

## Chapter 2: Foreign investment proposals



# Foreign investment proposals

This chapter provides an overview and statistical information on applications considered in 2011-12. It provides information on proposed investments that fall within the scope of Australia's Foreign Investment Policy (the Policy) and the *Foreign Acquisitions and Takeovers Act 1975* (the Act). The Policy and the Act can be accessed through the Board's website, [www.firb.gov.au](http://www.firb.gov.au).

The term 'proposed investment' is used widely throughout this report. Proposed investment is the aggregation of the following estimates at the time of the approval:

- acquisition costs (including shares, real estate or other assets);
- development costs following some acquisitions; and
- costs of both establishment and development in the case of new businesses.

## Features of the Foreign Investment Review Board statistics

### Methodological and data caveats

While this chapter provides a useful source of data on proposed foreign direct investment in Australia, the Board urges particular caution in the use of these statistics, including when making comparisons with earlier years.

- There are also substantial differences between these statistics on proposed investments and actual investment flows. The latter are more reliably captured by Australian Bureau of Statistics data, which seeks to reflect more comprehensively investment transactions between residents of Australia and non-residents.
- The statistics contained in this chapter do not measure total foreign investment made in any year, nor do they measure changes in net foreign ownership levels in Australia. They may provide partial coverage of all foreign investment made. They are inherently irregular and can be skewed due to very large investment proposals and multiple proposals for the same target.
- Data capture and reporting methodologies change over time.
- Data presented for earlier years may also have been revised since last published.
- Proposed investment amounts for earlier years are not adjusted for inflation or currency movements.

- The figures are based on the assumption that investment funds will be sourced from overseas. The extent to which approved investment proposals will actually be funded from outside of Australia and result in foreign capital inflows depends not only upon whether they are implemented, but also upon the proportion that is financed from foreign sources. Some (and in some cases all) of the proposed funds to be invested may be contributed by Australians, for example, where they are in partnership with foreign interests, or where the investment is financed from existing Australian operations.
- The source of proposed investment identified in the Board's statistics does not necessarily imply the country of control. For example, if a company has a single substantial shareholder, the country of that shareholder is recorded, or if a company's shares are widely held, the country of domicile or incorporation is recorded. The source may also reflect the location of an investment manager who operates independently of interest holders in the acquirer.
- The data does not necessarily reflect a change in foreign ownership as, in some cases, both the target and the purchaser are foreign persons.
- The proposed investment of an approved proposal is the amount advised by the applicants or the best estimate based on the available information. It represents an estimate of the expected proposed investment in the 12 months from the approval unless the approval is granted for a longer period (if the proposal is in fact implemented).
  - Where an approved acquisition is a part of an offshore acquisition, the proposed investment figure is calculated based on the share attributable to the approved acquisition.
  - Where amounts are in a foreign currency, this is converted to Australian dollars based on the exchange rate at the time of the decision.
  - There are some approved proposals for which proposed investment is treated as nil. Examples of this include corporate reorganisations, financing arrangements and where foreign governments and their related entity lenders take security interests, but do not have approval to retain ownership after any enforcement of such security interests.
- The statistics may include some transactions that do not actually proceed. They include:
  - proposals that are approved in a given year but which are not actually implemented in that year;
  - approvals for multiple potential acquirers of the same target; and
  - approvals for shares or units where only a portion of the intended shares or units may be acquired.

- Acquisitions of diversified company groups are classified into a single industry sector according to the major activity of the group, such as, in a diversified mining company with interests in various minerals. Acquisitions of real estate to be used for purposes incidental to the main business activity of the purchaser are classified according to that activity.<sup>3</sup>

### Policy scope and changes

The breadth of the data reflects the requirements of the Policy at the time. The data does not cover foreign investments below the various monetary and percentage thresholds that apply under the Policy and the Act. Nor does the data cover follow-on investments to expand the capital stock of existing foreign-owned businesses (both in existing areas and into related areas). See the Board's website, [www.firb.gov.au](http://www.firb.gov.au), for the current thresholds.

