | -0.1 | -1.6 | n.a. | n.a. | n.a. | n.a. |
| 1980-81 | -3.9 | 0.3 | 3.3 | -1.9 | n.a. | n.a. | n.a. | n.a. |
| 1981-82 | -5.8 | 0.1 | 1.4 | 0.2 | n.a. | n.a. | n.a. | n.a. |
| 1982-83 | -4.0 | -0.7 | 1.6 | 1.0 | n.a. | n.a. | n.a. | n.a. |
| 1983-84 | -3.8 | -2.2 | 0.9 | 0.6 | n.a. | n.a. | n.a. | n.a. |
| 1984-85 | -5.2 | -2.9 | 0.6 | 2.1 | n.a. | n.a. | n.a. | n.a. |
| 1985-86 | -6.1 | -3.0 | 1.0 | 3.5 | n.a. | n.a. | n.a. | n.a. |
| 1986-87 | -4.6 | -3.5 | -0.2 | 4.5 | n.a. | n.a. | n.a. | n.a. |
| 1987-88 | -3.8 | -3.1 | -2.1 | 3.9 | n.a. | n.a. | n.a. | n.a. |
| 1988-89 | -5.4 | -2.3 | -3.7 | 4.8 | n.a. | n.a. | n.a. | n.a. |
| 1989-90 | -6.0 | -1.9 | -3.9 | 4.2 | n.a. | n.a. | n.a. | n.a. |
| 1990-91 | -4.1 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| — Excluding Reinvested Earnings — | | | | | | | | |
| 1977-78 | -2.6 | -1.2 | 1.4 | n.a. | 0.8 | 1.9 | 2.0 | -1.7 |
| 1978-79 | -2.7 | -0.7 | 0.8 | n.a. | 1.4 | 2.4 | 0.6 | -2.3 |
| 1979-80 | -1.0 | -0.7 | 1.3 | n.a. | — | -0.8 | -1.8 | -1.2 |
| 1980-81 | -3.5 | — | 3.9 | n.a. | -0.6 | -2.8 | -0.1 | -0.7 |
| 1981-82 | -5.6 | -0.2 | 2.1 | 0.1 | -1.7 | -1.4 | 0.6 | -0.8 |
| 1982-83 | -4.4 | -1.0 | 2.1 | 1.0 | -2.0 | -0.7 | 1.1 | 1.2 |
| 1983-84 | -3.7 | -2.5 | 1.0 | 0.5 | -0.3 | -0.1 | 2.3 | 0.3 |
| 1984-85 | -5.1 | -3.1 | -0.1 | 1.9 | -0.1 | -1.1 | 3.3 | 0.9 |
| 1985-86 | -6.0 | -3.7 | 0.6 | 3.3 | 0.2 | -0.3 | 3.9 | -1.5 |
| 1986-87 | -4.7 | -4.0 | -1.3 | 4.4 | — | 0.6 | 4.3 | -1.8 |
| 1987-88 | -3.7 | -3.6 | -2.9 | 3.9 | -0.3 | -0.5 | 3.0 | -1.7 |
| 1988-89 | -5.4 | -2.7 | -4.5 | 4.8 | -0.4 | -1.3 | 2.5 | -2.2 |
| 1989-90 | -6.0 | -2.2 | -5.0 | n.a. | -0.6 | -1.3 | 1.7 | -2.7 |
| 1990-91 | -4.1 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |

(a) A minus sign indicates a deficit on current account. (b) The source for all countries except Australia is *OECD (Main Economic Indicators)* June 1991 and national source data. For Australia the source of the GDP estimates used in the calculation is the March quarter 1991 issue of ABS Catalogue No. 5206.0. (c) Ratios for United States, Japan, West Germany are calculated using gross national product. (d) The statistics for Germany refer to western Germany (Federal Republic of Germany before the unification of Germany).

CURRENT ACCOUNT BALANCES AS A PERCENTAGE OF GDP



BALANCING ITEM

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. It reflects the difference between zero and the sum (with regard to sign) of the balances on the current and capital accounts.

A 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.

Recent results

The table on the next page shows the most recent estimates of Australia's balance of payments balancing item for each year since 1979-80. It also shows the first published balancing item estimate for each year; the revision in the estimate since first published; the contribution to this revision from revisions to each of the current and capital accounts; and the current balancing item as a percentage of gross merchandise trade (the sum of merchandise exports and imports).

The balancing item for 1990-91, which is based on preliminary data and is consequently subject to revision, was \$2,382 million. This follows balancing items of \$7,745 million, -\$18 million and \$29 million for 1989-90, 1988-89 and 1987-88 respectively.

In the past 12 years, the number of positive balancing items (understated credits or overstated debits) outweighed the number of negative balancing items (understated debits or overstated credits) by a factor of two to one. The six largest (in absolute terms) balancing items over the period were all positive.

Analysis of revisions to the balancing item over the 11 years to 1989-90 shows that in nine of the years revisions improved the balancing item by taking it closer to zero. The two exceptions are 1986-87 and 1989-90 where revisions have caused these balancing items to deteriorate. The balancing items for these two years, as a percentage of gross merchandise trade, are the two worst in the past 12 years. In particular, the estimate for 1989-90, which is 7.8 per cent of gross merchandise trade, is a cause for concern.

Over the 11 years to 1989-90, in seven of the years revisions to the capital account had a bigger impact on the revisions to the balancing item than revisions to the current account. This reflected the fact that, over the period, the average absolute revision to the balance on capital account was 2.4 times the average absolute revision to the balance on current account. Since 1985-86 the dominance of the impact of capital account revisions compared to current account revisions has increased. The exception to this is 1989-90 where current account revisions contributed more to the worsening of the balancing item than capital account revisions.

Possible causes

It is unlikely that any single factor accounts for the balancing item in recent years. However, problems with coverage and measurement of international capital flows are likely to be the major contributor while problems also exist with the measurement of some services, income and unrequited transfers items, these are considered to be on a smaller scale.

Since October 1983, there have been a number of government initiatives designed to liberalise the financial system and to introduce diversity and competition by allowing the entry of selected foreign financial institutions. This has led to a significant increase in the number and type of entities engaging in international transactions and new instruments and methods of financing have been introduced.

The volumes of transactions underlying the net capital transactions data that are presented in the balance of payments are huge; for example, average daily turnover in the foreign exchange market grew from almost zero in 1984-85 to over \$60 thousand million in 1990-91 and it is estimated that about two thirds of these transactions have an impact on the balance of payments. Transactions of single enterprises are often volatile and sometimes enormous. It is not unusual for individual transactions to be greater than the monthly current account deficit. Ensuring adequate coverage of relevant enterprises and correct reporting of relevant financial assets, liabilities, capital transactions and income in these circumstances is a major challenge.

BALANCE OF PAYMENTS BALANCING ITEM

| Year | Current estimate | First published estimate (a) | Revision since first estimate | Extent of revision attributable to: | | | | Current estimate as a percentage of gross merchandise trade (c) |
|---------|------------------|------------------------------|-------------------------------|-------------------------------------|-------|-----------------------------------|------|---|
| | | | | net current account revisions (b) | | net capital account revisions (b) | | |
| | \$ million | \$ million | \$ million | \$ million | % | \$ million | % | % |
| 1979-80 | - 94 | - 659 | 565 | 785 | 139 | - 220 | - 39 | 0.3 |
| 1980-81 | 967 | 1,757 | - 790 | - 113 | 14 | - 677 | 86 | 2.5 |
| 1981-82 | 766 | 921 | - 155 | - 106 | 68 | - 49 | 32 | 1.8 |
| 1982-83 | 468 | 861 | - 393 | - 144 | 37 | - 249 | 63 | 1.1 |
| 1983-84 | 1,643 | 1,961 | - 318 | 654 | - 206 | - 972 | 306 | 3.5 |
| 1984-85 | - 588 | - 2,005 | 1,417 | 997 | 70 | 420 | 30 | 1.0 |
| 1985-86 | - 519 | 2,674 | - 3,193 | 839 | - 26 | - 4,032 | 126 | 0.8 |
| 1986-87 | 2,611 | 849 | 1,762 | - 1,217 | - 69 | 2,979 | 169 | 3.6 |
| 1987-88 | 29 | 3,217 | - 3,188 | - 628 | 20 | - 2,560 | 80 | — |
| 1988-89 | - 18 | 5,266 | - 5,284 | 1,114 | - 21 | - 6,398 | 121 | — |
| 1989-90 | 7,745 | 5,517 | 2,228 | 1,551 | 70 | 677 | 30 | 7.8 |
| 1990-91 | 2,382 | 2,382 | .. | .. | .. | .. | .. | 2.4 |

(a) prior to 1986-87, the first estimate of the balancing item for a particular year was published in the following year's September quarter issue of 5302.0. From 1986-87, the first estimate of the balancing item has been published in the reference year's June quarter issue of 5302.0. (b) The signs on these amounts relate to the impact of the revisions on the balancing item rather than to the actual revisions themselves. A negative percentage for net current account revisions indicates they were more than offset by net capital account revisions in the opposite direction; a negative percentage for net capital account revisions indicates they were more than offset by net current account revisions in the opposite direction. (c) The sum of merchandise exports and imports, without regard to sign.

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 transactions associated with foreign exchange trading, 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 in recent times. 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 has recently developed and implemented a methodology within the framework of the Survey of Foreign Investment to measure investment in Australian real estate on a regular basis. Now that this methodology is in place, it is expected that coverage of foreign investment in Australian real estate will be satisfactory and no longer a significant contributing factor to the size of the balancing item.

During the 1980s and early 1990s 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 services 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 1991-92, 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 (in-

cluded in *unrequited transfers credits*). In estimating this item, reliance is placed on the results of surveys conducted to measure a concept of migrants' transfers that is different from that required for balance of payments purposes. Also, the surveys are only conducted periodically and, although estimates for the latest periods take account of broad price and exchange rate changes since the surveys were last run, changes in the pattern of migrants' transfers may not be adequately reflected in these estimates.

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 also been understatement of associated income transactions in the period in which the unmeasured capital transactions took place and in subsequent periods. Some income (such as discount income) may also be unrecorded or misclassified as part of the associated investment transaction.

A recent investigation into the comparability of Australia's merchandise trade statistics (on a foreign trade basis) with those of other countries was partly prompted by questions about the extent to which possible deficiencies in these statistics might be contributing to the balancing item. The results of this investigation were published in an article titled "Merchandise Export and Import Statistics by Country - Factors Affecting Bilateral Comparisons" in the June 1991 issue of *Australian Economic Indicators* (ABS Catalogue no. 1350.0)

The analysis revealed no significant understatement or overstatement of exports or imports statistics for Australia. Overall, the quality of annual merchandise statistics (on a balance of payments basis) is regarded as good, although there are significant timing discrepancies in the quarterly exports estimates due to the use of a *processing date* basis of recording. It is planned to move to a *shipping date* basis for recording exports from early 1992, which should improve the accuracy of this series. These plans were outlined in the article "Recording of Merchandise Exports and the Impact of the EXIT System" in the March quarter 1991 issue of this publication.

TABLE 1. BALANCE OF PAYMENTS — SUMMARY
(\$ million)

| | Year | | | Quarters ended | | | | | | | | | |
|--------------------------------------|----------------|----------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | 1989-90 | | 1990-91 | | | | | |
| | | | | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| Current transactions — | | | | | | | | | | | | | |
| <i>Goods and services —</i> | | | | | | | | | | | | | |
| <i>Merchandise (a) —</i> | | | | | | | | | | | | | |
| Exports fob | 43,073 | 47,815 | 51,793 | 10,435 | 11,911 | 11,732 | 11,899 | 11,722 | 12,462 | 12,405 | 13,214 | 12,748 | 13,426 |
| Imports fob | -47,032 | -50,991 | -49,250 | -11,511 | -12,697 | -13,897 | -12,943 | -12,686 | -11,465 | -12,805 | -12,912 | -11,948 | -11,585 |
| Balance on merchandise trade | -3,959 | -3,176 | 2,543 | -1,076 | -786 | -2,165 | -1,044 | -964 | 997 | -400 | 302 | 800 | 1,841 |
| <i>Services —</i> | | | | | | | | | | | | | |
| Credits | 10,910 | 11,799 | 13,268 | 2,872 | 2,614 | 2,604 | 2,808 | 3,352 | 3,035 | 3,140 | 3,348 | 3,578 | 3,202 |
| Debits | -14,070 | -16,212 | -16,723 | -3,582 | -3,885 | -4,130 | -3,924 | -3,994 | -4,164 | -4,540 | -4,094 | -3,981 | -4,108 |
| Net services | -3,160 | -4,413 | -3,455 | -710 | -1,271 | -1,526 | -1,116 | -642 | -1,129 | -1,400 | -746 | -403 | -906 |
| Balance on goods and services | -7,119 | -7,589 | -912 | -1,786 | -2,057 | -3,691 | -2,160 | -1,606 | -132 | -1,800 | -444 | 397 | 935 |
| <i>Income —</i> | | | | | | | | | | | | | |
| Credits | 4,249 | 4,921 | 5,038 | 1,153 | 1,182 | 1,167 | 1,169 | 1,159 | 1,426 | 1,479 | 1,173 | 1,175 | 1,211 |
| Debits | -17,868 | -21,958 | -22,316 | -4,639 | -5,120 | -4,965 | -5,475 | -5,859 | -5,659 | -5,115 | -5,960 | -5,523 | -5,718 |
| Net income | -13,619 | -17,037 | -17,278 | -3,486 | -3,938 | -3,798 | -4,306 | -4,700 | -4,233 | -3,636 | -4,787 | -4,348 | -4,507 |
| <i>Unrequited transfers —</i> | | | | | | | | | | | | | |
| Credits | 4,210 | 4,518 | 4,711 | 1,095 | 1,155 | 1,213 | 1,061 | 1,166 | 1,078 | 1,162 | 1,201 | 1,214 | 1,134 |
| Debits | -2,012 | -2,172 | -2,229 | -559 | -569 | -450 | -485 | -662 | -575 | -493 | -525 | -600 | -611 |
| Net unrequited transfers | 2,198 | 2,346 | 2,482 | 536 | 586 | 763 | 576 | 504 | 503 | 669 | 676 | 614 | 523 |
| Balance on current account | -18,540 | -22,280 | -15,708 | -4,736 | -5,409 | -6,726 | -5,890 | -5,802 | -3,862 | -4,767 | -4,555 | -3,337 | -3,049 |
| Net capital transactions — | | | | | | | | | | | | | |
| <i>Official —</i> | | | | | | | | | | | | | |
| <i>General government —</i> | | | | | | | | | | | | | |
| Foreign investment in Australia | 3,033 | 2,660 | -1,842 | 2,237 | -1,500 | 949 | 1,364 | 756 | -409 | -636 | -1,582 | 977 | -601 |
| Australian investment abroad | -359 | -86 | 13 | -80 | 11 | 61 | -607 | 430 | 30 | 207 | -88 | -525 | 419 |
| Total | 2,674 | 2,574 | -1,829 | 2,157 | -1,489 | 1,010 | 757 | 1,186 | -379 | -429 | -1,670 | 452 | -182 |
| <i>Reserve bank —</i> | | | | | | | | | | | | | |
| Foreign investment in Australia | — | 24 | -22 | -18 | -10 | — | -6 | -4 | 34 | -23 | 11 | 87 | -97 |
| Australian investment abroad | -873 | -2,156 | -1,446 | 250 | 45 | -672 | -424 | 822 | -1,882 | -74 | -1,102 | 102 | -372 |
| Total | -873 | -2,132 | -1,468 | 232 | 35 | -672 | -430 | 818 | -1,848 | -97 | -1,091 | 189 | -469 |
| Total official | 1,801 | 442 | -3,297 | 2,389 | -1,454 | 338 | 327 | 2,004 | -2,227 | -526 | -2,761 | 641 | -651 |
| <i>Non-official —</i> | | | | | | | | | | | | | |
| Foreign investment in Australia | 28,174 | 17,796 | 18,109 | 8,551 | 6,232 | 6,210 | 4,425 | 6,907 | 254 | 4,561 | 4,476 | 5,509 | 3,563 |
| Australian investment abroad | -11,417 | -3,703 | -1,486 | -3,596 | -4,017 | -1,477 | -329 | -4,447 | 2,550 | 2,064 | -1,574 | -1,073 | -903 |
| Total non-official | 16,757 | 14,093 | 16,623 | 4,955 | 2,215 | 4,733 | 4,096 | 2,460 | 2,804 | 6,625 | 2,902 | 4,436 | 2,660 |
| Balance on capital account | 18,558 | 14,535 | 13,326 | 7,344 | 761 | 5,071 | 4,423 | 4,464 | 577 | 6,099 | 141 | 5,077 | 2,009 |
| Balancing item | -18 | 7,745 | 2,382 | -2,608 | 4,648 | 1,655 | 1,467 | 1,338 | 3,285 | -1,332 | 4,414 | -1,740 | 1,040 |

(a) Balance of payments basis.

