

A U S T R A L I A ' S M E R C H A N D I S E T R A D E W I T H A S E A N

INTRODUCTION

This article traces the growth in merchandise trade between Australia and the member countries of the Association of South East Asian Nations (ASEAN) over the ten year period from 1988 to 1997. An update on performance in the first half of 1998 is also included. After analysing trade flows between Australia and the members of ASEAN, the article focuses on the importance of this trade for Australia in terms of the various commodities exported and imported. Finally, the article analyses commodity flows with selected individual members of ASEAN over the 10 year period.

The statistics are presented on an international trade basis (rather than a balance of payments basis) and are classified according to the Standard International Trade Classification Rev. 3 (SITC).

BACKGROUND

ASEAN was established on August 8, 1967 under the Bangkok Declaration. When ASEAN was formed in 1967 there were five member countries: Indonesia, Malaysia, Philippines, Singapore and Thailand. Since then the following countries have joined: Brunei Darussalam (1984), Viet Nam (1995), Laos (1997) and Myanmar (1997). For the purposes of this analysis, Australian data for all 9 countries have been included in the 10 year time series used in this article, regardless of the date individual countries joined ASEAN.

TOTAL TRADE FLOWS BETWEEN AUSTRALIA AND ASEAN

Tables A and B (below and over page) show the value of Australia's merchandise exports to and imports from, respectively, each of the ASEAN member countries for the 10 year period 1988 to 1997. Table C (over page) shows the value and percentages of Australia's total merchandise exports to and imports from each of the member countries for the two years 1988 and 1997, and the excess of exports over imports (the balance of merchandise trade) with each member.

TABLE A: AUSTRALIA'S MERCHANDISE EXPORTS TO ASEAN MEMBER COUNTRIES

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Member country	\$A m	\$A m	\$A m	\$A m	\$A m	\$A m	\$A m	\$A m	\$A m	\$A m
Brunei Darussalam	13	13	14	16	38	58	54	65	70	58
Indonesia	636	941	1 355	1 426	1 723	1 813	1 977	2 393	3 083	3 390
Laos	1	1	2	0	20	16	39	28	5	7
Malaysia	716	866	983	1 056	1 139	1 573	1 948	2 227	2 214	2 361
Myanmar	22	1	35	4	14	10	4	13	15	24
Philippines	343	445	468	477	547	644	724	999	1 134	1 326
Singapore	1 330	1 707	2 367	2 934	3 769	3 269	3 407	3 833	3 169	3 871
Thailand	386	553	609	694	1 077	1 252	1 368	1 737	1 678	1 651
Viet Nam	15	81	23	47	51	107	113	189	204	237
Total ASEAN	3 461	4 607	5 855	6 656	8 377	8 741	9 634	11 485	11 571	12 926
Other Countries	38 909	42 397	45 037	47 064	50 001	53 998	55 142	60 186	65 415	71 864
Total Exports	42 370	47 004	50 892	53 720	58 378	62 739	64 776	71 671	76 986	84 790

AUSTRALIA'S MERCHANDISE TRADE WITH ASEAN

TABLE B: AUSTRALIA'S MERCHANDISE IMPORTS FROM ASEAN MEMBER COUNTRIES

Member country	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
	\$A m	\$A m	\$A m	\$A m	\$A m	\$A m	\$A m	\$A m	\$A m	\$A m
Brunei Darussalam	17	23	43	71	73	27	0	22	0	1
Indonesia	402	496	522	934	1 243	1 216	1 038	1 344	1 712	2 266
Laos	0	0	0	0	0	0	0	0	0	0
Malaysia	633	748	654	776	966	1 037	1 220	1 563	1 705	2 101
Myanmar	1	1	4	4	7	13	9	7	7	11
Philippines	135	178	130	138	165	185	231	232	284	377
Singapore	968	1 272	1 184	1 349	1 329	1 603	2 065	2 502	2 671	2 489
Thailand	356	480	480	583	716	767	877	1 014	1 082	1 332
Viet Nam	22	19	19	30	202	251	289	287	393	586
Total ASEAN	2 534	3 217	3 036	3 886	4 701	5 098	5 730	6 971	7 853	9 163
Other Countries	39 881	48 511	46 771	45 788	50 807	57 304	62 369	70 498	70 556	74 255
Total Exports	42 416	51 728	49 806	49 674	55 508	62 402	68 099	77 469	78 410	83 418