Furthermore, policy and legislative change can have a considerable impact on the continuity of data. For instance, changes in the Policy that have occurred since the mid-1980s have affected the number of some types of proposals, limiting comparability over time. These changes include:

- the increase in the general asset threshold in 1999 from \$5 million to \$50 million, and, again, in December 2006 from \$50 million to \$100 million;
- the increase in the offshore takeovers threshold in December 2006 from the general asset threshold (then at \$50 million) to \$200 million;
- the introduction of the higher \$800 million threshold (indexed on 1 January each year) for United States investors from 1 January 2005;
- the harmonisation in 2009 of the four lowest thresholds for private business investment to a single threshold of \$219 million (indexed on 1 January each year);
- the abolition in 2009 of the requirement for private investors to notify when establishing a new business valued above \$10 million;

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<sup>3</sup> Data has been compiled by reference to the *Australian and New Zealand Standard Industrial Classification* (ANZSIC 1993), except: newspaper printing and publishing are allocated to the services industry sector (ANZSIC 1993 classifies these under manufacturing); some manufacturing activities have been grouped together as the resource processing sector (see footnote 7); and tourism is recorded as a separate industry sector rather than being included with the other service industries.

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- the introduction of changes in 2009 and 2010 to the screening arrangements for temporary residents purchasing residential real estate;
- the removal of foreign ownership restrictions in the media sector in April 2007; and
- changes in immigration policies that control the number of temporary resident visa holders, which largely determines the level of foreign investment in established (second-hand) residential dwellings.

### Administrative practices

Changes in administrative practice (for example, data collection and recording practices) and application requirements have also impacted on data comparability. Examples of this include the following:

- The implementation of a new case management system in December 2005 significantly improved data collection accuracy. The system allows a more detailed analysis of proposed foreign investment, as reflected in improvements to the statistics presented from the 2005-06 Annual Report onwards.
- Reporting procedures for proposals involving financing arrangements were amended in 2005-06. Although they continue to be included in the statistics (in the number of approvals), the proposed acquisition cost and development expenditure are not recorded for proposals such as lending arrangements where there is not expected to be an equity investment flow into Australia.<sup>4</sup> This has affected the value attributed to proposed investment in the finance and insurance industry.
- Prior to 2005-06, proposals involving share acquisitions were recorded as conditionally approved on the basis that the proposed acquisition was to proceed within 12 months. Now, such proposals are no longer recorded as conditionally approved.<sup>5</sup>

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4 This is similar to the existing practice for corporate reorganisations.

5 Applicants are required to re-apply if the transaction has not taken place and they wish to proceed after the 12 month period has passed, unless they were granted approval for an extended period.

## Applications considered

This section analyses all investment proposals that were finalised (approved, rejected, withdrawn or exempt) during 2011-12, irrespective of the date they were submitted. Corporate reorganisations are included here (81 in 2011-12), whereas they are excluded from the analysis of approved investment provided later in this chapter.<sup>6</sup> Corporate reorganisations occur across a range of sectors, including real estate.

The number of applications considered during 2011-12 was 11,420. Table 2.1 provides a breakdown of the number of applications considered over the past six years, according to the outcome of proposals.

- Of the 10,703 applications **approved** in 2011-12, 5,803 were approved subject to conditions and 4,900 without conditions being imposed. All but one of the conditional approvals were in the real estate sector.
  - Real estate conditions ordinarily imposed at that time include those relating to the period during which development must commence, requiring temporary residents to reside in and then sell established dwellings when they cease to reside in them, and reporting requirements.
- A total of 13 proposals were **rejected** in 2011-12 (43 in 2010-11), representing just over 0.1 per cent of all proposals considered. All were related to proposed real estate purchases.
- In 2011-12, 534 proposals were **withdrawn** by the applicants. Of these, 72 per cent involved real estate proposals. Many of the real estate related withdrawals resulted from applicants submitting concurrent or a series of applications (often for properties that were to be auctioned and for which they intended to bid), and once one property had been purchased, subsequently withdrawing the remaining applications. In other cases, proposals were withdrawn because the investment was deferred or the applicant decided not to proceed for commercial reasons.
  - In some circumstances, business proposals may be withdrawn and re-submitted in order to extend the statutory deadline, particularly if there are concerns about the issuing of an Interim Order, the details of which would be published in the Commonwealth of Australia *Gazette*.

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<sup>6</sup> The proposed acquisition costs and development expenditure are not recorded for corporate reorganisations.

- During 2011-12, 170 proposals were determined to be **exempt** compared with 139 in 2010-11. Some applications received were determined to be outside the scope of the Policy or the scope of the Act, because they were exempt under the *Foreign Acquisitions and Takeovers Regulations 1989*. The existence of these particular applications reflects advice in the Policy that foreign investors submit proposals if they have any doubt as to whether the proposals are notifiable.