TABLE 2. CURRENT ACCOUNT — SUMMARY
(\$ million)

| | Year | | | Quarters ended | | | | | | | | | |
|--------------------------------------|----------------|----------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | 1989-90 | | 1990-91 | | | | | |
| | | | | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| Current transactions — | | | | | | | | | | | | | |
| <i>Goods and services —</i> | | | | | | | | | | | | | |
| <i>Merchandise (a) —</i> | | | | | | | | | | | | | |
| Exports fob | 43,073 | 47,815 | 51,793 | 10,435 | 11,911 | 11,732 | 11,899 | 11,722 | 12,462 | 12,405 | 13,214 | 12,748 | 13,426 |
| Imports fob | -47,032 | -50,991 | -49,250 | -11,511 | -12,697 | -13,897 | -12,943 | -12,686 | -11,465 | -12,805 | -12,912 | -11,948 | -11,585 |
| <i>Balance on merchandise trade</i> | <i>-3,959</i> | <i>-3,176</i> | <i>2,543</i> | <i>-1,076</i> | <i>-786</i> | <i>-2,165</i> | <i>-1,044</i> | <i>-964</i> | <i>997</i> | <i>-400</i> | <i>302</i> | <i>800</i> | <i>1,841</i> |
| <i>Services —</i> | | | | | | | | | | | | | |
| <i>Credits —</i> | | | | | | | | | | | | | |
| Shipment | 554 | 535 | 605 | 143 | 147 | 144 | 129 | 121 | 141 | 150 | 152 | 147 | 156 |
| Other transportation | 3,209 | 3,446 | 3,986 | 805 | 771 | 798 | 827 | 939 | 882 | 925 | 1,062 | 1,055 | 944 |
| Travel | 4,330 | 4,463 | 4,954 | 1,196 | 872 | 871 | 1,044 | 1,478 | 1,070 | 1,144 | 1,200 | 1,470 | 1,140 |
| Other services | 2,817 | 3,355 | 3,723 | 728 | 824 | 791 | 808 | 814 | 942 | 921 | 934 | 906 | 962 |
| <i>Total services credits</i> | <i>10,910</i> | <i>11,799</i> | <i>13,268</i> | <i>2,872</i> | <i>2,614</i> | <i>2,604</i> | <i>2,808</i> | <i>3,352</i> | <i>3,035</i> | <i>3,140</i> | <i>3,348</i> | <i>3,578</i> | <i>3,202</i> |
| <i>Debits —</i> | | | | | | | | | | | | | |
| Shipment | -3,176 | -3,269 | -3,048 | -808 | -872 | -871 | -848 | -795 | -755 | -822 | -789 | -727 | -710 |
| Other transportation | -2,912 | -3,420 | -3,481 | -736 | -804 | -838 | -869 | -826 | -887 | -909 | -891 | -804 | -877 |
| Travel | -4,321 | -5,086 | -5,250 | -1,045 | -1,300 | -1,386 | -1,138 | -1,255 | -1,307 | -1,554 | -1,193 | -1,182 | -1,321 |
| Other services | -3,661 | -4,437 | -4,944 | -993 | -909 | -1,035 | -1,069 | -1,118 | -1,215 | -1,255 | -1,221 | -1,268 | -1,200 |
| <i>Total services debits</i> | <i>-14,070</i> | <i>-16,212</i> | <i>-16,723</i> | <i>-3,582</i> | <i>-3,885</i> | <i>-4,130</i> | <i>-3,924</i> | <i>-3,994</i> | <i>-4,164</i> | <i>-4,540</i> | <i>-4,094</i> | <i>-3,981</i> | <i>-4,108</i> |
| <i>Net services</i> | <i>-3,160</i> | <i>-4,413</i> | <i>-3,455</i> | <i>-710</i> | <i>-1,271</i> | <i>-1,526</i> | <i>-1,116</i> | <i>-642</i> | <i>-1,129</i> | <i>-1,400</i> | <i>-746</i> | <i>-403</i> | <i>-906</i> |
| <i>Balance on goods and services</i> | <i>-7,119</i> | <i>-7,589</i> | <i>-912</i> | <i>-1,786</i> | <i>-2,057</i> | <i>-3,691</i> | <i>-2,160</i> | <i>-1,606</i> | <i>-132</i> | <i>-1,800</i> | <i>-444</i> | <i>397</i> | <i>935</i> |
| <i>Income —</i> | | | | | | | | | | | | | |
| <i>Credits —</i> | | | | | | | | | | | | | |
| <i>Property income —</i> | | | | | | | | | | | | | |
| Reinvested earnings | 2,029 | 1,591 | 1,472 | 507 | 508 | 397 | 398 | 398 | 398 | 368 | 368 | 368 | 368 |
| Other | 1,978 | 2,773 | 2,920 | 572 | 600 | 683 | 688 | 662 | 740 | 826 | 683 | 694 | 717 |
| Labour and other income | 242 | 557 | 646 | 74 | 74 | 87 | 83 | 99 | 288 | 285 | 122 | 113 | 126 |
| <i>Total income credits</i> | <i>4,249</i> | <i>4,921</i> | <i>5,038</i> | <i>1,153</i> | <i>1,182</i> | <i>1,167</i> | <i>1,169</i> | <i>1,159</i> | <i>1,426</i> | <i>1,479</i> | <i>1,173</i> | <i>1,175</i> | <i>1,211</i> |
| <i>Debits —</i> | | | | | | | | | | | | | |
| <i>Property income —</i> | | | | | | | | | | | | | |
| Reinvested earnings | -2,131 | -1,536 | -1,420 | -533 | -533 | -384 | -384 | -384 | -384 | -355 | -355 | -355 | -355 |
| Other | -15,458 | -20,002 | -20,385 | -4,019 | -4,512 | -4,500 | -5,002 | -5,361 | -5,139 | -4,639 | -5,471 | -5,032 | -5,243 |
| Labour and other income | -279 | -420 | -511 | -87 | -75 | -81 | -89 | -114 | -136 | -121 | -134 | -136 | -120 |
| <i>Total income debits</i> | <i>-17,868</i> | <i>-21,958</i> | <i>-22,316</i> | <i>-4,639</i> | <i>-5,120</i> | <i>-4,965</i> | <i>-5,475</i> | <i>-5,859</i> | <i>-5,659</i> | <i>-5,115</i> | <i>-5,960</i> | <i>-5,523</i> | <i>-5,718</i> |
| <i>Net income</i> | <i>-13,619</i> | <i>-17,037</i> | <i>-17,278</i> | <i>-3,486</i> | <i>-3,938</i> | <i>-3,798</i> | <i>-4,306</i> | <i>-4,700</i> | <i>-4,233</i> | <i>-3,636</i> | <i>-4,787</i> | <i>-4,348</i> | <i>-4,507</i> |
| <i>Unrequited transfers —</i> | | | | | | | | | | | | | |
| <i>Credits</i> | 4,210 | 4,518 | 4,711 | 1,095 | 1,155 | 1,213 | 1,061 | 1,166 | 1,078 | 1,162 | 1,201 | 1,214 | 1,134 |
| <i>Debits</i> | -2,012 | -2,172 | -2,229 | -559 | -569 | -450 | -485 | -662 | -575 | -493 | -525 | -600 | -611 |
| <i>Net unrequited transfers</i> | <i>2,198</i> | <i>2,346</i> | <i>2,482</i> | <i>536</i> | <i>586</i> | <i>763</i> | <i>576</i> | <i>504</i> | <i>503</i> | <i>669</i> | <i>676</i> | <i>614</i> | <i>523</i> |
| Balance on current account | -18,540 | -22,280 | -15,708 | -4,736 | -5,409 | -6,726 | -5,890 | -5,802 | -3,862 | -4,767 | -4,555 | -3,337 | -3,049 |

(a) Balance of payments basis.

TABLE 3. CURRENT ACCOUNT — SUMMARY — SEASONALLY ADJUSTED

(\$ million)

| | Quarters ended- | | | | | | | | | |
|--------------------------------------|-----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1988-89 | | 1989-90 | | | | 1990-91 | | | |
| | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| Current transactions — | | | | | | | | | | |
| <i>Goods and services —</i> | | | | | | | | | | |
| <i>Merchandise (a) —</i> | | | | | | | | | | |
| Exports fob | 10,652 | 11,605 | 11,787 | 11,811 | 12,080 | 12,175 | 12,331 | 13,124 | 13,203 | 13,150 |
| Imports fob | -11,924 | -13,117 | -13,420 | -12,564 | -13,129 | -11,861 | -12,367 | -12,492 | -12,345 | -11,993 |
| <i>Balance on merchandise trade</i> | <i>-1,272</i> | <i>-1,512</i> | <i>-1,633</i> | <i>-753</i> | <i>-1,049</i> | <i>314</i> | <i>-36</i> | <i>632</i> | <i>858</i> | <i>1,157</i> |
| <i>Services —</i> | | | | | | | | | | |
| <i>Credits —</i> | | | | | | | | | | |
| Shipment | 143 | 147 | 144 | 129 | 121 | 141 | 150 | 152 | 147 | 156 |
| Other transportation | 770 | 810 | 829 | 798 | 902 | 922 | 960 | 1,027 | 1,010 | 988 |
| Travel | 993 | 1,042 | 979 | 986 | 1,219 | 1,299 | 1,287 | 1,112 | 1,212 | 1,397 |
| Other services | 734 | 787 | 797 | 836 | 818 | 909 | 931 | 963 | 911 | 928 |
| <i>Total services credits</i> | <i>2,640</i> | <i>2,786</i> | <i>2,749</i> | <i>2,749</i> | <i>3,060</i> | <i>3,271</i> | <i>3,328</i> | <i>3,254</i> | <i>3,280</i> | <i>3,469</i> |
| <i>Debits —</i> | | | | | | | | | | |
| Shipment | -836 | -892 | -841 | -831 | -822 | -773 | -795 | -772 | -751 | -727 |
| Other transportation | -764 | -793 | -824 | -861 | -856 | -874 | -889 | -881 | -837 | -865 |
| Travel | -1,096 | -1,333 | -1,231 | -1,204 | -1,314 | -1,342 | -1,381 | -1,264 | -1,234 | -1,354 |
| Other services | -972 | -899 | -1,061 | -1,085 | -1,091 | -1,206 | -1,295 | -1,235 | -1,237 | -1,199 |
| <i>Total services debits</i> | <i>-3,668</i> | <i>-3,917</i> | <i>-3,957</i> | <i>-3,981</i> | <i>-4,083</i> | <i>-4,195</i> | <i>-4,360</i> | <i>-4,152</i> | <i>-4,059</i> | <i>-4,145</i> |
| <i>Net services</i> | <i>-1,028</i> | <i>-1,131</i> | <i>-1,208</i> | <i>-1,232</i> | <i>-1,023</i> | <i>-924</i> | <i>-1,032</i> | <i>-898</i> | <i>-779</i> | <i>-676</i> |
| <i>Balance on goods and services</i> | <i>-2,300</i> | <i>-2,643</i> | <i>-2,841</i> | <i>-1,985</i> | <i>-2,072</i> | <i>-610</i> | <i>-1,068</i> | <i>-266</i> | <i>79</i> | <i>481</i> |
| <i>Income —</i> | | | | | | | | | | |
| <i>Credits —</i> | | | | | | | | | | |
| Property income — | | | | | | | | | | |
| Reinvested earnings | 507 | 508 | 397 | 398 | 398 | 398 | 368 | 368 | 368 | 368 |
| Other | 579 | 587 | 679 | 720 | 708 | 701 | 794 | 699 | 737 | 700 |
| Labour and other income | 79 | 77 | 79 | 83 | 106 | 294 | 272 | 122 | 121 | 131 |
| <i>Total income credits</i> | <i>1,165</i> | <i>1,172</i> | <i>1,155</i> | <i>1,201</i> | <i>1,212</i> | <i>1,393</i> | <i>1,434</i> | <i>1,189</i> | <i>1,226</i> | <i>1,199</i> |
| <i>Debits —</i> | | | | | | | | | | |
| Property income — | | | | | | | | | | |
| Reinvested earnings | -533 | -533 | -384 | -384 | -384 | -384 | -355 | -355 | -355 | -355 |
| Other | -3,916 | -4,490 | -4,642 | -5,031 | -5,265 | -5,151 | -4,721 | -5,525 | -4,958 | -5,255 |
| Labour and other income | -81 | -82 | -85 | -84 | -105 | -151 | -128 | -126 | -125 | -133 |
| <i>Total income debits</i> | <i>-4,530</i> | <i>-5,105</i> | <i>-5,111</i> | <i>-5,499</i> | <i>-5,754</i> | <i>-5,686</i> | <i>-5,204</i> | <i>-6,006</i> | <i>-5,438</i> | <i>-5,743</i> |
| <i>Net income</i> | <i>-3,365</i> | <i>-3,933</i> | <i>-3,956</i> | <i>-4,298</i> | <i>-4,542</i> | <i>-4,293</i> | <i>-3,770</i> | <i>-4,817</i> | <i>-4,212</i> | <i>-4,544</i> |
| <i>Unrequited transfers —</i> | | | | | | | | | | |
| Credits | 1,084 | 1,171 | 1,238 | 1,038 | 1,151 | 1,090 | 1,183 | 1,183 | 1,196 | 1,153 |
| Debits | -506 | -512 | -528 | -535 | -587 | -525 | -576 | -573 | -543 | -555 |
| <i>Net unrequited transfers</i> | <i>578</i> | <i>659</i> | <i>710</i> | <i>503</i> | <i>564</i> | <i>565</i> | <i>607</i> | <i>610</i> | <i>653</i> | <i>598</i> |
| Balance on current account | -5,087 | -5,917 | -6,087 | -5,780 | -6,050 | -4,338 | -4,231 | -4,473 | -3,480 | -3,465 |

(a) Balance of payments basis.