TABLE C: AUSTRALIA'S MERCHANDISE TRADE AND TRADE SHARES WITH ASEAN MEMBER COUNTRIES

Member country	1988 Exports.....		1988 Imports.....		1988 Balance	1997 Exports.....		1997 Imports.....		1997 Balance
	\$A m	% of total	\$A m	% of total	of trade(a)	\$A m	% of total	\$A m	% of total	of trade(a)
Brunei Darussalam	13	0.0	17	0.0	-3	58	0.1	1	0.0	57
Indonesia	636	1.5	402	0.9	233	3 390	4.0	2 266	2.7	1 124
Laos	1	0.0	0	0.0	0	7	0.0	0	0.0	7
Malaysia	716	1.7	633	1.5	83	2 361	2.8	2 101	2.5	260
Myanmar	22	0.1	1	0.0	21	24	0.0	11	0.0	13
Philippines	343	0.8	135	0.3	208	1 326	1.6	377	0.5	949
Singapore	1 330	3.1	968	2.3	362	3 871	4.6	2 489	3.0	1 382
Thailand	386	0.9	356	0.8	30	1 651	1.9	1 332	1.6	319
Viet Nam	15	0.0	22	0.1	-7	237	0.3	586	0.7	-349
Total ASEAN	3 461	8.2	2 534	6.0	927	12 926	15.2	9 163	11.0	3 763
Other Countries	38 909	91.8	39 881	94.0	-972	71 864	84.8	74 255	89.0	-2 391
Total Trade	42 370	100.0	42 416	100.0	-46	84 790	100.0	83 418	100.0	1 372

(a) A negative sign indicates that imports exceed exports.

TOTAL TRADE FLOWS BETWEEN AUSTRALIA AND ASEAN

continued

From Australia's perspective, the importance of ASEAN as a trading partner increased appreciably between 1988 and 1997. While Australia's global exports increased by 100% during the period, our exports to ASEAN increased by 273%. Similarly, Australia's global imports increased by 97% over the period, while our imports from ASEAN increased by 262%.

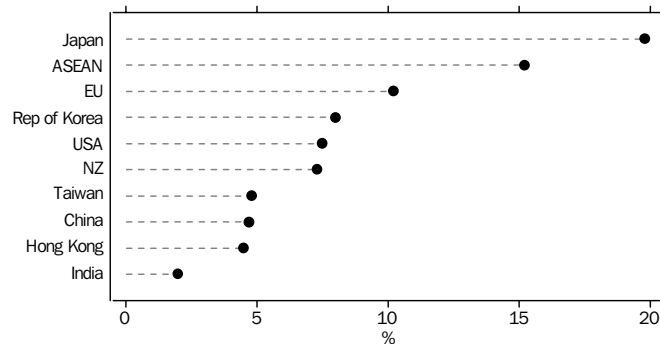
AUSTRALIA'S MERCHANDISE TRADE WITH ASEAN