**Table 2.1: Applications considered: 2006-07 to 2011-12 (number of proposals)**

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Outcome	No.	No.	No.	No.	No.	No.
Approved unconditionally	1,520	1,656	2,266	2,672	4,606	4,900
Approved with conditions	4,637	6,185	3,086	1,729	5,687	5,803
<b>Total approved</b>	<b>6,157</b>	<b>7,841</b>	<b>5,352</b>	<b>4,401</b>	<b>10,293</b>	<b>10,703</b>
Rejected	39	14	3	3	43	13
<b>Total decided</b>	<b>6,196</b>	<b>7,855</b>	<b>5,355</b>	<b>4,404</b>	<b>10,336</b>	<b>10,716</b>
Withdrawn	629	521	341	167	390	534
Exempt	200	172	125	132	139	170
<b>Total considered</b>	<b>7,025</b>	<b>8,548</b>	<b>5,821</b>	<b>4,703</b>	<b>10,865</b>	<b>11,420</b>

Note: Figures include corporate reorganisations (81 in 2011-12).  
The 2008-09 and 2009-10 figures were impacted by changes to the screening arrangements for residential real estate, as announced in December 2008 and April 2010.

## Applications decided

This section analyses all proposals that were approved (either with or without conditions), or rejected during 2011-12, irrespective of the date they were submitted. Corporate reorganisations are included.

The introduction of changes in 2009 and 2010 to the screening arrangements for temporary residents purchasing residential real estate has significantly impacted the comparability of the data across years in this section. Table 2.2 provides a breakdown of proposed investment according to the outcome of applications decided for the corresponding period provided in Table 2.1.

**Table 2.2: Applications decided: 2006-07 to 2011-12 (proposed investment)**

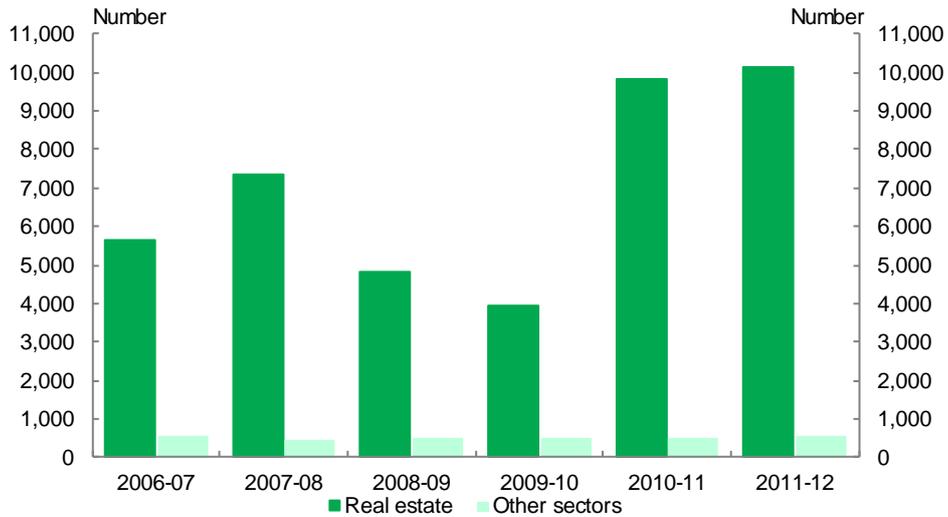
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Outcome	\$b	\$b	\$b	\$b	\$b	\$b
Approved unconditionally	140.3	162.6	135.9	125.3	145.7	137.5
Approved with conditions	16.1	29.3	45.5	14.2	31.0	33.2
<b>Total approved</b>	<b>156.4</b>	<b>191.9</b>	<b>181.4</b>	<b>139.5</b>	<b>176.7</b>	<b>170.7</b>
Rejected	0.0	0.2	0.0	0.0	8.8	0.2
<b>Total decided</b>	<b>156.4</b>	<b>192.0</b>	<b>181.4</b>	<b>139.5</b>	<b>185.5</b>	<b>170.8</b>

Note: Totals may not add due to rounding.  
'0.0' indicates a figure of less than \$50 million.  
Including corporate reorganisations (81 in 2011-12, including 14 in the real estate sector).  
The 2008-09 and 2009-10 figures were impacted by changes to the screening arrangements for residential real estate, as announced in December 2008 and April 2010.