TABLE 4. CAPITAL ACCOUNT — SUMMARY
(\$ million)

| | Year | | | Quarters ended | | | | | | | | | |
|--|----------------|---------------|---------------|----------------|---------------|---------------|--------------|---------------|---------------|--------------|---------------|---------------|--------------|
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | 1989-90 | | | | 1990-91 | | | |
| | | | | 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 | 3,221 | 2,734 | -1,837 | 2,261 | -1,367 | 949 | 1,366 | 783 | -364 | -595 | -1,559 | 1,014 | -697 |
| Other | -188 | -74 | -5 | -24 | -133 | — | -2 | -27 | -45 | -41 | -23 | -37 | 96 |
| Total | 3,033 | 2,660 | -1,842 | 2,237 | -1,500 | 949 | 1,364 | 756 | -409 | -636 | -1,582 | 977 | -601 |
| <i>Australian investment abroad</i> | -359 | -86 | 13 | -80 | 11 | 61 | -607 | 430 | 30 | 207 | -88 | -525 | 419 |
| Total general government | 2,674 | 2,574 | -1,829 | 2,157 | -1,489 | 1,010 | 757 | 1,186 | -379 | -429 | -1,670 | 452 | -182 |
| <i>Reserve Bank —</i> | | | | | | | | | | | | | |
| <i>Foreign investment in Australia</i> | — | 24 | -22 | -18 | -10 | — | -6 | -4 | 34 | -23 | 11 | 87 | -97 |
| <i>Australian investment abroad —</i> | | | | | | | | | | | | | |
| Reserve assets | -873 | -2,156 | -1,446 | 250 | 45 | -672 | -424 | 822 | -1,882 | -74 | -1,102 | 102 | -372 |
| Other | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Total | -873 | -2,156 | -1,446 | 250 | 45 | -672 | -424 | 822 | -1,882 | -74 | -1,102 | 102 | -372 |
| Total Reserve Bank | -873 | -2,132 | -1,468 | 232 | 35 | -672 | -430 | 818 | -1,848 | -97 | -1,091 | 189 | -469 |
| Total official | 1,801 | 442 | -3,297 | 2,389 | -1,454 | 338 | 327 | 2,004 | -2,227 | -526 | -2,761 | 641 | -651 |
| <i>Non official —</i> | | | | | | | | | | | | | |
| <i>Foreign investment in Australia —</i> | | | | | | | | | | | | | |
| <i>Direct investment —</i> | | | | | | | | | | | | | |
| Reinvestment of earnings | 2,131 | 1,536 | 1,420 | 533 | 533 | 384 | 384 | 384 | 384 | 355 | 355 | 355 | 355 |
| Other | 9,556 | 5,144 | 7,178 | 1,968 | 2,724 | 1,425 | 1,364 | 1,721 | 634 | 2,120 | 3,087 | 1,204 | 767 |
| Portfolio & other investment | 16,487 | 11,116 | 9,511 | 6,050 | 2,975 | 4,401 | 2,677 | 4,802 | -764 | 2,086 | 1,034 | 3,950 | 2,441 |
| Total foreign investment in Australia | 28,174 | 17,796 | 18,109 | 8,551 | 6,232 | 6,210 | 4,425 | 6,907 | 254 | 4,561 | 4,476 | 5,509 | 3,563 |
| <i>Australian investment abroad —</i> | | | | | | | | | | | | | |
| <i>Direct investment —</i> | | | | | | | | | | | | | |
| Reinvestment of earnings | -2,029 | -1,591 | -1,472 | -507 | -508 | -397 | -398 | -398 | -398 | -368 | -368 | -368 | -368 |
| Other | -4,169 | -1,220 | 904 | -1,293 | -1,337 | -944 | 1,475 | -3,051 | 1,300 | 1,485 | -535 | -197 | 151 |
| Portfolio & other investment | -5,219 | -892 | -918 | -1,796 | -2,172 | -136 | -1,406 | -998 | 1,648 | 947 | -671 | -508 | -686 |
| Total Australian investment abroad | -11,417 | -3,703 | -1,486 | -3,596 | -4,017 | -1,477 | -329 | -4,447 | 2,550 | 2,064 | -1,574 | -1,073 | -903 |
| Total non-official | 16,757 | 14,093 | 16,623 | 4,955 | 2,215 | 4,733 | 4,096 | 2,460 | 2,804 | 6,625 | 2,902 | 4,436 | 2,660 |
| Balance on capital account | 18,558 | 14,535 | 13,326 | 7,344 | 761 | 5,071 | 4,423 | 4,464 | 577 | 6,099 | 141 | 5,077 | 2,009 |
| <i>Balancing item</i> | -18 | 7,745 | 2,382 | -2,608 | 4,648 | 1,655 | 1,467 | 1,338 | 3,285 | -1,332 | 4,414 | -1,740 | 1,040 |

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

| | (\$million) | | | | | | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Year | | | Quarters ended | | | | | | | | | |
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | 1989-90 | | | | 1990-91 | | | |
| | | | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June | |
| At current prices | | | | | | | | | | | | | |
| Merchandise exports fob | 43,073 | 47,815 | 51,793 | 10,435 | 11,911 | 11,732 | 11,899 | 11,722 | 12,462 | 12,405 | 13,214 | 12,748 | 13,426 |
| Services, credits | 10,910 | 11,799 | 13,268 | 2,872 | 2,614 | 2,604 | 2,808 | 3,352 | 3,035 | 3,140 | 3,348 | 3,578 | 3,202 |
| <i>Total exports of goods and services</i> | <i>53,983</i> | <i>59,614</i> | <i>65,061</i> | <i>13,307</i> | <i>14,525</i> | <i>14,336</i> | <i>14,707</i> | <i>15,074</i> | <i>15,497</i> | <i>15,545</i> | <i>16,562</i> | <i>16,326</i> | <i>16,628</i> |
| Merchandise imports fob | -47,032 | -50,991 | -49,250 | -11,511 | -12,697 | -13,897 | -12,943 | -12,686 | -11,465 | -12,805 | -12,912 | -11,948 | -11,585 |
| Services, debits | -14,070 | -16,212 | -16,723 | -3,582 | -3,885 | -4,130 | -3,924 | -3,994 | -4,164 | -4,540 | -4,094 | -3,981 | -4,108 |
| <i>Total imports of goods and services</i> | <i>-61,102</i> | <i>-67,203</i> | <i>-65,973</i> | <i>-15,093</i> | <i>-16,582</i> | <i>-18,027</i> | <i>-16,867</i> | <i>-16,680</i> | <i>-15,629</i> | <i>-17,345</i> | <i>-17,006</i> | <i>-15,929</i> | <i>-15,693</i> |
| At average 1984-85 prices | | | | | | | | | | | | | |
| Merchandise exports fob | 34,772 | 37,861 | 43,314 | 8,378 | 9,185 | 9,080 | 9,410 | 9,417 | 9,954 | 10,303 | 10,708 | 10,665 | 11,638 |
| Services, credits | 8,485 | 8,572 | 9,148 | 2,223 | 2,023 | 1,949 | 2,056 | 2,407 | 2,160 | 2,207 | 2,258 | 2,419 | 2,264 |
| <i>Total exports of goods and services</i> | <i>43,257</i> | <i>46,433</i> | <i>52,462</i> | <i>10,601</i> | <i>11,208</i> | <i>11,029</i> | <i>11,466</i> | <i>11,824</i> | <i>12,114</i> | <i>12,510</i> | <i>12,966</i> | <i>13,084</i> | <i>13,902</i> |
| Merchandise imports fob | -41,314 | -43,274 | -41,957 | -10,436 | -11,048 | -11,515 | -11,126 | -10,785 | -9,848 | -11,137 | -10,747 | -9,863 | -10,210 |
| Services, debits | -11,724 | -12,537 | -11,861 | -3,039 | -3,130 | -3,283 | -3,108 | -3,058 | -3,088 | -3,368 | -2,800 | -2,759 | -2,934 |
| <i>Total imports of goods and services</i> | <i>-53,038</i> | <i>-55,811</i> | <i>-53,818</i> | <i>-13,475</i> | <i>-14,178</i> | <i>-14,798</i> | <i>-14,234</i> | <i>-13,843</i> | <i>-12,936</i> | <i>-14,505</i> | <i>-13,547</i> | <i>-12,622</i> | <i>-13,144</i> |
| At current prices — seasonally adjusted | | | | | | | | | | | | | |
| Merchandise exports fob | .. | .. | .. | 10,652 | 11,605 | 11,787 | 11,811 | 12,080 | 12,175 | 12,331 | 13,124 | 13,203 | 13,150 |
| Services, credits | .. | .. | .. | 2,640 | 2,786 | 2,749 | 2,749 | 3,060 | 3,271 | 3,328 | 3,254 | 3,280 | 3,469 |
| <i>Total exports of goods and services</i> | .. | .. | .. | <i>13,292</i> | <i>14,391</i> | <i>14,536</i> | <i>14,560</i> | <i>15,140</i> | <i>15,446</i> | <i>15,659</i> | <i>16,378</i> | <i>16,483</i> | <i>16,619</i> |
| Merchandise imports fob | .. | .. | .. | -11,924 | -13,117 | -13,420 | -12,564 | -13,129 | -11,861 | -12,367 | -12,492 | -12,345 | -11,993 |
| Services, debits | .. | .. | .. | -3,668 | -3,917 | -3,957 | -3,981 | -4,083 | -4,195 | -4,360 | -4,152 | -4,059 | -4,145 |
| <i>Total imports of goods and services</i> | .. | .. | .. | <i>-15,592</i> | <i>-17,034</i> | <i>-17,377</i> | <i>-16,545</i> | <i>-17,212</i> | <i>-16,056</i> | <i>-16,727</i> | <i>-16,644</i> | <i>-16,404</i> | <i>-16,138</i> |
| At average 1984-85 prices — seasonally adjusted | | | | | | | | | | | | | |
| Merchandise exports fob | .. | .. | .. | 8,618 | 8,970 | 9,101 | 9,324 | 9,689 | 9,750 | 10,280 | 10,644 | 10,970 | 11,410 |
| Services, credits | .. | .. | .. | 2,065 | 2,135 | 2,038 | 2,028 | 2,220 | 2,303 | 2,317 | 2,212 | 2,240 | 2,427 |
| <i>Total exports of goods and services</i> | .. | .. | .. | <i>10,683</i> | <i>11,105</i> | <i>11,139</i> | <i>11,352</i> | <i>11,909</i> | <i>12,053</i> | <i>12,597</i> | <i>12,856</i> | <i>13,210</i> | <i>13,837</i> |
| Merchandise imports fob | .. | .. | .. | -10,803 | -11,343 | -11,192 | -10,784 | -11,165 | -10,123 | -10,833 | -10,389 | -10,198 | -10,492 |
| Services, debits | .. | .. | .. | -3,097 | -3,160 | -3,128 | -3,176 | -3,117 | -3,116 | -3,223 | -2,865 | -2,810 | -2,968 |
| <i>Total imports of goods and services</i> | .. | .. | .. | <i>-13,900</i> | <i>-14,503</i> | <i>-14,320</i> | <i>-13,960</i> | <i>-14,282</i> | <i>-13,239</i> | <i>-14,056</i> | <i>-13,254</i> | <i>-13,008</i> | <i>-13,460</i> |

TABLE 6. EXPORTS AND IMPORTS OF GOODS AND SERVICES — IMPLICIT PRICE DEFLATORS, FIXED-WEIGHTED INDEXES AND TERMS OF TRADE (a)

| | Year | | | Quarters ended | | | | | | | | | |
|--|---------|---------|---------|----------------|-------|---------|-------|---------|-------|-------|-------|-------|-------|
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | 1989-90 | | 1990-91 | | | | | |
| | | | | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| Implicit price deflators | | | | | | | | | | | | | |
| <i>Merchandise exports</i> | | | | | | | | | | | | | |
| Rural exports fob | 142.1 | 139.2 | 118.9 | 141.0 | 142.5 | 142.6 | 140.0 | 138.5 | 136.9 | 126.9 | 122.3 | 117.2 | 111.7 |
| Non-rural exports fob | 115.3 | 121.0 | 119.8 | 115.7 | 122.9 | 123.4 | 121.2 | 119.2 | 120.4 | 117.3 | 123.6 | 121.4 | 116.7 |
| <i>Total exports fob</i> | 123.9 | 126.3 | 119.6 | 123.6 | 129.4 | 129.5 | 126.7 | 124.7 | 124.9 | 120.0 | 123.3 | 120.4 | 115.2 |
| <i>Services, credits</i> | 128.6 | 137.6 | 145.0 | 127.8 | 130.5 | 134.9 | 135.6 | 137.8 | 142.0 | 143.6 | 147.1 | 146.4 | 142.9 |
| <i>Total exports of goods and services</i> | 124.8 | 128.4 | 124.0 | 124.4 | 129.6 | 130.5 | 128.3 | 127.1 | 128.2 | 124.3 | 127.4 | 124.8 | 120.1 |
| <i>Merchandise imports fob (b)</i> | | | | | | | | | | | | | |
| Exogenous imports fob | 73.0 | 84.9 | 101.1 | 64.6 | 76.7 | 86.1 | 79.3 | 89.4 | 84.4 | 88.1 | 120.0 | 107.7 | 87.8 |
| Endogenous imports fob | 120.4 | 122.8 | 119.9 | 118.0 | 122.0 | 125.8 | 121.9 | 121.5 | 121.7 | 118.8 | 120.3 | 123.2 | 117.7 |
| <i>Total imports fob</i> | 113.8 | 117.8 | 117.4 | 110.4 | 115.6 | 119.9 | 116.5 | 117.6 | 117.2 | 114.2 | 120.2 | 121.1 | 114.3 |
| <i>Services, debits (b)</i> | 120.0 | 129.3 | 141.0 | 118.4 | 124.0 | 126.5 | 125.3 | 131.0 | 134.6 | 135.3 | 144.9 | 144.4 | 139.7 |
| <i>Total imports of goods and services</i> | 115.2 | 120.4 | 122.6 | 112.2 | 117.5 | 121.3 | 118.5 | 120.5 | 121.3 | 119.0 | 125.6 | 126.1 | 119.9 |
| Fixed-weighted indexes (c) | | | | | | | | | | | | | |
| <i>Merchandise exports fob</i> | 122.2 | 128.9 | 120.4 | 122.1 | 129.1 | 130.1 | 127.3 | 128.4 | 129.9 | 122.7 | 123.2 | 121.1 | 114.7 |
| <i>Services, credits</i> | 126.7 | 134.1 | 141.1 | 127.9 | 127.9 | 131.1 | 133.4 | 134.5 | 137.3 | 138.8 | 143.5 | 142.1 | 140.1 |
| <i>Total exports of goods and services</i> | 122.9 | 129.8 | 123.7 | 123.0 | 128.9 | 130.3 | 128.3 | 129.4 | 131.1 | 125.3 | 126.4 | 124.4 | 118.8 |
| <i>Merchandise imports fob (b)</i> | 121.8 | 127.1 | 129.3 | 118.7 | 124.4 | 128.2 | 125.7 | 126.9 | 127.4 | 124.6 | 131.1 | 132.4 | 129.0 |
| <i>Services, debits (b)</i> | 120.3 | 129.6 | 141.8 | 117.9 | 124.5 | 125.9 | 127.2 | 131.2 | 134.1 | 135.2 | 147.7 | 144.7 | 139.4 |
| <i>Total imports of goods and services (b)</i> | 121.4 | 127.7 | 132.3 | 118.5 | 124.4 | 127.7 | 126.1 | 127.9 | 129.0 | 127.1 | 135.1 | 135.3 | 131.5 |
| Terms of trade | | | | | | | | | | | | | |
| <i>Merchandise trade (d)</i> | 108.9 | 107.2 | 101.9 | 112.0 | 111.9 | 108.0 | 108.8 | 106.0 | 106.6 | 105.1 | 102.6 | 99.4 | 100.8 |
| <i>Services (e)</i> | 107.2 | 106.4 | 102.8 | 107.9 | 105.2 | 106.6 | 108.2 | 105.2 | 105.5 | 106.1 | 101.5 | 101.4 | 102.3 |
| <i>Goods and services (f)</i> | 108.3 | 106.6 | 101.1 | 110.9 | 110.3 | 107.6 | 108.3 | 105.5 | 105.7 | 104.5 | 101.4 | 99.0 | 100.2 |
| Terms of trade — trend estimates (g) | | | | | | | | | | | | | |
| <i>Merchandise trade</i> | .. | .. | .. | 110.3 | 111.0 | 109.7 | 107.8 | 106.9 | 106.2 | 104.6 | 102.6 | 100.8 | 99.5 |
| <i>Services</i> | .. | .. | .. | 107.4 | 106.6 | 106.6 | 106.7 | 106.5 | 105.7 | 104.3 | 102.9 | 101.8 | 101.2 |
| <i>Goods and services</i> | .. | .. | .. | 109.6 | 109.9 | 108.9 | 107.3 | 106.4 | 105.5 | 103.7 | 101.8 | 100.1 | 99.0 |

(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) 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. (d) Derived by dividing the implicit price deflator (IPD) for merchandise exports fob by the IPD for merchandise imports fob. (e) Derived by dividing the IPD for services, credits by the IPD for services, debits. (f) Derived by dividing the IPD for total exports of goods and services by the IPD for total imports of goods and services. (g) Derived by smoothing the terms of trade series using a tailored seven term Henderson moving average.