TOTAL TRADE FLOWS BETWEEN AUSTRALIA AND ASEAN

continued

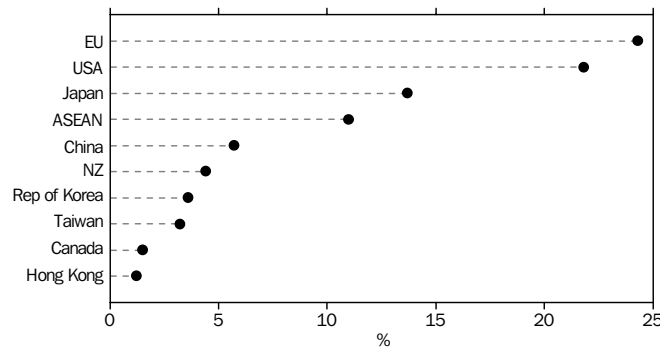
Exports to ASEAN increased from 8% of Australia's global merchandise exports in 1988 to 15% in 1997, while Australian imports from ASEAN increased from 6% of global merchandise imports in 1988 to 11% in 1997. In 1997, the ASEAN member countries were the second most important destination, after Japan, for Australia's exports (see Graph 1) and the fourth largest supplier, after the European Union (EU), United States of America and Japan, of Australia's imports (see Graph 2).

GRAPH 1: MAJOR AUSTRALIAN EXPORT DESTINATIONS, 1997 Share of Total Australian Merchandise Exports



Source: International Trade Australia: FASTRACCS Service (5460.0)

GRAPH 2: MAJOR AUSTRALIAN IMPORT SOURCES, 1997 Share of Total Australian Merchandise Imports



Source: International Trade Australia: FASTRACCS Service (5460.0)

From the perspective of the ASEAN member countries, Australia is significantly less important as a trading partner for both merchandise exports and merchandise imports. In 1996, Australia was the destination for almost 2% of the ASEAN region's global exports¹ and the source for 2.5% of ASEAN's global imports, reflecting only minor decreases over the corresponding 1988 percentages. From the individual ASEAN member countries' perspective, in 1995 the importance of Australia as a trading partner with each of the member countries varied between, 1% and 2% for exports and 2% and 5% for imports². Australia is relatively more important as a trading partner to Indonesia than Australia is to any of the other ASEAN member countries. In 1995, Australia was the destination for 2% of Indonesia's global exports and the source of 5% of its global imports.

¹ Source: IMF Direction of Trade Yearbook. 1996 is the latest year for which statistics are available.

² Source: DFAT STARS Database.

AUSTRALIA'S MERCHANDISE TRADE WITH ASEAN

AUSTRALIA'S BALANCE OF TRADE WITH ASEAN MEMBER COUNTRIES

Australia recorded a trade surplus with the ASEAN group as a whole in each of the years from 1988 to 1997. Between 1988 and 1995, in nominal terms, Australia's trade surplus with ASEAN grew steadily, peaking in 1995 at \$4,514 million before declining to \$3,763 million in 1997. The \$3,763 million surplus recorded in 1997 was over four times the \$927 million surplus in 1988 (see Graph 3). While small trade deficits were recorded in some years with Brunei Darussalam, Myanmar and Viet Nam, Australia has been in surplus with the other six ASEAN countries in each of the years from 1988 to 1997.

The continuing trade surplus with ASEAN contrasts with Australia's persistent trade deficit with the rest of the world. Australia's merchandise trade deficit with the rest of the world, grew from \$972 million in 1988 to \$2,391 million in 1997, an increase of 146%. However there were quite substantial fluctuations in intervening years (see Graph 3).

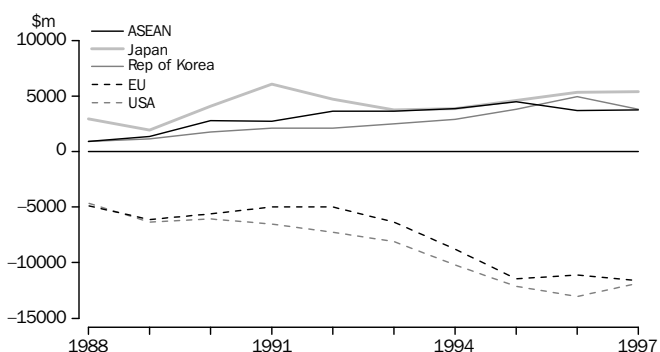
GRAPH 3: AUSTRALIA'S BALANCE OF TRADE WITH ASEAN AND THE REST OF THE WORLD (ROW)



Source: International Trade Australia: FASTRACCS Service (5460.0)

Australia's continuing trade deficit with the rest of the world has mainly been due to growing trade deficits with the USA and the EU. These deficits have, however, been partly offset in recent years by increasing trade surpluses with Australia's other two major trading partners, Japan and the Republic of Korea (see Graph 4).