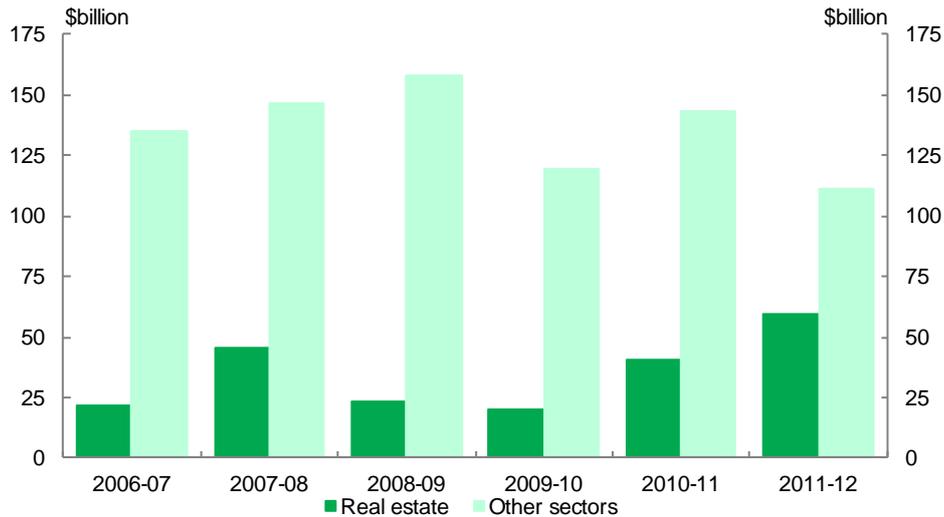
Charts 2.1 and 2.2 display the figures from Tables 2.1 and 2.2 to show the difference between applications decided within the real estate and non-real estate sectors (other sectors) by number of proposals and value of proposed investment.

Chart 2.1 shows that, by number, most of the applications decided were within the real estate sector. Chart 2.2 shows that, by value, more of the proposed investment occurred in non-real estate sectors.

**Chart 2.1: Applications decided 2006-07 to 2011-12 — number of proposals**



**Chart 2.2: Applications decided 2006-07 to 2011-12 — proposed investment**



Note: The 2008-09 and 2009-10 real estate figures were impacted by changes to the screening arrangements for residential real estate, as announced in December 2008 and April 2010.

## Approvals by value

This section analyses applications approved during 2011-12 (excluding corporate reorganisations). Table 2.3 shows approvals by the value of proposed investment for 2008-09 to 2011-12.

The overwhelming majority of approvals in the categories below \$50 million relate to real estate (because of the screening thresholds). The significant differences in recent years in these numbers were largely due to changes to the screening arrangements for temporary residents purchasing residential real estate in 2009 and 2010.

**Table 2.3: Total approvals by value and number 2008-09 to 2011-12**

Value of proposal	2008-09		2009-10		2010-11		2011-12	
	No.	\$b	No.	\$b	No.	\$b	No.	\$b
< \$1 million	3,925	1.94	3,402	1.55	8,417	4.45	8,770	4.43
≥ \$1 million & < \$50 million	1,000	9.0	611	5.2	1,400	7.2	1,421	8.3
≥ \$50 million & < \$100 million	116	8.1	94	6.8	108	7.7	126	9.0
≥ \$100 million & < \$500 million	172	36.2	154	34.7	218	49.7	229	51.8
≥ \$500 million & < \$1 billion	36	25.0	35	22.9	36	23	44	28.3
≥ \$1 billion & < \$2 billion	15	20.6	14	18.2	24	32.2	24	34.3
≥ \$2 billion	12	80	13	50	16	52	8	35
<b>Total</b>	<b>5,276</b>	<b>181.4</b>	<b>4,323</b>	<b>139.5</b>	<b>10,219</b>	<b>176.7</b>	<b>10,622</b>	<b>170.7</b>

Note: Totals may not add due to rounding.

Excludes corporate reorganisations (81 in 2011-12).

The 2008-09 and 2009-10 figures were impacted by changes to the screening arrangements for residential real estate, as announced in December 2008 and April 2010.

## Approvals by sector

Table 2.4 shows applications approved in 2011-12 by industry sector. Chart 2.3 shows the sectoral distribution of approved proposed investment in 2011-12. Corporate reorganisations are excluded (81 in 2011-12).

