

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates, 31 May to 2 June 2005

Question: Bud 87

Topic: Foreign Direct Investment – In & Out of Australia

Hansard Page: E12/13

Senator Sherry asked:

1. What is the current flow of dividends and the like into Australia versus the outflow?

I would be interested in some sort of historical comparison for 5, 10 or 15 years back.

2. Of the capital inflows coming into Australia, does Treasury have any data on the proportion that has flowed into financing the housing boom primarily through mortgage backed securities?

Answer:

- 1.

	<u>Mar 1990</u>	<u>Mar 1995</u>	<u>Mar 2000</u>	<u>Mar 2005</u>
	per cent of GDP			
<u>Net Income Deficit</u>	4.9	4.6	3.2	4.0
Net Income on Equity	-1.5	-2.2	-0.8	-2.0
Net Income on Debt and Other Investments	-3.4	-2.4	-2.3	-2.0

Other Investments include Other Investment Liabilities and Compensation of Employees

2. Treasury does not have data on the proportion of capital inflows that have financed housing beyond the statistics published by the Australian Bureau of Statistics or the Reserve Bank.