GRAPH 4: AUSTRALIA'S BALANCE OF TRADE BY MAJOR TRADING PARTNERS



Source: International Trade Australia: FASTRACCS Service (5460.0)

As a percentage of the value of total merchandise trade (exports plus imports) between Australia and ASEAN, the trade surplus with ASEAN increased from 15% in 1988 to peak at almost 32% in 1990. However, the surplus subsequently showed a steady decline to 24% in 1995, before falling more sharply to 17% in 1997, due largely to increasing imports from Indonesia and Malaysia (see Graph 5).

AUSTRALIA'S MERCHANDISE TRADE WITH ASEAN

AUSTRALIA'S BALANCE OF TRADE WITH ASEAN MEMBER COUNTRIES

continued

GRAPH 5: AUSTRALIA'S TRADE SURPLUS WITH ASEAN AS A PERCENTAGE OF TOTAL ASEAN TRADE

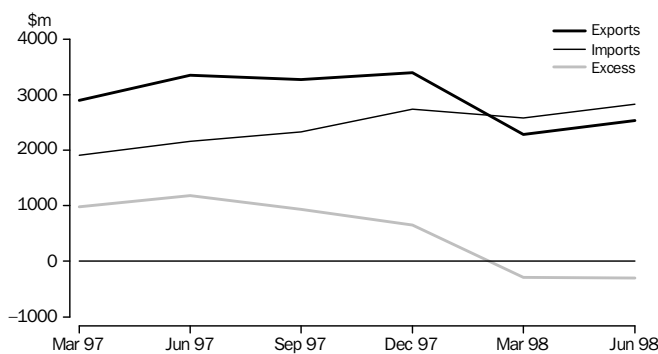


Source: International Trade Australia. FASTRACCS Service (5460.0)

1998 UPDATE

During the first 6 months of 1998, Australia's merchandise trade balance with ASEAN moved into deficit. The deficit for the 6 months ended June 1998 was \$592 million, which is in marked contrast to the surplus of \$2,170 million recorded for the corresponding 6 monthly period in 1997. The turnaround from surplus to deficit is the result of a significant decline in Australia's total merchandise exports to ASEAN, coupled with a slight overall increase in imports (see Graph 6).

GRAPH 6: AUSTRALIA'S MERCHANDISE TRADE WITH ASEAN COUNTRIES, March 1997–June 1998



Source: International Trade Australia. FASTRACCS Service (5460.0)

The deterioration in Australia's trade balance with ASEAN member countries in the first six months of 1998 was particularly marked in the case of Indonesia, Malaysia and Thailand and to a lesser extent Singapore (see Graph 7). Australia's trade balance with Indonesia went from a \$644 million surplus, in the first 6 months of 1997, to a deficit of \$605 million in the 6 months to June 1998, a \$1.25 billion turnaround. Over the same period, Australia's trade balance with Malaysia went from a \$127 million surplus to a \$444 million deficit, a turnaround of \$571 million, while the trade balance with Thailand went from a \$280 million surplus to a \$128 million deficit, a turnaround of \$408 million. Although Australia's trade balance with Singapore remained in surplus, it decreased from \$698 million for the 6 months ended June 1997 to \$371 million for the corresponding period in 1998³.