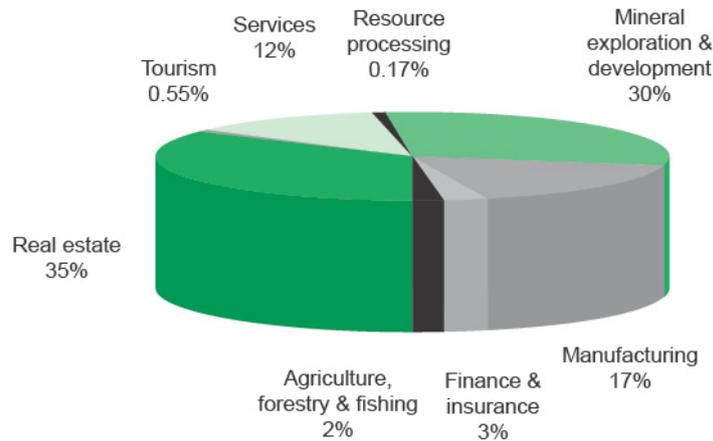
- There was an increase in the value of investment in 2011-12 when compared to 2010-11 in agriculture, forestry and fishing; manufacturing; real estate; and tourism.
- Sectors where there was a decrease in the value of investment in 2011-12 when compared to 2010-11 were finance and insurance; mineral exploration and development; resource processing; and services (excluding tourism).
- In 2011-12, real estate passed mineral exploration and development as the largest industry sector by value of approvals.

**Table 2.4: Total approvals by industry sector in 2011-12**

Industry	Number of approvals	Proposed investment
		\$b
Agriculture, forestry & fishing	49	3.60
Finance & insurance	25	4.56
Manufacturing	70	29.52
Mineral exploration & development	241	51.65
Resource processing	6	0.30
Services	109	21.02
Tourism	4	0.94
Real estate(a)	10,118	59.12
<b>Total</b>	<b>10,622</b>	<b>170.71</b>

(a) Proposed investment includes off-the-plan approvals provided to real estate developers and approvals for annual programs. Further details are provided in the section on real estate starting on page 26.

Note: Totals may not add due to rounding.  
Excludes corporate reorganisations (81 in 2011-12).

**Chart 2.3: Total approvals by value by industry sector in 2011-12 — proposed investment**

Note: Totals may not add due to rounding.

### Agriculture, forestry and fishing

Proposed investment in the agriculture, forestry and fishing sector increased by value from \$1.4 billion in 2010-11 to \$3.6 billion in 2011-12, and the number of proposals increased from 17 to 49 proposals. This represents around two per cent of the total value of approved investment in 2011-12. The largest source country of investment by value in this sector was Canada (\$1.4 billion), followed by the United Kingdom (\$0.6 billion) and the United States (\$0.5 billion). Over the last five years, the average level of foreign investment in the sector has been just over \$2.5 billion. Investment proposals in this sector are inherently irregular and can be skewed by large transactions with several competing bidders.

## Finance and insurance

During 2011-12, 25 proposals were approved in the finance and insurance sector compared to the 32 proposals approved in this sector in 2010-11. Proposed investment also decreased from \$13.7 billion to \$4.6 billion.

## Manufacturing

The manufacturing sector saw an increase in both the number and in the value of proposals approved in 2011-12. There were 70 proposals (50 proposals in 2010-11) and proposed investment of \$29.5 billion (\$14.9 billion in 2010-11).

**Table 2.5: Manufacturing sector approvals in 2011-12**

Industry	Number of approvals	Proposed investment
		\$b
Chemical, petroleum & coal products	14	4.83
Electricity & gas	27	5.13
Food, beverages & tobacco	13	15.61
Water sewerage and drainage	6	2.00
Other(a)	10	1.95
<b>Total</b>	<b>70</b>	<b>29.52</b>

(a) Comprises: basic metal products; fabricated metal products; miscellaneous-manufacturing; non-metallic mineral products; paper and paper products; transport equipment; and wood, wood products and furniture.

Note: Totals may not add due to rounding.

## Mineral exploration and development

Proposed investment in the mineral exploration and development sector decreased slightly from \$54.9 billion in 2010-11 to \$51.7 billion in 2011-12. However, the number of approved proposals increased from 222 to 241 proposals.

