

Main points

- In 2008-09, 5,352 proposals received foreign investment approval. This compared with 7,841 in 2007-08, representing a decrease of 32 per cent. The real estate sector recorded 4,827 approvals, representing a decline of 34 per cent on the 7,357 approvals in 2007-08. There was an overall increase in approvals in other sectors in 2008-09 compared with 2007-08, from 484 approvals to 525 approvals, representing an increase of 8 per cent.
- Approvals in 2008-09 involved proposed investment of \$181.4 billion. This represented a 5 per cent decrease on the previous year's approvals of \$191.9 billion. Approved investment in real estate was \$23.4 billion in 2008-09 (compared with \$45.5 billion in 2007-08), while approved investment in other sectors was \$158 billion, compared with \$146.4 billion in 2007-08, representing an increase of 8 per cent.
- The increase in foreign business approvals in 2008-09, in both number and value of proposed investment, stood in sharp contrast to the experience of the countries of the OECD area as a whole during the global financial crisis. According to OECD estimates, member countries' outflows of FDI fell by 19 per cent while inflows fell by 35 per cent in 2008.
- In 2008-09, three proposals were rejected, all related to real estate purchases, compared with 14 proposals rejected in 2007-08. There were three Interim Orders made (13 in 2007-08), extending the 30-day statutory decision-making period by up to 90 days.
- The mineral exploration and development sector was the largest destination by value, with approved investment in 2008-09 of \$90.6 billion (\$64.3 billion in 2007-08). The other major destinations were: services, with approved investment of \$31.7 billion (\$35.7 billion in 2007-08); real estate, with approved investment of \$23.4 billion (\$45.5 billion in 2007-08); and manufacturing, with approved investment of \$19.1 billion (\$31.3 billion in 2007-08).
- The United States of America was the largest source country for foreign investment in 2008-09, involving approved investment of \$39.6 billion. China (\$26.6 billion), Japan (\$22.1 billion), the United Kingdom (\$20.3 billion) and France (\$7.5 billion) were the other major source countries of approved investment in 2008-09.
- The Hon Chris Miles' membership of the Board expired in June 2009. On 10 December 2009, the Treasurer announced the appointment of Mr Brian Wilson and Mr Hamish Douglass to the Board.

