

16 February 2022

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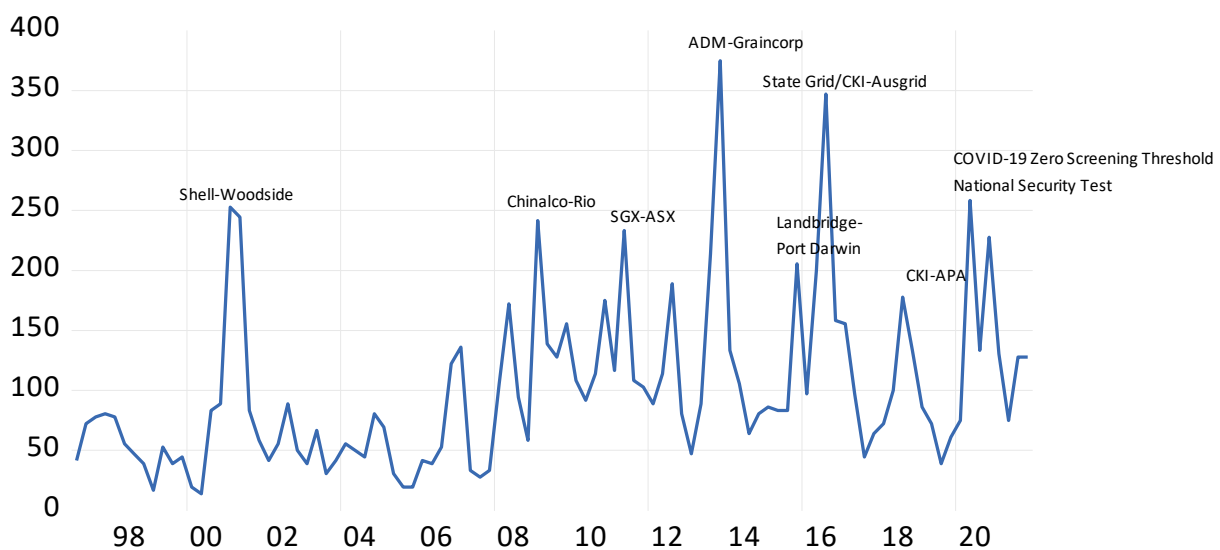
Dear Manager,

Enhancing Australia's foreign investment framework – February 2022 consultation

The International Economy Program at the United States Studies Centre has previously met with the Policy Framework Unit in relation to the program's Foreign Investment Uncertainty Index. I have attached a copy of our report describing the methodology behind the index and its interpretation.

This submission provides an update on the index for Q2 and Q3 2021. The index rose from a below average 75 in Q2 2021 to an above average 128 in Q3 and remained steady in Q4. The index remains below the levels seen in 2020 before the Foreign Investment Reforms commenced on 1 January 2021. An annotated graph of the index is show below.

Foreign Investment Uncertainty Index - Australia



The moderation in the index in 2021 relative to 2020 is consistent with the conclusion expressed in the consultation paper that foreign investors have adapted to the reforms.

I would be happy to discuss these results with you at your convenience.

Yours sincerely,

Dr Stephen Kirchner
Program Director, International Economy
United States Studies Centre
University of Sydney