**Table 2.6: Mineral exploration and development sector approvals: 2008-09 to 2011-12**

Industry	2008-09		2009-10		2010-11		2011-12	
	No.	\$b	No.	\$b	No.	\$b	No.	\$b
Coal	33	15.69	60	17.14	66	22.95	47	17.13
Metallic minerals								
- Bauxite	4	0.60	4	2.92	1	0.01	2	0.65
- Copper-gold	25	8.05	51	23.21	42	13.74	61	9.25
- Iron ore	30	27.19	42	23.02	29	3.22	35	8.08
- Nickel	9	0.40	13	1.72	2	0.29	3	0.25
- Uranium	15	1.68	18	4.93	15	4.54	9	1.47
- Zinc-lead-silver	5	0.19	9	0.17	4	1.87	4	0.41
- Other	12	0.38	10	0.38	14	1.21	10	1.37
Oil & gas	23	35.08	29	6.76	37	4.56	45	11.21
Other(a)	8	1.36	12	0.68	12	2.51	25	1.83
<b>Total</b>	<b>164</b>	<b>90.62</b>	<b>248</b>	<b>80.92</b>	<b>222</b>	<b>54.90</b>	<b>241</b>	<b>51.65</b>

(a) Comprises: services to mining and exploration; and other non-metallic minerals.

Note: Totals may not add due to rounding.

## Resource processing

Proposed investment in the resource processing sector<sup>7</sup> decreased from \$2.6 billion in 2010-11 to \$0.3 billion in 2011-12, while the number of approvals decreased, from seven to six.

## Services

Proposed investment by number of approvals and value in the services sector decreased from 2010-11. The number of approvals decreased from 117 to 109 and proposed investment decreased from \$47.5 billion to \$21 billion.

**Table 2.7: Services (excluding Tourism) sector approvals: 2008-09 to 2011-12**

Industry	2008-09		2009-10		2010-11		2011-12	
	No.	\$b	No.	\$b	No.	\$b	No.	\$b
Construction (a)	14	1.67	12	1.67	12	18.94	5	0.31
Communications	25	9.45	12	2.91	26	3.51	31	6.63
Health	11	1.47	4	0.65	17	6.79	12	1.97
Property & business services	20	2.67	5	0.52	10	1.65	15	4.38
Trade(b)	9	0.44	5	0.92	6	2.29	6	1.45
Transport(c)	43	14.64	23	5.08	30	11.68	31	5.46
Other(d)	10	1.33	8	2.25	16	2.65	9	0.83
<b>Total</b>	<b>132</b>	<b>31.67</b>	<b>69</b>	<b>14.00</b>	<b>117</b>	<b>47.50</b>	<b>109</b>	<b>21.02</b>

(a) Comprises: construction; and special trade construction

(b) Comprises: retail and wholesale trade.

(c) Comprises: air transport; rail transport; road transport; water transport; other transport; and services to transport.

(d) Comprises: includes storage (grain and cold storage); entertainment and recreation services; other community services; and defence.

Note: Totals may not add due to rounding.

## Tourism

Proposed investment in the tourism sector in 2011-12 was \$0.9 billion, up from \$0.1 billion in 2010-11. The number of approved proposals increased from three to four.

<sup>7</sup> The sector includes activities that, through processing, value add to natural resources. For example, cotton ginning, flour and sugar milling, smelting and refining of mineral resources, abattoirs and wood chipping.

## Real estate

### Proposals in real estate in 2011-12

Approved investment in real estate was \$59.1 billion in 2011-12 (compared with \$41.5 billion in 2010-11).

### Residential real estate

#### Developed

The category of developed residential real estate consists primarily of temporary residents in Australia acquiring one existing residential property for use as their residence in Australia.<sup>8</sup>

#### For development

Acquisitions of **residential real estate for development** include a number of categories.

The *vacant land* category consists primarily of individual blocks of land purchased for single dwelling construction. These are normally approved subject to conditions (such as, that construction begins within 24 months). It also includes broadacre land for residential subdivision and multiple-dwelling residential developments (such as townhouses and units).

The *new dwellings* and *off-the-plan* category consists of applications by individuals to acquire newly constructed dwellings directly from developers and applications by developers to sell up to 100 per cent of new residences in a development to foreign interests (the developer is also required to market the dwellings locally). Applications from individuals are normally approved without conditions. If a developer is given approval, individuals need not apply for approval.

The approved investment figures for off-the-plan approvals for developers and annual programs overstate the likely extent of actual foreign purchases. The value of investment reported against annual program approvals represents the maximum amount foreign persons may acquire under the program.

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8 Also includes a small number of approvals relating to foreign companies acquiring existing residential property for company employees to reside in.

