AUSTRALIA

Until the mid 1970s, Australia was mainly a host country to foreign direct investment, but as Australian firms have evolved their own competitive advantages, particularly in natural resource sectors, outward investment has begun to grow. At the same time, partly as a result of recent government policy, there has been a gradual indigenisation (or naturalisation) of foreign subsidiaries in Australia; since 1983, domestic equity participation has been actively encouraged. In 1976, a Foreign Investment Review Board (FIRB) was set up, the task of which is to evaluate and monitor major inward investment proposals. In 1983, about one quarter of inward investment was directed to the primary sector, most of this being in mining. Services, notably distribution, finance and banking accounted for two fifths. Most direct investment originates from the USA, the UK and Japan, but inflows from the USA have been falling during the 1980s, while those from Japan and the UK have been rising. During the 1980s, the UK has been the leading source of portfolio investment, followed by Japan and the USA. In 1983, Australian companies owned direct investment assets abroad worth A$ 3.4 billion, the leading recipient countries being the USA, New Zealand, Papua New Guinea and the ASEAN countries.

MAIN SOURCES OF DATA:

A  Official

1  Australian Bureau of Statistics regular publications:
   a  Foreign Investment Australia
   b  Foreign Ownership and Control of the Mining Industry
   c  Foreign Ownership and Control of the Manufacturing Industry
   d  Budget Paper on National Income and Expenditure
   e  Research and Experimental Development Business Enterprises

2  Bureau of Industry Economics: publishes occasional research reports on inward and outward direct investment.

B  Private

1  Top 500 Corporations in Australia published in ‘Australian Business’, provides statistics on the largest companies in Australia.