TABLE 7. MERCHANDISE (BALANCE OF PAYMENTS BASIS)
(\$ million)

| | Year | | | Quarters ended | | | | | | | | | |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | 1989-90 | | | | 1990-91 | | | |
| | | | | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| Exports fob (a) — | | | | | | | | | | | | | |
| <i>Rural exports fob —</i> | | | | | | | | | | | | | |
| Meat & meat preparations | 2,249 | 2,913 | 3,176 | 481 | 633 | 699 | 776 | 709 | 729 | 801 | 839 | 706 | 830 |
| Cereal grains & cereal preparations | 2,738 | 3,201 | 2,400 | 719 | 1,065 | 708 | 599 | 1,033 | 861 | 537 | 521 | 670 | 672 |
| Sugar, sugar preparations & honey | 891 | 1,037 | 876 | 155 | 226 | 408 | 273 | 189 | 167 | 398 | 246 | 142 | 90 |
| Wool and sheepskins | 5,975 | 3,865 | 2,797 | 1,717 | 1,439 | 944 | 1,080 | 952 | 889 | 577 | 670 | 706 | 844 |
| Other rural | 3,979 | 4,289 | 4,621 | 889 | 1,049 | 1,170 | 996 | 1,002 | 1,121 | 1,230 | 1,040 | 996 | 1,355 |
| Total rural | 15,832 | 15,305 | 13,870 | 3,961 | 4,412 | 3,929 | 3,724 | 3,885 | 3,767 | 3,543 | 3,316 | 3,220 | 3,791 |
| <i>Non-rural exports fob —</i> | | | | | | | | | | | | | |
| Metal ores & minerals | 6,582 | 7,560 | 8,051 | 1,635 | 2,001 | 1,846 | 1,831 | 1,789 | 2,094 | 2,084 | 2,095 | 1,849 | 2,023 |
| Mineral fuels — | | | | | | | | | | | | | |
| Coal, coke and briquettes | 4,737 | 5,906 | 6,486 | 1,100 | 1,299 | 1,412 | 1,435 | 1,436 | 1,623 | 1,451 | 1,571 | 1,661 | 1,803 |
| Other mineral fuels | 1,258 | 2,077 | 3,561 | 271 | 352 | 371 | 432 | 641 | 633 | 745 | 994 | 1,047 | 775 |
| Metals — | | | | | | | | | | | | | |
| Gold | 2,731 | 3,114 | 3,918 | 745 | 613 | 636 | 828 | 834 | 816 | 784 | 1,258 | 1,023 | 853 |
| Other metals | 4,675 | 4,672 | 4,735 | 1,074 | 1,316 | 1,204 | 1,189 | 1,101 | 1,178 | 1,191 | 1,217 | 1,140 | 1,187 |
| Machinery | 1,870 | 2,452 | 3,090 | 405 | 508 | 580 | 658 | 551 | 663 | 730 | 817 | 717 | 826 |
| Transport equipment | 886 | 1,143 | 1,902 | 231 | 266 | 291 | 281 | 245 | 326 | 393 | 359 | 658 | 492 |
| Manufactures nec | 3,277 | 4,030 | 4,386 | 714 | 869 | 984 | 1,150 | 877 | 1,019 | 1,055 | 1,167 | 990 | 1,174 |
| Other non-rural | 1,225 | 1,556 | 1,794 | 299 | 275 | 479 | 371 | 363 | 343 | 429 | 420 | 443 | 502 |
| Total non-rural | 27,241 | 32,510 | 37,923 | 6,474 | 7,499 | 7,803 | 8,175 | 7,837 | 8,695 | 8,862 | 9,898 | 9,528 | 9,635 |
| Total exports fob | 43,073 | 47,815 | 51,793 | 10,435 | 11,911 | 11,732 | 11,899 | 11,722 | 12,462 | 12,405 | 13,214 | 12,748 | 13,426 |
| Imports fob (a) — | | | | | | | | | | | | | |
| Food, beverages & tobacco | -2,200 | -2,285 | -2,322 | -584 | -550 | -584 | -581 | -588 | -532 | -578 | -608 | -559 | -577 |
| Fuels | -2,014 | -2,520 | -3,146 | -561 | -747 | -632 | -697 | -601 | -590 | -543 | -1,059 | -895 | -649 |
| Chemicals (including plastics) | -4,973 | -5,203 | -5,128 | -1,211 | -1,341 | -1,334 | -1,248 | -1,327 | -1,294 | -1,259 | -1,217 | -1,297 | -1,355 |
| Textiles, fabrics etc | -2,002 | -1,946 | -1,829 | -473 | -514 | -554 | -489 | -461 | -442 | -493 | -447 | -432 | -457 |
| Metals & metal manufactures | -2,625 | -2,764 | -2,484 | -657 | -757 | -770 | -784 | -634 | -576 | -632 | -612 | -631 | -609 |
| Machinery | -13,793 | -15,522 | -14,223 | -3,304 | -3,799 | -4,065 | -4,014 | -3,895 | -3,548 | -3,632 | -3,689 | -3,401 | -3,501 |
| Transport equipment — | | | | | | | | | | | | | |
| Civil aircraft | -837 | -1,247 | -1,519 | -149 | -135 | -489 | -173 | -373 | -212 | -560 | -423 | -366 | -170 |
| Road vehicles | -4,790 | -5,049 | -4,485 | -1,240 | -1,389 | -1,491 | -1,220 | -1,241 | -1,097 | -1,270 | -1,206 | -1,047 | -962 |
| Other transport equipment | -1,222 | -1,463 | -1,681 | -280 | -328 | -504 | -419 | -307 | -233 | -411 | -534 | -305 | -431 |
| Total | -6,849 | -7,759 | -7,685 | -1,669 | -1,852 | -2,484 | -1,812 | -1,921 | -1,542 | -2,241 | -2,163 | -1,718 | -1,563 |
| Manufactures nec | -9,766 | -10,308 | -10,108 | -2,399 | -2,454 | -2,785 | -2,639 | -2,592 | -2,292 | -2,691 | -2,587 | -2,507 | -2,323 |
| Other imports | -2,810 | -2,684 | -2,325 | -653 | -683 | -689 | -679 | -667 | -649 | -736 | -530 | -508 | -551 |
| Total imports fob | -47,032 | -50,991 | -49,250 | -11,511 | -12,697 | -13,897 | -12,943 | -12,686 | -11,465 | -12,805 | -12,912 | -11,948 | -11,585 |
| <i>Of which —</i> | | | | | | | | | | | | | |
| <i>Exogenous</i> | -4,186 | -4,770 | -5,647 | -994 | -1,254 | -1,378 | -1,118 | -1,214 | -1,060 | -1,380 | -1,698 | -1,484 | -1,085 |
| <i>Endogenous —</i> | | | | | | | | | | | | | |
| Consumption goods | -11,432 | -12,125 | -12,209 | -2,903 | -2,876 | -3,377 | -3,185 | -2,935 | -2,628 | -3,245 | -3,290 | -2,904 | -2,770 |
| Capital goods | -10,583 | -11,743 | -10,587 | -2,562 | -2,883 | -3,316 | -2,974 | -2,845 | -2,608 | -2,770 | -2,930 | -2,456 | -2,431 |
| Other goods | -20,831 | -22,353 | -20,807 | -5,052 | -5,684 | -5,826 | -5,666 | -5,692 | -5,169 | -5,410 | -4,994 | -5,104 | -5,299 |
| Total endogenous | -42,846 | -46,221 | -43,603 | -10,517 | -11,443 | -12,519 | -11,825 | -11,472 | -10,405 | -11,425 | -11,214 | -10,464 | -10,500 |
| Balance on merchandise trade | -3,959 | -3,176 | 2,543 | -1,076 | -786 | -2,165 | -1,044 | -964 | 997 | -400 | 302 | 800 | 1,841 |

(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 | | | | | | | | | |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|----------------|----------------|---------------|----------------|
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | 1989-90 | | | 1990-91 | | | | |
| | | | | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| Exports fob (a) — | | | | | | | | | | | | | |
| <i>Rural exports fob —</i> | | | | | | | | | | | | | |
| Meat & meat preparations | 1,866 | 2,240 | 2,533 | 420 | 513 | 529 | 584 | 547 | 580 | 645 | 669 | 569 | 650 |
| Cereal grains & cereal preparations | 2,542 | 2,676 | 2,850 | 662 | 889 | 583 | 510 | 855 | 728 | 540 | 574 | 886 | 850 |
| Sugar, sugar preparations & honey | 675 | 657 | 591 | 122 | 153 | 262 | 174 | 122 | 99 | 252 | 172 | 101 | 66 |
| Wool and sheepskins | 2,916 | 2,215 | 2,175 | 838 | 740 | 527 | 635 | 541 | 512 | 392 | 481 | 499 | 803 |
| Other rural | 3,140 | 3,210 | 3,520 | 707 | 802 | 893 | 755 | 728 | 834 | 953 | 803 | 736 | 1,028 |
| Total rural | 11,139 | 10,998 | 11,669 | 2,749 | 3,097 | 2,794 | 2,658 | 2,793 | 2,753 | 2,782 | 2,699 | 2,791 | 3,397 |
| <i>Non-rural exports fob —</i> | | | | | | | | | | | | | |
| Metal ores & minerals | 5,311 | 5,224 | 5,741 | 1,262 | 1,411 | 1,301 | 1,296 | 1,248 | 1,379 | 1,445 | 1,519 | 1,296 | 1,481 |
| <i>Mineral fuels —</i> | | | | | | | | | | | | | |
| Coal, coke and briquettes | 5,319 | 5,671 | 6,135 | 1,280 | 1,363 | 1,362 | 1,394 | 1,387 | 1,528 | 1,402 | 1,484 | 1,553 | 1,696 |
| Other mineral fuels | 2,250 | 3,235 | 4,105 | 489 | 545 | 596 | 681 | 1,008 | 950 | 1,075 | 972 | 1,058 | 1,000 |
| <i>Metals —</i> | | | | | | | | | | | | | |
| Gold | 2,060 | 2,335 | 3,110 | 592 | 471 | 490 | 633 | 590 | 622 | 619 | 980 | 810 | 701 |
| Other metals | 2,856 | 3,178 | 3,546 | 664 | 786 | 732 | 799 | 792 | 855 | 902 | 872 | 854 | 918 |
| Machinery | 1,664 | 2,233 | 2,856 | 365 | 446 | 511 | 606 | 493 | 623 | 665 | 733 | 697 | 761 |
| Transport equipment | 839 | 1,021 | 1,669 | 218 | 241 | 262 | 256 | 217 | 286 | 350 | 318 | 575 | 426 |
| Manufactures nec | 2,391 | 2,895 | 3,192 | 536 | 630 | 705 | 829 | 633 | 728 | 763 | 835 | 718 | 876 |
| Other non-rural | 943 | 1,071 | 1,291 | 223 | 195 | 327 | 258 | 256 | 230 | 300 | 296 | 313 | 382 |
| Total non-rural | 23,633 | 26,863 | 31,645 | 5,629 | 6,088 | 6,286 | 6,752 | 6,624 | 7,201 | 7,521 | 8,009 | 7,874 | 8,241 |
| Total exports fob | 34,772 | 37,861 | 43,314 | 8,378 | 9,185 | 9,080 | 9,410 | 9,417 | 9,954 | 10,303 | 10,708 | 10,665 | 11,638 |
| Imports fob (a) — | | | | | | | | | | | | | |
| Food, beverages & tobacco | -1,943 | -1,991 | -2,026 | -528 | -481 | -501 | -514 | -513 | -463 | -507 | -521 | -492 | -506 |
| Fuels | -3,621 | -3,602 | -3,450 | -1,107 | -1,189 | -913 | -1,028 | -815 | -846 | -798 | -880 | -873 | -899 |
| Chemicals (including plastics) | -3,779 | -4,016 | -3,979 | -928 | -1,021 | -994 | -979 | -1,038 | -1,005 | -1,020 | -963 | -972 | -1,024 |
| Textiles, fabrics etc | -1,572 | -1,455 | -1,388 | -380 | -399 | -413 | -369 | -347 | -326 | -375 | -334 | -328 | -351 |
| Metals & metal manufactures | -1,813 | -1,830 | -1,659 | -461 | -505 | -501 | -521 | -423 | -385 | -427 | -410 | -418 | -404 |
| Machinery | -13,828 | -15,299 | -14,851 | -3,371 | -3,780 | -3,862 | -3,970 | -3,854 | -3,613 | -3,802 | -3,787 | -3,396 | -3,866 |
| Transport equipment | -5,152 | -5,626 | -5,601 | -1,278 | -1,334 | -1,809 | -1,313 | -1,407 | -1,097 | -1,686 | -1,598 | -1,232 | -1,085 |
| Manufactures nec | -7,416 | -7,443 | -7,186 | -1,865 | -1,815 | -2,014 | -1,925 | -1,878 | -1,626 | -1,955 | -1,832 | -1,754 | -1,645 |
| Other imports | -2,190 | -2,012 | -1,817 | -518 | -524 | -508 | -507 | -510 | -487 | -567 | -422 | -398 | -430 |
| Total imports fob | -41,314 | -43,274 | -41,957 | -10,436 | -11,048 | -11,515 | -11,126 | -10,785 | -9,848 | -11,137 | -10,747 | -9,863 | -10,210 |
| <i>Of which—</i> | | | | | | | | | | | | | |
| <i>Exogenous</i> | -5,731 | -5,621 | -5,584 | -1,536 | -1,644 | -1,585 | -1,417 | -1,355 | -1,264 | -1,547 | -1,415 | -1,377 | -1,245 |
| <i>Endogenous —</i> | | | | | | | | | | | | | |
| Consumption goods | -8,993 | -9,265 | -9,431 | -2,338 | -2,247 | -2,538 | -2,446 | -2,280 | -2,001 | -2,524 | -2,572 | -2,204 | -2,131 |
| Capital goods | -10,042 | -11,000 | -10,381 | -2,484 | -2,710 | -2,972 | -2,830 | -2,677 | -2,521 | -2,715 | -2,792 | -2,325 | -2,549 |
| Other goods | -16,548 | -17,388 | -16,561 | -4,078 | -4,447 | -4,420 | -4,433 | -4,473 | -4,062 | -4,351 | -3,968 | -3,957 | -4,285 |
| Total endogenous | -35,583 | -37,653 | -36,373 | -8,900 | -9,404 | -9,930 | -9,709 | -9,430 | -8,584 | -9,590 | -9,332 | -8,486 | -8,965 |
| Balance on merchandise trade | -6,542 | -5,413 | 1,357 | -2,058 | -1,863 | -2,435 | -1,716 | -1,368 | 106 | -834 | -39 | 802 | 1,428 |