Developed property for *redevelopment* involves the acquisition of existing property for the purpose of demolition and construction of new residential dwellings. These are normally approved as long as the redevelopment increases Australia's housing stock (at least two dwellings built for the one demolished) or where it can be shown that the existing dwelling is derelict or uninhabitable. Approvals are usually subject to conditions (such as, that construction begins within 24 months).

**Table 2.8: Investment in residential real estate by type of expenditure and number of proposals approved from 2008-09 to 2011-12**

	2008-09		2009-10		2010-11		2011-12	
	No.	\$b	No.	\$b	No.	\$b	No.	\$b
<b>Residential</b>								
Developed								
- existing residential property	2,450	1.81	647	0.81	3,881	3.57	3,952	2.87
- annual programs	7	0.68	7	0.56	4	0.20	5	1.30
<i>Sub-total 'Developed'</i>	2,457	2.49	654	1.38	3,885	3.77	3,957	4.18
For development								
- vacant land	988	2.72	1,010	1.44	1,514	2.33	1,518	0.68
- new dwellings								
- individual purchases	954	0.60	1,937	1.20	3,911	2.46	4,022	2.54
- developer 'off-the-plan'	235	5.48	22	2.30	65	10.08	70	10.92
<i>Sub-total 'new dwellings'</i>	1,189	6.08	1,959	3.50	3,976	12.54	4,092	13.46
- redevelopment	73	1.06	92	0.34	171	0.45	191	0.50
- annual programs	8	2.58	8	2.11	10	1.83	10	0.89
<i>Sub-total 'For development'</i>	2,258	12.43	3,069	7.39	5,671	17.15	5,811	15.52
<b>Total residential</b>	<b>4,715</b>	<b>14.92</b>	<b>3,723</b>	<b>8.77</b>	<b>9,556</b>	<b>20.92</b>	<b>9,768</b>	<b>19.70</b>

Note: Totals may not add due to rounding.

The 2008-09 and 2009-10 figures were impacted by changes to the screening arrangements for residential real estate, as announced in December 2008 and April 2010.

## Commercial real estate

### Developed

Foreign persons acquiring an interest in **developed commercial** real estate (for example, shopping centres, office buildings and warehouses) that is valued at more than the applicable monetary threshold are required to notify and get prior approval before purchasing.

### For development

Foreign persons need to apply to buy or take an interest in **commercial land for development**, regardless of the value of the land. Such proposed investment is normally approved subject to development conditions, such as the land must be developed within five years of the acquisition and the equivalent of at least 50 per cent of the purchase cost must be spent on the development.

### Annual programs

The 'annual program' arrangements allow foreign persons to apply for an annual approval for real estate acquisitions up to a specified global monetary limit. Such an approval relieves them of the requirement to seek separate approvals for individual real estate acquisitions within the approved value and the approval year. Approvals are subject to the condition that applicants subsequently report on the actual acquisitions completed and any associated development. Applicants are also required to comply with the standard requirements that would apply under the Policy for the type of property that is to be purchased. For example, vacant land must be developed within the required timeframe.

**Table 2.9: Investment in commercial real estate by type of expenditure and number of proposals approved from 2008-09 to 2011-12**

	2008-09		2009-10		2010-11		2011-12	
	No.	\$b	No.	\$b	No.	\$b	No.	\$b
<b>Commercial</b>								
Developed								
- existing commercial property	70	5.2	107	7.11	114	9.65	241	22.44
- annual programs	1	0.60	6	1.51	8	3.50	18	10.75
<i>Sub-total 'Developed'</i>	71	5.75	113	8.62	122	13.15	259	33.19
For development								
- vacant commercial property	39	1.73	51	0.79	79	2.09	80	4.96
- annual programs	3	1.02	10	1.83	14	5.35	11	1.27
<i>Sub-total 'For development'</i>	42	2.75	61	2.62	93	7.44	91	6.23
<b>Total commercial</b>	<b>113</b>	<b>8.50</b>	<b>174</b>	<b>11.24</b>	<b>215</b>	<b>20.59</b>	<b>350</b>	<b>39.42</b>

Note: Totals may not add due to rounding.

### Real estate by location of investment

Table 2.10 provides details of proposed investment in the real estate sector, according to the state and territory location of the proposed investment.

**Table 2.10: State and Territory distribution of proposed investment in real estate in 2011-12**

Location	Number of approvals	Residential		Commercial		Total
		Developed \$b	For development \$b	Developed \$b	For development \$b	
Various(a)	131	1.26	0.66	24.01	1.40	27.32
NSW	3,048	0.97	5.95	2.55	1.46	10.92
VIC	3,765	1.08	5.50	1.00	0.56	8.13
QLD	1,582	0.37	2.32	2.81	1.96	7.46
WA	877	0.28	0.84	1.08	0.07	2.27
ACT	86	0.02	0.10	1.46	0.05	1.63
SA	543	0.17	0.15	0.07	0.70	1.09
NT	33	0.02	0.01	0.23	0.03	0.28
TAS	53	0.01	-	-	-	0.01
<b>Total</b>	<b>10,118</b>	<b>4.18</b>	<b>15.52</b>	<b>33.19</b>	<b>6.23</b>	<b>59.12</b>

(a) Comprises approved proposals where the proposed investment is to be undertaken in more than one state or territory.

Note: Totals may not add due to rounding.

'-' indicates a figure of zero.

### Approvals by country of investor

Proposed investment in 2011-12 by selected country, disaggregated by sector, is shown in Table 2.11. The United States was again the largest source of proposed foreign investment in Australia. The other major sources of proposed investment were the United Kingdom, China, Japan and Canada. Japan replaced India in the top five sources of proposed investment.

Table 2.11: Approvals by country of investor in 2011-12 — industry sector

Country(a)	Number of approvals(e)	Agriculture forestry & fishing \$m	Finance & insurance \$m	Manufacturing \$m	Mineral exploration & development \$m	Real estate \$m	Resource processing \$m	Services \$m	Tourism \$m	Total \$m
United States	268	500	45	2,721	15,123	8,162	12	9,650	400	36,613
United Kingdom	1,018	550	250	13,296	1,948	3,783	-	273	243	20,343
China(b)	4,752	27	60	538	10,505	4,187	240	634	-	16,190
Japan	324	-	596	1,757	9,499	1,743	-	320	-	13,920
Canada	131	1,420	-	2,649	284	2,457	-	2,062	-	8,871
Singapore	524	65	-	135	112	5,705	-	263	135	6,416
Switzerland	49	-	3,300	425	852	523	-	905	-	6,004
France	136	-	-	1,739	-	426	-	1,873	-	4,047
South Africa	280	-	12	699	301	1,736	-	268	-	3,016
Malaysia	948	-	161	302	362	1,791	-	14	-	2,630
South Korea	123	-	-	-	1,932	443	-	14	-	2,389
India	317	-	-	-	1,918	148	-	132	-	2,198
Hong Kong	123	-	-	741	412	777	-	-	-	1,930
Germany	80	-	-	297	-	1,020	-	603	-	1,923
Russia	71	-	-	-	1,639	47	-	-	-	1,686
New Zealand	35	-	-	-	210	864	-	272	-	1,357
Thailand	44	305	-	-	688	34	-	-	160	1,190
Egypt	13	-	-	1,000	-	-	-	-	-	1,006
Other(c)	1,648	222	119	737	1,854	13,494	25	199	-	16,650
<i>Sub-total</i>	<i>10,884</i>	<i>3,088</i>	<i>4,543</i>	<i>27,035</i>	<i>47,638</i>	<i>47,341</i>	<i>277</i>	<i>17,481</i>	<i>938</i>	<i>148,380</i>
Australia(d)	258	508	-	2,486	4,004	11,060	12	3,544	-	21,613
<b>Total</b>	<b>11,142</b>	<b>3,596</b>	<b>4,543</b>	<b>29,522</b>	<b>51,642</b>	<b>58,401</b>	<b>289</b>	<b>21,025</b>	<b>938</b>	<b>169,993</b>

Note: Totals may not add due to rounding.  
 '-' indicates a figure of \$10 million or less.

### Notes applying to Table 2.11

- (a) Includes overseas territories.
- (b) China excludes Special Administrative Regions and Taiwan.
- (c) Other comprises all other countries not in the largest 18 countries based on total proposed investment approved, as well as proposed investment approved which cannot be attributed to a country, including developers granted approval for off-the-plan developments.
- (d) Comprises proposals where an Australian controlled investment manager acting on behalf of an investor operates independently of the interest holders in the investor, or an Australian investor(s) jointly intends to make a proposed investment with a foreign investor, or jointly establish a new business with a foreign government related entity or entities.
- (e) These figures indicate the total number of proposals in which investors from the particular country have an interest. Those involving investment originating from more than one country count as one proposal for each of the countries concerned.