(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- | | | | | | | | | |
|-------------------------------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 1988-89 | | 1989-90 | | | | 1990-91 | | | |
| | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| Exports fob — | | | | | | | | | | |
| <i>Rural exports fob —</i> | | | | | | | | | | |
| Meat & meat preparations | 532 | 614 | 679 | 750 | 783 | 707 | 780 | 810 | 779 | 805 |
| Cereal grains & cereal preparations | 605 | 975 | 809 | 708 | 873 | 784 | 615 | 618 | 568 | 610 |
| Sugar, sugar preparations & honey | 214 | 246 | 293 | 283 | 261 | 183 | 284 | 256 | 196 | 99 |
| Wool and sheepskins | 1,480 | 1,387 | 1,262 | 1,023 | 823 | 854 | 773 | 634 | 611 | 810 |
| Other rural | 961 | 1,023 | 1,080 | 1,032 | 1,080 | 1,095 | 1,135 | 1,080 | 1,073 | 1,324 |
| Total rural | 3,792 | 4,245 | 4,123 | 3,796 | 3,820 | 3,623 | 3,587 | 3,398 | 3,227 | 3,648 |
| <i>Non-rural exports fob —</i> | | | | | | | | | | |
| Metal ores & minerals | 1,800 | 1,918 | 1,789 | 1,807 | 1,959 | 2,006 | 2,025 | 2,069 | 2,019 | 1,938 |
| Mineral fuels — | | | | | | | | | | |
| Coal, coke and briquettes | 1,138 | 1,287 | 1,430 | 1,383 | 1,489 | 1,604 | 1,471 | 1,514 | 1,725 | 1,780 |
| Other mineral fuels | 263 | 358 | 386 | 425 | 618 | 643 | 768 | 996 | 1,006 | 786 |
| Metals — | | | | | | | | | | |
| Gold | 711 | 584 | 684 | 850 | 786 | 793 | 841 | 1,282 | 958 | 837 |
| Other metals | 1,142 | 1,297 | 1,155 | 1,185 | 1,172 | 1,160 | 1,147 | 1,205 | 1,214 | 1,168 |
| Machinery | 460 | 501 | 564 | 610 | 625 | 655 | 710 | 758 | 813 | 817 |
| Transport equipment | 238 | 263 | 279 | 292 | 250 | 320 | 376 | 379 | 668 | 481 |
| Manufactures nec | 803 | 852 | 950 | 1,086 | 990 | 999 | 1,021 | 1,099 | 1,119 | 1,151 |
| Other non-rural | 305 | 300 | 427 | 377 | 371 | 372 | 385 | 424 | 454 | 544 |
| Total non-rural | 6,860 | 7,360 | 7,664 | 8,015 | 8,260 | 8,552 | 8,744 | 9,726 | 9,976 | 9,502 |
| Total exports fob | 10,652 | 11,605 | 11,787 | 11,811 | 12,080 | 12,175 | 12,331 | 13,124 | 13,203 | 13,150 |
| Imports fob — | | | | | | | | | | |
| Food, beverages & tobacco | -551 | -592 | -597 | -562 | -555 | -574 | -591 | -587 | -527 | -624 |
| Fuels | -568 | -714 | -687 | -662 | -615 | -558 | -601 | -992 | -920 | -611 |
| Chemicals (including plastics) | -1,242 | -1,306 | -1,301 | -1,283 | -1,359 | -1,262 | -1,229 | -1,251 | -1,327 | -1,322 |
| Textiles, fabrics etc | -518 | -516 | -512 | -486 | -504 | -444 | -455 | -445 | -472 | -459 |
| Metals & metal manufactures | -692 | -778 | -718 | -780 | -667 | -593 | -589 | -608 | -664 | -627 |
| Machinery | -3,476 | -3,846 | -3,978 | -3,860 | -4,096 | -3,591 | -3,561 | -3,543 | -3,575 | -3,542 |
| Transport equipment | -1,749 | -2,016 | -2,362 | -1,686 | -2,003 | -1,693 | -2,118 | -2,022 | -1,787 | -1,724 |
| Manufactures nec | -2,435 | -2,664 | -2,617 | -2,564 | -2,626 | -2,492 | -2,532 | -2,511 | -2,538 | -2,527 |
| Other imports | -693 | -685 | -648 | -681 | -704 | -654 | -691 | -533 | -535 | -557 |
| Total imports fob | -11,924 | -13,117 | -13,420 | -12,564 | -13,129 | -11,861 | -12,367 | -12,492 | -12,345 | -11,993 |
| <i>Of which—</i> | | | | | | | | | | |
| <i>Exogenous</i> | -1,001 | -1,221 | -1,433 | -1,083 | -1,228 | -1,028 | -1,438 | -1,631 | -1,509 | -1,047 |
| <i>Endogenous —</i> | | | | | | | | | | |
| Consumption goods | -2,930 | -3,212 | -3,208 | -3,003 | -2,955 | -2,942 | -3,085 | -3,097 | -2,920 | -3,104 |
| Capital goods | -2,716 | -2,942 | -3,235 | -2,822 | -3,018 | -2,667 | -2,702 | -2,776 | -2,606 | -2,489 |
| Other goods | -5,277 | -5,742 | -5,544 | -5,656 | -5,928 | -5,224 | -5,142 | -4,988 | -5,310 | -5,353 |
| Total endogenous | -10,923 | -11,896 | -11,987 | -11,481 | -11,901 | -10,833 | -10,929 | -10,861 | -10,836 | -10,946 |
| Balance on merchandise trade | -1,272 | -1,512 | -1,633 | -753 | -1,049 | 314 | -36 | 632 | 858 | 1,157 |

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

| | Quarters ended- | | | | | | | | | |
|-------------------------------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 1988-89 | | 1989-90 | | | | 1990-91 | | | |
| | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| Exports fob — | | | | | | | | | | |
| <i>Rural exports fob —</i> | | | | | | | | | | |
| Meat & meat preparations | 464 | 498 | 514 | 564 | 604 | 563 | 628 | 646 | 628 | 631 |
| Cereal grains & cereal preparations | 557 | 814 | 666 | 603 | 723 | 663 | 618 | 680 | 751 | 772 |
| Sugar, sugar preparations & honey | 169 | 155 | 198 | 179 | 169 | 102 | 188 | 177 | 140 | 69 |
| Wool and sheepskins | 736 | 730 | 688 | 584 | 478 | 504 | 513 | 441 | 442 | 791 |
| Other rural | 764 | 782 | 825 | 782 | 785 | 814 | 879 | 834 | 793 | 1,004 |
| <i>Total rural</i> | <i>2,690</i> | <i>2,979</i> | <i>2,891</i> | <i>2,712</i> | <i>2,759</i> | <i>2,646</i> | <i>2,826</i> | <i>2,778</i> | <i>2,754</i> | <i>3,267</i> |
| <i>Non-rural exports fob —</i> | | | | | | | | | | |
| Metal ores & minerals | 1,389 | 1,353 | 1,261 | 1,279 | 1,366 | 1,321 | 1,404 | 1,500 | 1,415 | 1,419 |
| Mineral fuels — | | | | | | | | | | |
| Coal, coke and briquettes | 1,324 | 1,351 | 1,379 | 1,343 | 1,438 | 1,511 | 1,421 | 1,430 | 1,613 | 1,675 |
| Other mineral fuels | 474 | 555 | 620 | 671 | 971 | 965 | 1,108 | 974 | 1,016 | 1,015 |
| Metals — | | | | | | | | | | |
| Gold | 565 | 448 | 527 | 650 | 556 | 604 | 664 | 999 | 758 | 688 |
| Other metals | 706 | 775 | 702 | 796 | 843 | 842 | 869 | 863 | 909 | 903 |
| Machinery | 414 | 440 | 497 | 562 | 559 | 616 | 646 | 680 | 790 | 753 |
| Transport equipment | 225 | 238 | 251 | 266 | 221 | 281 | 335 | 335 | 583 | 417 |
| Manufactures nec | 603 | 618 | 681 | 783 | 714 | 714 | 738 | 786 | 811 | 859 |
| Other non-rural | 228 | 213 | 292 | 262 | 262 | 250 | 269 | 299 | 321 | 414 |
| <i>Total non-rural</i> | <i>5,928</i> | <i>5,991</i> | <i>6,210</i> | <i>6,612</i> | <i>6,930</i> | <i>7,104</i> | <i>7,454</i> | <i>7,866</i> | <i>8,216</i> | <i>8,143</i> |
| Total exports fob | 8,618 | 8,970 | 9,101 | 9,324 | 9,689 | 9,750 | 10,280 | 10,644 | 10,970 | 11,410 |
| Imports fob — | | | | | | | | | | |
| Food, beverages & tobacco | -499 | -518 | -512 | -497 | -484 | -500 | -518 | -503 | -464 | -547 |
| Fuels | -1,121 | -1,136 | -992 | -977 | -833 | -800 | -883 | -824 | -897 | -846 |
| Chemicals (including plastics) | -952 | -994 | -969 | -1,007 | -1,063 | -980 | -995 | -990 | -994 | -999 |
| Textiles, fabrics etc | -416 | -400 | -382 | -367 | -379 | -327 | -346 | -332 | -358 | -352 |
| Metals & metal manufactures | -486 | -519 | -467 | -518 | -445 | -396 | -398 | -407 | -440 | -416 |
| Machinery | -3,547 | -3,827 | -3,780 | -3,817 | -4,053 | -3,656 | -3,728 | -3,637 | -3,570 | -3,912 |
| Transport equipment | -1,339 | -1,452 | -1,720 | -1,222 | -1,467 | -1,205 | -1,593 | -1,494 | -1,281 | -1,197 |
| Manufactures nec | -1,893 | -1,971 | -1,892 | -1,870 | -1,903 | -1,768 | -1,839 | -1,778 | -1,775 | -1,789 |
| Other imports | -550 | -526 | -478 | -509 | -538 | -491 | -533 | -424 | -419 | -434 |
| Total imports fob | -10,803 | -11,343 | -11,192 | -10,784 | -11,165 | -10,123 | -10,833 | -10,389 | -10,198 | -10,492 |
| <i>Of which —</i> | | | | | | | | | | |
| <i>Exogenous</i> | <i>-1,550</i> | <i>-1,591</i> | <i>-1,664</i> | <i>-1,366</i> | <i>-1,373</i> | <i>-1,218</i> | <i>-1,632</i> | <i>-1,359</i> | <i>-1,401</i> | <i>-1,192</i> |
| <i>Endogenous —</i> | | | | | | | | | | |
| Consumption goods | -2,360 | -2,510 | -2,411 | -2,306 | -2,296 | -2,240 | -2,399 | -2,421 | -2,216 | -2,388 |
| Capital goods | -2,634 | -2,766 | -2,900 | -2,685 | -2,840 | -2,578 | -2,648 | -2,645 | -2,467 | -2,610 |
| Other goods | -4,259 | -4,476 | -4,217 | -4,427 | -4,656 | -4,087 | -4,154 | -3,964 | -4,114 | -4,302 |
| <i>Total endogenous</i> | <i>-9,253</i> | <i>-9,752</i> | <i>-9,528</i> | <i>-9,418</i> | <i>-9,792</i> | <i>-8,905</i> | <i>-9,201</i> | <i>-9,030</i> | <i>-8,797</i> | <i>-9,300</i> |
| Balance on merchandise trade | -2,185 | -2,373 | -2,091 | -1,460 | -1,476 | -373 | -553 | 255 | 772 | 918 |

TABLE 11. MERCHANDISE — COMPARISON WITH FOREIGN TRADE STATISTICS
(\$ million)

| | Year | | | Quarters ended | | | | | | | | | |
|--|---------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | 1989-90 | | 1990-91 | | | | | |
| | | | | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| Exports — | | | | | | | | | | | | | |
| Foreign trade statistics(a) | 43,529 | 49,237 | 52,357 | 10,510 | 12,052 | 11,990 | 12,358 | 12,036 | 12,853 | 12,629 | 13,460 | 12,808 | 13,460 |
| Adjustments — | | | | | | | | | | | | | |
| Coverage(b) | -424 | -574 | -599 | -85 | -114 | -176 | -137 | -142 | -119 | -115 | -160 | -204 | -120 |
| Timing | -32 | -848 | 35 | 10 | -27 | -82 | -322 | -172 | -272 | -109 | -86 | 144 | 86 |
| Merchandise exports (balance of payments basis) | 43,073 | 47,815 | 51,793 | 10,435 | 11,911 | 11,732 | 11,899 | 11,722 | 12,462 | 12,405 | 13,214 | 12,748 | 13,426 |
| Imports — | | | | | | | | | | | | | |
| Foreign trade statistics(a) | 47,039 | 51,332 | 48,922 | 12,110 | 12,856 | 13,442 | 13,319 | 12,704 | 11,867 | 12,331 | 12,903 | 12,113 | 11,575 |
| Adjustments — | | | | | | | | | | | | | |
| Coverage(b) | -82 | -14 | 69 | -86 | 12 | -35 | 3 | 15 | 3 | 7 | 21 | 19 | 22 |
| Timing | 72 | -338 | 285 | -519 | -173 | 489 | -391 | -35 | -401 | 466 | -10 | -171 | — |
| Valuation | 3 | 11 | -26 | 6 | 2 | 1 | 12 | 2 | -4 | 1 | -2 | -13 | -12 |
| Merchandise imports (balance of payments basis) (c) | 47,032 | 50,991 | 49,250 | 11,511 | 12,697 | 13,897 | 12,943 | 12,686 | 11,465 | 12,805 | 12,912 | 11,948 | 11,585 |

(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. SERVICES CREDITS
(\$million)

| | Year | | | Quarters ended | | | | | | | | | |
|--|---------------|---------------|---------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | 1989-90 | | 1990-91 | | | | | |
| | | | | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| <i>Shipment —</i> | | | | | | | | | | | | | |
| Freight on exports | 543 | 523 | 593 | 140 | 144 | 141 | 126 | 118 | 138 | 147 | 149 | 144 | 153 |
| Insurance on exports | 11 | 12 | 12 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| <i>Total</i> | 554 | 535 | 605 | 143 | 147 | 144 | 129 | 121 | 141 | 150 | 152 | 147 | 156 |
| <i>Other transportation —</i> | | | | | | | | | | | | | |
| Passenger services | 1,531 | 1,504 | 1,810 | 398 | 332 | 342 | 355 | 442 | 365 | 394 | 496 | 516 | 404 |
| Port services etc | 1,678 | 1,942 | 2,176 | 407 | 439 | 456 | 472 | 497 | 517 | 531 | 566 | 539 | 540 |
| <i>Total</i> | 3,209 | 3,446 | 3,986 | 805 | 771 | 798 | 827 | 939 | 882 | 925 | 1,062 | 1,055 | 944 |
| <i>Travel</i> | | | | | | | | | | | | | |
| Students' expenditure | 646 | 829 | 857 | 303 | 99 | 117 | 158 | 396 | 158 | 175 | 96 | 394 | 192 |
| Other | 3,684 | 3,634 | 4,097 | 893 | 773 | 754 | 886 | 1,082 | 912 | 969 | 1,104 | 1,076 | 948 |
| <i>Total</i> | 4,330 | 4,463 | 4,954 | 1,196 | 872 | 871 | 1,044 | 1,478 | 1,070 | 1,144 | 1,200 | 1,470 | 1,140 |
| <i>Other services —</i> | | | | | | | | | | | | | |
| Official | 249 | 274 | 280 | 64 | 91 | 31 | 84 | 69 | 90 | 65 | 74 | 44 | 97 |
| <i>Non-official —</i> | | | | | | | | | | | | | |
| Expenditure of foreign govts | 87 | 97 | 88 | 19 | 23 | 30 | 23 | 22 | 22 | 23 | 22 | 22 | 21 |
| Expenditure of foreign govt employees | 76 | 73 | 72 | 19 | 19 | 19 | 18 | 18 | 18 | 18 | 18 | 18 | 18 |
| Expenditure of resident entity employees | 221 | 354 | 439 | 74 | 60 | 64 | 73 | 97 | 120 | 104 | 117 | 118 | 100 |
| Financial services | 192 | 216 | 225 | 46 | 75 | 69 | 48 | 42 | 57 | 52 | 53 | 56 | 64 |
| Insurance services nec | 22 | 24 | 24 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 7 | 5 |
| Miscellaneous services | 1,970 | 2,317 | 2,595 | 500 | 550 | 572 | 556 | 560 | 629 | 653 | 644 | 641 | 657 |
| <i>Total</i> | 2,568 | 3,081 | 3,443 | 664 | 733 | 760 | 724 | 745 | 852 | 856 | 860 | 862 | 865 |
| <i>Total other services</i> | 2,817 | 3,355 | 3,723 | 728 | 824 | 791 | 808 | 814 | 942 | 921 | 934 | 906 | 962 |
| Total services credits | 10,910 | 11,799 | 13,268 | 2,872 | 2,614 | 2,604 | 2,808 | 3,352 | 3,035 | 3,140 | 3,348 | 3,578 | 3,202 |

TABLE 13. SERVICES DEBITS
(\$ million)

| | Year | | | Quarters ended | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | 1989-90 | | | | 1990-91 | | | |
| | | | | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| <i>Shipment —</i> | | | | | | | | | | | | | |
| Freight on imports | -3,152 | -3,245 | -3,024 | -802 | -866 | -865 | -842 | -789 | -749 | -816 | -783 | -721 | -704 |
| Insurance on imports | -24 | -24 | -24 | -6 | -6 | -6 | -6 | -6 | -6 | -6 | -6 | -6 | -6 |
| <i>Total</i> | -3,176 | -3,269 | -3,048 | -808 | -872 | -871 | -848 | -795 | -755 | -822 | -789 | -727 | -710 |
| <i>Other transportation —</i> | | | | | | | | | | | | | |
| Passenger services | -1,849 | -2,218 | -2,303 | -440 | -523 | -585 | -550 | -500 | -583 | -661 | -581 | -502 | -559 |
| Port services etc | -1,063 | -1,202 | -1,178 | -296 | -281 | -253 | -319 | -326 | -304 | -248 | -310 | -302 | -318 |
| <i>Total</i> | -2,912 | -3,420 | -3,481 | -736 | -804 | -838 | -869 | -826 | -887 | -909 | -891 | -804 | -877 |
| <i>Travel</i> | | | | | | | | | | | | | |
| Students' expenditure | -191 | -247 | -284 | -55 | -41 | -65 | -50 | -77 | -55 | -87 | -54 | -89 | -54 |
| Other | -4,130 | -4,839 | -4,966 | -990 | -1,259 | -1,321 | -1,088 | -1,178 | -1,252 | -1,467 | -1,139 | -1,093 | -1,267 |
| <i>Total</i> | -4,321 | -5,086 | -5,250 | -1,045 | -1,300 | -1,386 | -1,138 | -1,255 | -1,307 | -1,554 | -1,193 | -1,182 | -1,321 |
| <i>Other services —</i> | | | | | | | | | | | | | |
| <i>Official —</i> | | | | | | | | | | | | | |
| Defence services | -83 | -108 | -90 | -23 | -26 | -14 | -20 | -26 | -48 | -20 | -19 | -31 | -20 |
| Financial services | -3 | -5 | -4 | -1 | — | -1 | -1 | -1 | -2 | -1 | -1 | -1 | -1 |
| Miscellaneous services | -221 | -272 | -379 | -55 | -70 | -53 | -80 | -64 | -75 | -168 | -66 | -73 | -72 |
| <i>Total</i> | -307 | -385 | -473 | -79 | -96 | -68 | -101 | -91 | -125 | -189 | -86 | -105 | -93 |
| <i>Non-official —</i> | | | | | | | | | | | | | |
| Expenditure of Aust govt employees | -102 | -115 | -123 | -25 | -26 | -29 | -30 | -28 | -28 | -29 | -33 | -32 | -29 |
| Expenditure of non-resident entity employees | -184 | -347 | -434 | -59 | -59 | -72 | -68 | -84 | -123 | -120 | -107 | -98 | -109 |
| Financial services | -302 | -193 | -201 | -112 | -61 | -53 | -43 | -45 | -52 | -50 | -51 | -51 | -49 |
| Insurance services nec | -357 | -360 | -379 | -89 | -90 | -90 | -90 | -90 | -90 | -93 | -95 | -97 | -94 |
| Miscellaneous services | -2,409 | -3,037 | -3,334 | -629 | -577 | -723 | -737 | -780 | -797 | -774 | -849 | -885 | -826 |
| <i>Total</i> | -3,354 | -4,052 | -4,471 | -914 | -813 | -967 | -968 | -1,027 | -1,090 | -1,066 | -1,135 | -1,163 | -1,107 |
| <i>Total other services</i> | -3,661 | -4,437 | -4,944 | -993 | -909 | -1,035 | -1,069 | -1,118 | -1,215 | -1,255 | -1,221 | -1,268 | -1,200 |
| Total services debits | -14,070 | -16,212 | -16,723 | -3,582 | -3,885 | -4,130 | -3,924 | -3,994 | -4,164 | -4,540 | -4,094 | -3,981 | -4,108 |

TABLE 14. INCOME CREDITS
(\$ million)

| | Year | | | Quarters ended | | | | | | | | | |
|--|--------------|--------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | 1989-90 | | 1990-91 | | Sept. | Dec. | Mar. | June |
| | | | | Mar. | June | Sept. | Dec. | Mar. | June | | | | |
| Property income — | | | | | | | | | | | | | |
| <i>Investment income —</i> | | | | | | | | | | | | | |
| <i>Official —</i> | | | | | | | | | | | | | |
| General government | 73 | 118 | 152 | 23 | 29 | 19 | 37 | 32 | 30 | 30 | 42 | 32 | 48 |
| Reserve Bank (a) | 998 | 1,260 | 1,573 | 285 | 287 | 307 | 315 | 297 | 341 | 364 | 433 | 368 | 408 |
| <i>Total official</i> | <i>1,071</i> | <i>1,378</i> | <i>1,725</i> | <i>308</i> | <i>316</i> | <i>326</i> | <i>352</i> | <i>329</i> | <i>371</i> | <i>394</i> | <i>475</i> | <i>400</i> | <i>456</i> |
| <i>Non-official —</i> | | | | | | | | | | | | | |
| <i>Direct investment income —</i> | | | | | | | | | | | | | |
| Reinvested earnings | 2,029 | 1,591 | 1,472 | 507 | 508 | 397 | 398 | 398 | 398 | 368 | 368 | 368 | 368 |
| <i>Distributed earnings —</i> | | | | | | | | | | | | | |
| Remitted profits | 60 | 47 | 55 | 4 | 7 | 13 | 9 | 11 | 14 | 15 | 14 | 16 | 10 |
| Dividends | 59 | 192 | 205 | 2 | 22 | 46 | 46 | 18 | 82 | 133 | 25 | 15 | 32 |
| Interest | -135 | -111 | -339 | -23 | 2 | 9 | -37 | -36 | -47 | -47 | -162 | -51 | -79 |
| Total | -16 | 128 | -79 | -17 | 31 | 68 | 18 | -7 | 49 | 101 | -123 | -20 | -37 |
| <i>Total direct investment income</i> | <i>2,013</i> | <i>1,719</i> | <i>1,393</i> | <i>490</i> | <i>539</i> | <i>465</i> | <i>416</i> | <i>391</i> | <i>447</i> | <i>469</i> | <i>245</i> | <i>348</i> | <i>331</i> |
| <i>Portfolio and other investment income —</i> | | | | | | | | | | | | | |
| Dividends | 251 | 331 | 262 | 83 | 83 | 59 | 88 | 98 | 86 | 65 | 74 | 57 | 66 |
| Interest | 424 | 634 | 689 | 135 | 102 | 155 | 155 | 166 | 158 | 186 | 176 | 176 | 151 |
| Total | 675 | 965 | 951 | 218 | 185 | 214 | 243 | 264 | 244 | 251 | 250 | 233 | 217 |
| <i>Total non-official</i> | <i>2,688</i> | <i>2,684</i> | <i>2,344</i> | <i>708</i> | <i>724</i> | <i>679</i> | <i>659</i> | <i>655</i> | <i>691</i> | <i>720</i> | <i>495</i> | <i>581</i> | <i>548</i> |
| <i>Total investment income</i> | <i>3,759</i> | <i>4,062</i> | <i>4,069</i> | <i>1,016</i> | <i>1,040</i> | <i>1,005</i> | <i>1,011</i> | <i>984</i> | <i>1,062</i> | <i>1,114</i> | <i>970</i> | <i>981</i> | <i>1,004</i> |
| <i>Other property income</i> | <i>248</i> | <i>302</i> | <i>323</i> | <i>63</i> | <i>68</i> | <i>75</i> | <i>75</i> | <i>76</i> | <i>76</i> | <i>80</i> | <i>81</i> | <i>81</i> | <i>81</i> |
| Total property income | 4,007 | 4,364 | 4,392 | 1,079 | 1,108 | 1,080 | 1,086 | 1,060 | 1,138 | 1,194 | 1,051 | 1,062 | 1,085 |
| Labour and other income — | | | | | | | | | | | | | |
| <i>Labour income —</i> | | | | | | | | | | | | | |
| Earnings in Australia | 58 | 60 | 62 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 17 |
| Earnings abroad | 184 | 347 | 434 | 59 | 59 | 72 | 68 | 84 | 123 | 120 | 107 | 98 | 109 |
| Total | 242 | 407 | 496 | 74 | 74 | 87 | 83 | 99 | 138 | 135 | 122 | 113 | 126 |
| <i>Insurance income</i> | — | 150 | 150 | — | — | — | — | — | 150 | 150 | — | — | — |
| Total labour and other income | 242 | 557 | 646 | 74 | 74 | 87 | 83 | 99 | 288 | 285 | 122 | 113 | 126 |
| Total income credits | 4,249 | 4,921 | 5,038 | 1,153 | 1,182 | 1,167 | 1,169 | 1,159 | 1,426 | 1,479 | 1,173 | 1,175 | 1,211 |

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

TABLE 15. INCOME DEBITS
(\$ million)

| | Year | | | Quarters ended | | | | | | | | | |
|--|---------|---------|---------|----------------|--------|---------|--------|--------|--------|---------|--------|--------|--------|
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | 1989-90 | | | | 1990-91 | | | |
| | | | | 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 | -1,545 | -1,862 | -1,810 | -386 | -402 | -393 | -557 | -422 | -490 | -363 | -533 | -476 | -438 |
| Interest on borrowing domiciled in Australia | -1,619 | -2,209 | -1,940 | -498 | -400 | -535 | -571 | -572 | -531 | -545 | -458 | -514 | -423 |
| Total | -3,164 | -4,071 | -3,750 | -884 | -802 | -928 | -1,128 | -994 | -1,021 | -908 | -991 | -990 | -861 |
| Reserve Bank (a) | -18 | -34 | -39 | — | -7 | -8 | -8 | -9 | -9 | -10 | -10 | -10 | -9 |
| <i>Total official</i> | -3,182 | -4,105 | -3,789 | -884 | -809 | -936 | -1,136 | -1,003 | -1,030 | -918 | -1,001 | -1,000 | -870 |
| <i>Non-official —</i> | | | | | | | | | | | | | |
| <i>Direct investment income —</i> | | | | | | | | | | | | | |
| Reinvested earnings | -2,131 | -1,536 | -1,420 | -533 | -533 | -384 | -384 | -384 | -384 | -355 | -355 | -355 | -355 |
| Distributed earnings — | | | | | | | | | | | | | |
| Remitted profits | -556 | -591 | -1,087 | -127 | -96 | -102 | -144 | -242 | -103 | -96 | -245 | -287 | -459 |
| Dividends | -1,396 | -2,126 | -2,036 | -307 | -556 | -216 | -507 | -859 | -544 | -354 | -847 | -381 | -454 |
| Interest | -1,187 | -1,427 | -1,300 | -259 | -358 | -289 | -425 | -307 | -406 | -256 | -346 | -329 | -369 |
| Total | -3,139 | -4,144 | -4,423 | -693 | -1,010 | -607 | -1,076 | -1,408 | -1,053 | -706 | -1,438 | -997 | -1,282 |
| <i>Total direct investment income</i> | -5,270 | -5,680 | -5,843 | -1,226 | -1,543 | -991 | -1,460 | -1,792 | -1,437 | -1,061 | -1,793 | -1,352 | -1,637 |
| <i>Portfolio and other investment income —</i> | | | | | | | | | | | | | |
| Dividends | -1,139 | -1,258 | -1,078 | -333 | -441 | -258 | -399 | -238 | -363 | -180 | -371 | -183 | -344 |
| Interest — | | | | | | | | | | | | | |
| Public sector | -1,920 | -2,752 | -3,117 | -569 | -548 | -735 | -576 | -758 | -683 | -779 | -674 | -794 | -870 |
| Private sector | -4,782 | -6,338 | -6,487 | -1,197 | -1,372 | -1,613 | -1,464 | -1,602 | -1,659 | -1,684 | -1,615 | -1,685 | -1,503 |
| Total | -6,702 | -9,090 | -9,604 | -1,766 | -1,920 | -2,348 | -2,040 | -2,360 | -2,342 | -2,463 | -2,289 | -2,479 | -2,373 |
| <i>Total portfolio and other investment income</i> | -7,841 | -10,348 | -10,682 | -2,099 | -2,361 | -2,606 | -2,439 | -2,598 | -2,705 | -2,643 | -2,660 | -2,662 | -2,717 |
| <i>Total non-official</i> | -13,111 | -16,028 | -16,525 | -3,325 | -3,904 | -3,597 | -3,899 | -4,390 | -4,142 | -3,704 | -4,453 | -4,014 | -4,354 |
| <i>Total investment income</i> | -16,293 | -20,133 | -20,314 | -4,209 | -4,713 | -4,533 | -5,035 | -5,393 | -5,172 | -4,622 | -5,454 | -5,014 | -5,224 |
| <i>Other property income —</i> | | | | | | | | | | | | | |
| Cinema and TV film royalties | -351 | -383 | -401 | -103 | -88 | -96 | -96 | -96 | -95 | -100 | -100 | -100 | -101 |
| Other | -945 | -1,022 | -1,090 | -240 | -244 | -255 | -255 | -256 | -256 | -272 | -272 | -273 | -273 |
| Total | -1,296 | -1,405 | -1,491 | -343 | -332 | -351 | -351 | -352 | -351 | -372 | -372 | -373 | -374 |
| <i>Total property income</i> | -17,589 | -21,538 | -21,805 | -4,552 | -5,045 | -4,884 | -5,386 | -5,745 | -5,523 | -4,994 | -5,826 | -5,387 | -5,598 |
| Labour and other income — | | | | | | | | | | | | | |
| <i>Official</i> | -58 | -66 | -72 | -13 | -15 | -17 | -16 | -17 | -16 | -17 | -17 | -18 | -20 |
| <i>Non-official —</i> | | | | | | | | | | | | | |
| Labour income | -221 | -354 | -439 | -74 | -60 | -64 | -73 | -97 | -120 | -104 | -117 | -118 | -100 |
| Insurance income | — | — | — | — | — | — | — | — | — | — | — | — | — |
| <i>Total non-official</i> | -221 | -354 | -439 | -74 | -60 | -64 | -73 | -97 | -120 | -104 | -117 | -118 | -100 |
| <i>Total labour and other income</i> | -279 | -420 | -511 | -87 | -75 | -81 | -89 | -114 | -136 | -121 | -134 | -136 | -120 |
| Total income debits | -17,868 | -21,958 | -22,316 | -4,639 | -5,120 | -4,965 | -5,475 | -5,859 | -5,659 | -5,115 | -5,960 | -5,523 | -5,718 |

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

TABLE 16. UNREQUITED TRANSFERS
(\$ million)

| | Year | | | Quarters ended | | | | | | | | | |
|---|---------------|---------------|---------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | 1989-90 | | 1990-91 | | | | | |
| | | | | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| Credits — | | | | | | | | | | | | | |
| Official — | | | | | | | | | | | | | |
| <i>Official —</i> | | | | | | | | | | | | | |
| Non-official — | | | | | | | | | | | | | |
| Migrants' transfers | 2,580 | 2,663 | 2,802 | 673 | 711 | 766 | 648 | 649 | 600 | 680 | 729 | 727 | 666 |
| Foreign government pensions | 24 | 27 | 32 | 4 | 4 | 5 | 5 | 9 | 8 | 8 | 8 | 8 | 8 |
| Miscellaneous transfers | 709 | 720 | 755 | 180 | 189 | 180 | 180 | 180 | 180 | 192 | 187 | 188 | 188 |
| <i>Total</i> | 3,313 | 3,410 | 3,589 | 857 | 904 | 951 | 833 | 838 | 788 | 880 | 924 | 923 | 862 |
| Total unrequited transfers credits | 4,210 | 4,518 | 4,711 | 1,095 | 1,155 | 1,213 | 1,061 | 1,166 | 1,078 | 1,162 | 1,201 | 1,214 | 1,134 |
| Debits — | | | | | | | | | | | | | |
| Official — | | | | | | | | | | | | | |
| Foreign aid — | | | | | | | | | | | | | |
| Papua New Guinea aid | -328 | -361 | -374 | -87 | -83 | -81 | -82 | -94 | -104 | -87 | -99 | -91 | -97 |
| Other foreign aid | -620 | -694 | -652 | -182 | -218 | -108 | -134 | -253 | -199 | -120 | -129 | -181 | -222 |
| Total | -948 | -1,055 | -1,026 | -269 | -301 | -189 | -216 | -347 | -303 | -207 | -228 | -272 | -319 |
| Pensions | -148 | -156 | -161 | -37 | -37 | -39 | -39 | -39 | -39 | -39 | -40 | -40 | -42 |
| Miscellaneous transfers | -61 | -67 | -57 | -31 | -5 | -9 | -6 | -40 | -12 | -9 | -5 | -39 | -4 |
| <i>Total official</i> | -1,157 | -1,278 | -1,244 | -337 | -343 | -237 | -261 | -426 | -354 | -255 | -273 | -351 | -365 |
| Non-official — | | | | | | | | | | | | | |
| Migrants' transfers | -349 | -408 | -449 | -101 | -85 | -90 | -102 | -114 | -102 | -104 | -118 | -115 | -112 |
| Withholding taxes | -40 | -30 | -36 | -5 | -22 | -9 | -8 | -8 | -5 | -9 | -9 | -9 | -9 |
| Miscellaneous transfers | -466 | -456 | -500 | -116 | -119 | -114 | -114 | -114 | -114 | -125 | -125 | -125 | -125 |
| <i>Total non-official</i> | -855 | -894 | -985 | -222 | -226 | -213 | -224 | -236 | -221 | -238 | -252 | -249 | -246 |
| Total unrequited transfers debits | -2,012 | -2,172 | -2,229 | -559 | -569 | -450 | -485 | -662 | -575 | -493 | -525 | -600 | -611 |
| Net unrequited transfers | 2,198 | 2,346 | 2,482 | 536 | 586 | 763 | 576 | 504 | 503 | 669 | 676 | 614 | 523 |

TABLE 17. NET CAPITAL TRANSACTIONS OF GENERAL GOVERNMENT

| | (\$ million) | | | | | | | | | | | |
|--|--------------|--------------|---------------|----------------|---------------|--------------|--------------|--------------|-------------|-------------|---------------|------------|
| | Year | | | Quarters ended | | | | | | | | |
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | | 1989-90 | | | 1990-91 | | |
| | | | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| Foreign investment in Australia — | | | | | | | | | | | | |
| <i>Borrowing —</i> | | | | | | | | | | | | |
| Domiciled abroad — | | | | | | | | | | | | |
| Commonwealth Government — | | | | | | | | | | | | |
| Drawings | — | — | — | — | — | — | — | — | — | — | — | — |
| Repayments | -3,177 | -2,660 | -2,063 | -521 | -540 | -1,253 | -670 | -736 | -1 | -1,039 | -682 | -191 |
| Total | -3,177 | -2,660 | -2,063 | -521 | -540 | -1,253 | -670 | -736 | -1 | -1,039 | -682 | -191 |
| State government — | | | | | | | | | | | | |
| Drawings | 9,236 | 12,812 | 21,009 | 2,564 | 2,885 | 2,713 | 2,514 | 3,162 | 4,423 | 4,281 | 6,073 | 5,615 |
| Repayments | -6,475 | -10,795 | -19,599 | -1,265 | -2,365 | -1,552 | -1,953 | -3,146 | -4,144 | -3,580 | -5,315 | -5,331 |
| Total | 2,761 | 2,017 | 1,410 | 1,299 | 520 | 1,161 | 561 | 16 | 279 | 701 | 758 | 284 |
| Total domiciled abroad | -416 | -643 | -653 | 778 | -20 | -92 | -109 | -720 | 278 | -338 | 76 | 93 |
| Domiciled in Australia — | | | | | | | | | | | | |
| Purchases by non — residents | 25,227 | 19,289 | 21,652 | 6,932 | 3,928 | 5,295 | 5,000 | 6,252 | 2,742 | 3,869 | 3,114 | 6,471 |
| Sales by non — residents | -21,590 | -15,912 | -22,836 | -5,449 | -5,275 | -4,254 | -3,525 | -4,749 | -3,384 | -4,126 | -4,749 | -5,550 |
| Total domiciled in Australia | 3,637 | 3,377 | -1,184 | 1,483 | -1,347 | 1,041 | 1,475 | 1,503 | -642 | -257 | -1,635 | 921 |
| <i>Total borrowing</i> | 3,221 | 2,734 | -1,837 | 2,261 | -1,367 | 949 | 1,366 | 783 | -364 | -595 | -1,559 | 1,014 |
| <i>Other</i> | -188 | -74 | -5 | -24 | -133 | — | -2 | -27 | -45 | -41 | -23 | -37 |
| Total foreign investment in Australia | 3,033 | 2,660 | -1,842 | 2,237 | -1,500 | 949 | 1,364 | 756 | -409 | -636 | -1,582 | 977 |
| Australian investment abroad — | | | | | | | | | | | | |
| Lending | -249 | 43 | 210 | -74 | 64 | 78 | -475 | 434 | 6 | 64 | -44 | -201 |
| Accounts receivable/prepayments made | -104 | -29 | 204 | -6 | -53 | -17 | -81 | -50 | 119 | 70 | 27 | 40 |
| Other | -6 | -100 | -401 | — | — | — | -51 | 46 | -95 | 73 | -71 | -364 |
| Total Australian investment abroad | -359 | -86 | 13 | -80 | 11 | 61 | -607 | 430 | 30 | 207 | -88 | -525 |
| Total general government | 2,674 | 2,574 | -1,829 | 2,157 | -1,489 | 1,010 | 757 | 1,186 | -379 | -429 | -1,670 | 452 |

TABLE 18. NET CAPITAL TRANSACTIONS OF THE RESERVE BANK
(\$ million)

| | Year | | | Quarters ended | | | | | | | | | |
|--|-------------|---------------|---------------|----------------|------------|-------------|-------------|------------|---------------|------------|---------------|------------|-------------|
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | 1989-90 | | 1990-91 | | | | | |
| | | | | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| Foreign investment in Australia — | | | | | | | | | | | | | |
| Use of IMF credit | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Other | — | 24 | -22 | -18 | -10 | — | -6 | -4 | 34 | -23 | 11 | 87 | -97 |
| Total foreign investment in Australia | — | 24 | -22 | -18 | -10 | — | -6 | -4 | 34 | -23 | 11 | 87 | -97 |
| Australian investment abroad — | | | | | | | | | | | | | |
| <i>Reserve assets —</i> | | | | | | | | | | | | | |
| <i>Official reserve assets —</i> | | | | | | | | | | | | | |
| Monetary gold | — | — | — | — | — | — | — | — | — | — | — | — | — |
| SDRs | 18 | 29 | 15 | — | 7 | 8 | 8 | 6 | 7 | 10 | 8 | 8 | -11 |
| Reserve position in IMF | -96 | 9 | — | 14 | -84 | 9 | — | — | — | — | — | — | — |
| Foreign exchange | -795 | -2,194 | -1,461 | 236 | 122 | -689 | -432 | 816 | -1,889 | -84 | -1,110 | 94 | -361 |
| <i>Total</i> | <i>-873</i> | <i>-2,156</i> | <i>-1,446</i> | <i>250</i> | <i>45</i> | <i>-672</i> | <i>-424</i> | <i>822</i> | <i>-1,882</i> | <i>-74</i> | <i>-1,102</i> | <i>102</i> | <i>-372</i> |
| Allocation of SDRs | — | — | — | — | — | — | — | — | — | — | — | — | — |
| <i>Total reserve assets</i> | <i>-873</i> | <i>-2,156</i> | <i>-1,446</i> | <i>250</i> | <i>45</i> | <i>-672</i> | <i>-424</i> | <i>822</i> | <i>-1,882</i> | <i>-74</i> | <i>-1,102</i> | <i>102</i> | <i>-372</i> |
| <i>Other</i> | <i>—</i> | <i>—</i> | <i>—</i> | <i>—</i> | <i>—</i> | <i>—</i> | <i>—</i> | <i>—</i> | <i>—</i> | <i>—</i> | <i>—</i> | <i>—</i> | <i>—</i> |
| Total Australian investment abroad | -873 | -2,156 | -1,446 | 250 | 45 | -672 | -424 | 822 | -1,882 | -74 | -1,102 | 102 | -372 |
| Total Reserve Bank | -873 | -2,132 | -1,468 | 232 | 35 | -672 | -430 | 818 | -1,848 | -97 | -1,091 | 189 | -469 |

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

| | Year | | | Quarters ended | | | | | | | | | |
|--|----------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|--------------|--------------|---------------|---------------|--------------|
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | 1989-90 | | 1990-91 | | | | | |
| | | | | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| Foreign investment in Australia — | | | | | | | | | | | | | |
| <i>Direct investment —</i> | | | | | | | | | | | | | |
| Reinvestment of earnings | 2,131 | 1,536 | 1,420 | 533 | 533 | 384 | 384 | 384 | 384 | 355 | 355 | 355 | 355 |
| Corporate equities | 3,917 | 2,502 | 5,707 | 1,186 | 709 | 177 | 571 | 662 | 1,092 | 891 | 2,533 | 883 | 1,400 |
| Net equity in branches | 2,222 | 1,504 | 1,368 | 584 | 934 | 122 | 283 | 896 | 203 | 350 | 464 | 99 | 455 |
| Borrowing | 3,289 | 1,995 | 414 | 17 | 1,039 | 968 | 663 | 780 | -416 | 813 | 469 | -302 | -566 |
| Other | 128 | -857 | -311 | 181 | 42 | 158 | -153 | -617 | -245 | 66 | -379 | 524 | -522 |
| <i>Total direct investment</i> | <i>11,687</i> | <i>6,680</i> | <i>8,598</i> | <i>2,501</i> | <i>3,257</i> | <i>1,809</i> | <i>1,748</i> | <i>2,105</i> | <i>1,018</i> | <i>2,475</i> | <i>3,442</i> | <i>1,559</i> | <i>1,122</i> |
| <i>Portfolio and other investment —</i> | | | | | | | | | | | | | |
| Corporate equities | 2,131 | 1,255 | 2,660 | 476 | 750 | 213 | 207 | 654 | 181 | 293 | 541 | 539 | 1,287 |
| Borrowing — | | | | | | | | | | | | | |
| Public sector | 4,216 | 4,570 | -781 | 1,874 | 593 | 752 | 860 | 1,594 | 1,364 | -304 | 2,100 | -925 | -1,652 |
| Private sector | 9,508 | 5,750 | 7,652 | 3,752 | 1,449 | 3,461 | 1,570 | 3,064 | -2,345 | 2,114 | -1,637 | 4,411 | 2,764 |
| Total | 13,724 | 10,320 | 6,871 | 5,626 | 2,042 | 4,213 | 2,429 | 4,659 | -981 | 1,810 | 463 | 3,486 | 1,112 |
| Accounts payable/prepayments received — | | | | | | | | | | | | | |
| Public sector | 10 | 37 | -3 | -10 | -2 | 14 | -2 | 30 | -5 | — | 1 | -10 | 6 |
| Private sector | 622 | -496 | -17 | -42 | 185 | -39 | 43 | -541 | 41 | -17 | 29 | -65 | 36 |
| Total | 632 | -459 | -20 | -52 | 183 | -25 | 41 | -511 | 36 | -17 | 30 | -75 | 42 |
| <i>Total portfolio and other investment</i> | <i>16,487</i> | <i>11,116</i> | <i>9,511</i> | <i>6,050</i> | <i>2,975</i> | <i>4,401</i> | <i>2,677</i> | <i>4,802</i> | <i>-764</i> | <i>2,086</i> | <i>1,034</i> | <i>3,950</i> | <i>2,441</i> |
| Total foreign investment in Australia | 28,174 | 17,796 | 18,109 | 8,551 | 6,232 | 6,210 | 4,425 | 6,907 | 254 | 4,561 | 4,476 | 5,509 | 3,563 |
| Australian investment abroad — | | | | | | | | | | | | | |
| <i>Direct investment —</i> | | | | | | | | | | | | | |
| Reinvestment of earnings | -2,029 | -1,591 | -1,472 | -507 | -508 | -397 | -398 | -398 | -398 | -368 | -368 | -368 | -368 |
| Corporate equities | -2,825 | -3,297 | 5,053 | -358 | -500 | -858 | -855 | -2,007 | 423 | 1,053 | -225 | 707 | 3,518 |
| Net equity in branches | -261 | 65 | -211 | -77 | -80 | -32 | 67 | 48 | -18 | -37 | -33 | -11 | -130 |
| Lending | -1,085 | 1,768 | -3,835 | -732 | -787 | 31 | 2,241 | -1,402 | 898 | 358 | -331 | -946 | -2,916 |
| Other | 2 | 244 | -103 | -126 | 30 | -85 | 22 | 310 | -3 | 111 | 54 | 53 | -321 |
| <i>Total direct investment</i> | <i>-6,198</i> | <i>-2,811</i> | <i>-568</i> | <i>-1,800</i> | <i>-1,845</i> | <i>-1,341</i> | <i>1,077</i> | <i>-3,449</i> | <i>902</i> | <i>1,117</i> | <i>-903</i> | <i>-565</i> | <i>-217</i> |
| <i>Portfolio and other investment —</i> | | | | | | | | | | | | | |
| Corporate equities | -3,432 | 2,156 | -1,854 | -1,326 | -1,040 | 723 | -1,085 | 2,145 | 373 | 524 | -1,096 | -1,037 | -245 |
| Lending — | | | | | | | | | | | | | |
| Banks | -773 | -299 | 491 | 30 | -793 | 379 | 219 | -1,161 | 264 | -195 | 14 | 706 | -34 |
| Non-bank enterprises | -150 | -2,494 | -73 | -235 | -58 | -1,177 | -541 | -1,614 | 838 | 565 | 398 | -459 | -577 |
| Total | -923 | -2,793 | 418 | -205 | -851 | -798 | -322 | -2,775 | 1,102 | 370 | 412 | 247 | -611 |
| Accounts receivable/prepayments made — | | | | | | | | | | | | | |
| Public sector | -602 | -280 | 416 | -208 | -283 | 20 | -115 | -246 | 61 | 100 | 48 | 76 | 192 |
| Private sector | -262 | 25 | 102 | -57 | 2 | -81 | 116 | -122 | 112 | -47 | -35 | 206 | -22 |
| Total | -864 | -255 | 518 | -265 | -281 | -61 | 1 | -368 | 173 | 53 | 13 | 282 | 170 |
| <i>Total portfolio and other investment</i> | <i>-5,219</i> | <i>-892</i> | <i>-918</i> | <i>-1,796</i> | <i>-2,172</i> | <i>-136</i> | <i>-1,406</i> | <i>-998</i> | <i>1,648</i> | <i>947</i> | <i>-671</i> | <i>-508</i> | <i>-686</i> |
| Total Australian investment abroad | -11,417 | -3,703 | -1,486 | -3,596 | -4,017 | -1,477 | -329 | -4,447 | 2,550 | 2,064 | -1,574 | -1,073 | -903 |
| Total non-official | 16,757 | 14,093 | 16,623 | 4,955 | 2,215 | 4,733 | 4,096 | 2,460 | 2,804 | 6,625 | 2,902 | 4,436 | 2,660 |

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

| | Year | | | Quarters ended | | | | | | | | | |
|--|---------------|---------------|--------------|----------------|--------------|--------------|--------------|---------------|---------------|--------------|--------------|--------------|--------------|
| | 1988-89 | 1989-90 | 1990-91 | 1988-89 | | 1989-90 | | 1990-91 | | | | | |
| | | | | Mar. | June | Sept. | Dec. | Mar. | June | Sept. | Dec. | Mar. | June |
| Direct investment borrowing — | | | | | | | | | | | | | |
| <i>Domiciled abroad —</i> | | | | | | | | | | | | | |
| Drawings | 51,123 | 15,685 | 27,824 | 6,382 | 10,378 | 798 | 6,634 | 4,159 | 4,094 | 2,604 | 7,197 | 9,890 | 8,133 |
| Repayments | -47,872 | -13,835 | -27,185 | -6,033 | -9,400 | -66 | -6,227 | -3,217 | -4,325 | -1,598 | -6,844 | -10,079 | -8,664 |
| Total | 3,251 | 1,850 | 639 | 349 | 978 | 732 | 407 | 942 | -231 | 1,006 | 353 | -189 | -531 |
| <i>Domiciled in Australia</i> | 38 | 145 | -225 | -332 | 61 | 236 | 256 | -162 | -185 | -193 | 116 | -113 | -35 |
| Total direct investment borrowing | 3,289 | 1,995 | 414 | 17 | 1,039 | 968 | 663 | 780 | -416 | 813 | 469 | -302 | -566 |
| Other borrowing — | | | | | | | | | | | | | |
| <i>Domiciled abroad —</i> | | | | | | | | | | | | | |
| Banks — | | | | | | | | | | | | | |
| Drawings | 44,042 | 64,027 | 64,893 | 11,034 | 13,187 | 12,329 | 12,427 | 26,721 | 12,550 | 13,881 | 13,100 | 18,733 | 19,179 |
| Repayments | -36,058 | -59,943 | -61,505 | -7,122 | -11,142 | -10,828 | -11,225 | -24,097 | -13,793 | -12,184 | -12,955 | -16,486 | -19,880 |
| Total | 7,984 | 4,084 | 3,388 | 3,912 | 2,045 | 1,501 | 1,202 | 2,624 | -1,243 | 1,697 | 145 | 2,247 | -701 |
| Non-bank enterprises — | | | | | | | | | | | | | |
| Drawings | 113,649 | 128,117 | 126,220 | 27,250 | 31,209 | 27,181 | 29,062 | 36,634 | 35,240 | 30,447 | 32,659 | 33,499 | 29,615 |
| Repayments | -108,389 | -123,119 | -125,042 | -24,985 | -32,067 | -25,183 | -28,676 | -33,483 | -35,777 | -30,833 | -33,464 | -31,966 | -28,779 |
| Total | 5,260 | 4,998 | 1,178 | 2,265 | -858 | 1,998 | 386 | 3,151 | -537 | -386 | -805 | 1,533 | 836 |
| Total domiciled abroad | 13,244 | 9,082 | 4,566 | 6,177 | 1,187 | 3,499 | 1,588 | 5,775 | -1,780 | 1,311 | -660 | 3,780 | 135 |
| <i>Domiciled in Australia —</i> | | | | | | | | | | | | | |
| Banks — | | | | | | | | | | | | | |
| Securities | 17 | 344 | 504 | -213 | 107 | 393 | 226 | -232 | -43 | 212 | 114 | 217 | -39 |
| Deposits | 360 | 845 | 1,453 | 375 | 373 | 881 | 731 | -1,371 | 604 | 563 | 1,033 | -650 | 507 |
| Total | 377 | 1,189 | 1,957 | 162 | 480 | 1,274 | 957 | -1,603 | 561 | 775 | 1,147 | -433 | 468 |
| Non-bank enterprises | 103 | 49 | 348 | -713 | 375 | -560 | -116 | 487 | 238 | -276 | -24 | 139 | 509 |
| Total domiciled in Australia | 480 | 1,238 | 2,305 | -551 | 855 | 714 | 841 | -1,116 | 799 | 499 | 1,123 | -294 | 977 |
| of which — | | | | | | | | | | | | | |
| Public sector securities (a) | -351 | -213 | 711 | -508 | 111 | -338 | -162 | 223 | 64 | -105 | 65 | 208 | 543 |
| Total other borrowing | 13,724 | 10,320 | 6,871 | 5,626 | 2,042 | 4,213 | 2,429 | 4,659 | -981 | 1,810 | 463 | 3,486 | 1,112 |
| Total borrowing (b) | 17,013 | 12,315 | 7,285 | 5,643 | 3,081 | 5,181 | 3,092 | 5,439 | -1,397 | 2,623 | 932 | 3,184 | 546 |

(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

| | <i>Year</i> | | | <i>Quarters ended</i> | | | | | | | | | |
|--|----------------|----------------|----------------|-----------------------|-------------|----------------|-------------|----------------|-------------|--------------|-------------|-------------|-------------|
| | <i>1988-89</i> | <i>1989-90</i> | <i>1990-91</i> | <i>1988-89</i> | | <i>1989-90</i> | | <i>1990-91</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> |
| Official reserve assets (\$ million) — | | | | | | | | | | | | | |
| <i>Levels at end of year/month</i> | 20,410 | 21,871 | 24,047 | 19,509 | 20,410 | 20,774 | 21,487 | 21,065 | 21,871 | 22,281 | 24,989 | 23,593 | 24,047 |
| <i>Changes in levels</i> | 228 | 1,461 | 2,176 | -263 | 901 | 364 | 713 | -422 | 806 | 410 | 2,708 | -1,396 | 454 |
| <i>Of which —</i> | | | | | | | | | | | | | |
| Changes due to effects of revaluations | -645 | -695 | 730 | -13 | 946 | -308 | 289 | 400 | -1,076 | 336 | 1,606 | -1,294 | 82 |
| Changes included in the balance of payments (a) | 873 | 2,156 | 1,446 | -250 | -45 | 672 | 424 | -822 | 1,882 | 74 | 1,102 | -102 | 372 |
| Exchange rates — | | | | | | | | | | | | | |
| <i>Units of foreign currency per \$A —</i> | | | | | | | | | | | | | |
| <i>End of year/quarter (b) —</i> | | | | | | | | | | | | | |
| United States dollar | 0.7553 | 0.7890 | 0.7681 | 0.8194 | 0.7553 | 0.7764 | 0.7927 | 0.7542 | 0.7890 | 0.8265 | 0.7733 | 0.7752 | 0.7681 |
| United Kingdom pound | 0.4882 | 0.4536 | 0.4712 | 0.4855 | 0.4882 | 0.4788 | 0.4927 | 0.4584 | 0.4536 | 0.4412 | 0.4031 | 0.4467 | 0.4712 |
| West German mark | 1.480 | 1.318 | 1.382 | 1.550 | 1.480 | 1.453 | 1.339 | 1.278 | 1.318 | 1.293 | 1.160 | 1.331 | 1.382 |
| Japanese yen | 108.79 | 120.41 | 106.19 | 108.64 | 108.79 | 108.23 | 113.61 | 118.79 | 120.41 | 114.05 | 104.34 | 108.40 | 106.19 |
| Special drawing right | 0.6051 | 0.5967 | 0.5825 | 0.6332 | 0.6051 | 0.6109 | 0.5990 | 0.5803 | 0.5967 | 0.5939 | 0.5472 | 0.5719 | 0.5825 |
| <i>Period average (c) —</i> | | | | | | | | | | | | | |
| United States dollar | 0.8160 | 0.7697 | 0.7853 | 0.8475 | 0.7777 | 0.7638 | 0.7811 | 0.7659 | 0.7681 | 0.8088 | 0.7825 | 0.7785 | 0.7716 |
| United Kingdom pound | 0.4755 | 0.4733 | 0.4240 | 0.4844 | 0.4776 | 0.4786 | 0.4927 | 0.4626 | 0.4592 | 0.4342 | 0.4024 | 0.4080 | 0.4515 |
| West German mark | 1.512 | 1.367 | 1.248 | 1.567 | 1.501 | 1.469 | 1.416 | 1.296 | 1.288 | 1.288 | 1.175 | 1.191 | 1.337 |
| Japanese yen | 106.95 | 113.27 | 107.60 | 108.76 | 107.09 | 108.71 | 111.77 | 113.27 | 119.33 | 117.35 | 102.28 | 104.10 | 106.67 |
| Special drawing right | 0.6244 | 0.5958 | 0.5656 | 0.6439 | 0.6126 | 0.6065 | 0.6089 | 0.5821 | 0.5858 | 0.5905 | 0.5459 | 0.5495 | 0.5766 |
| Trade-weighted index of value of the Australian dollar (May 1970 = 100) — | | | | | | | | | | | | | |
| End of year/quarter (b) | 59.4 | 61.6 | 59.7 | 62.2 | 59.4 | 59.8 | 61.1 | 59.8 | 61.6 | 61.6 | 57.3 | 59.7 | 59.7 |
| Period average (c) | 61.6 | 60.0 | 58.9 | 63.4 | 60.0 | 59.5 | 60.5 | 59.5 | 60.5 | 61.4 | 57.2 | 57.7 | 59.4 |

(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 1991 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. 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: Concepts, Sources and Methods* (5331.0). The publication also provides item definitions, explanations of seasonal adjustment, constant price estimates, implicit price deflators and the terms of trade; and an analysis of the quality of the estimates.

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 |
| Other mineral fuels | 33 to 35 |

Exports (cont.)

| | <i>SITC rev 3 Section or Division</i> |
|---------------------|---|
| Metals - | |
| Gold | 95,97 |
| Other metals | 67,68 |
| Machinery | 71 to 77 |
| Transport equipment | 78,79 |
| Manufactures nec | 5,61 to 66,69,8 |
| Other non-rural | 11,93,96,98 |

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 |

Note: Division 98 is not part of the SITC. In the balance of payments it comprises confidential items, which are removed from their actual division and combined in Division 98 to prevent disclosure of their values.

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 to be used in compiling seasonally adjusted estimates for certain series (principally components of merchandise trade and investment income) up to and including December quarter 1991 can be obtained, for a charge, from Mr Trevor Jolly on Canberra (06) 252 6820.

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 it contained on freight and other transportation transactions is now available on request for a charge from Mr. John Rattur on (06) 252 5738.

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: 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 1988-89 (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

| | |
|-----|--------------------------|
| fob | free on board |
| na | not available |
| nya | not yet available |
| nec | not elsewhere classified |
| nei | 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.

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

| <i>Article</i> | <i>Publication (ABS Catalogue no)</i> | <i>Issue</i> | <i>Page reference</i> |
|---|---|---------------|---------------------------|
| Balance of payments ratios | 5303.0 | 1989-90 | 1-6 |
| Recording of merchandise exports and the impact of the EXIT system | 5302.0 | Mar qtr 1991 | 9-11 |
| Merchandise export and import statistics by country-factors affecting bilateral reconciliations | 5422.0 | Mar qtr 1991 | 2-15 |
| The relationship between balance of payments and foreign investment statistics | 5302.0 | Dec qtr 1990 | 10-11 |
| Trends in Australian travellers expenditure abroad | 5302.0 | Sept qtr 1990 | 9-11 |
| Measurement of Australia's terms of trade | 5302.0 | Sept qtr 1990 | 12-16 |
| 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 |
| 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 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 |
| 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 | Mar 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 |

Copies of the above articles, at \$5 each, may be obtained from Mr Trevor Jolly, Balance of Payments Section (Phone (06) 252 6820).



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