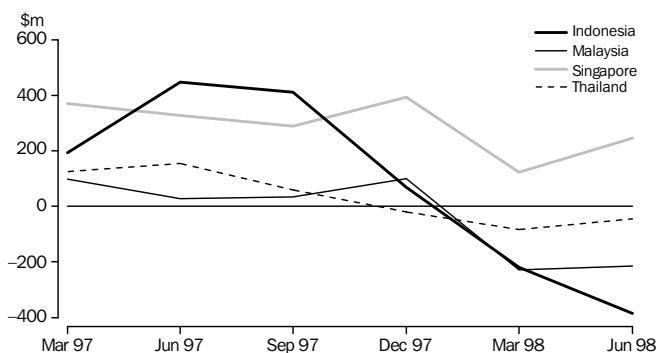
³ The rest of this article concentrates on the 10 calendar years 1988 to 1997 only. If more details are required on the latest 6 months data please contact any of the ABS offices shown on the back of this publication.

AUSTRALIA'S MERCHANDISE TRADE WITH ASEAN

1998 UPDATE

continued

GRAPH 7: AUSTRALIA'S BALANCE OF TRADE WITH SELECTED ASEAN MEMBER COUNTRIES, March 1997–June 1998



Source: International Trade Australia: FASTRACCS Service (5460.0)

COMMODITY ANALYSIS OF TRADE WITH ASEAN MEMBERS

Tables D and E show Australia's trade flows with ASEAN for the two years 1988 and 1997 by major commodity group, the share of total trade with ASEAN represented by each major commodity group in 1997 and the proportion of Australia's world wide trade in each of the major commodities traded with ASEAN for that year.

Some of the data in Tables D and E are affected by confidentiality restrictions. In making comparisons at the commodity level it should be noted that, in Australia's international trade statistics, confidential commodity data are not reported against the commodity, but rather are classified to SITC 98—*combined confidential items of trade*. While confidentiality restrictions do not affect total import and export statistics, they do affect data comparability at the commodity level. In particular, it should be noted that Australia's export commodity statistics with ASEAN countries are significantly affected by confidentiality restrictions.

EXPORTS

Food and live animals (SITC 0) was the largest group of commodities by value exported by Australia to ASEAN in 1997, accounting for 17% of Australia's total exports to ASEAN. These exports have grown from \$744 million in 1988 to \$2,202 million in 1997. In 1988, exports of food and live animals were relatively more significant, in percentage terms, accounting for 21% of Australia's total exports to ASEAN. However, it needs to be noted that, from July 1995 onwards value details of wheat exports (SITC 04) by country are excluded from the statistics for data confidentiality reasons.

The main commodities exported to ASEAN under the food and live animals category (SITC 0) in 1997 were, *dairy products* (SITC 02), *live animals* (SITC 00) and *vegetables and fruit* (SITC 05); exports of these commodities were valued at, \$709 million, \$387 million and \$314 million respectively. Australian exports to ASEAN of food and live animals (SITC 0) accounted for 13% of Australia's world wide exports of these goods in 1997.

AUSTRALIA'S MERCHANDISE TRADE WITH ASEAN

EXPORTS *continued*

Exports of *manufactured goods classified chiefly by material* (SITC 6) was the second largest group of commodities by value exported by Australia to ASEAN in 1997. Exports increased significantly in nominal terms over the 10 year period, from \$645 million in 1988 to \$2,136 million in 1997, accounting for 17% of Australia's total exports to ASEAN in 1997 compared with 19% in 1988. *Non-ferrous metals* (SITC 68) were the major commodities traded, accounting for 8% of Australia's total exports to ASEAN in 1997. Exports of non-ferrous metals grew from \$432 million in 1988 to \$1,068 million in 1997. Exports of *iron and steel* (SITC 67) also increased significantly over the 10 year period, from \$82 million in 1988 to \$522 million in 1997. Australian exports to ASEAN of manufactured goods (SITC 6), accounted for 21% of Australia's world wide exports of these goods in 1997.

TABLE D: ASEAN'S IMPORTANCE TO AUSTRALIA FOR EXPORTS, Australian Merchandise Exports to ASEAN

SITC code and commodity	1988 \$A m	1997 \$A m	Change %	SHARE OF AUSTRALIAN 1997 TOTAL TRADE	
				With ASEAN %	In commodity %
0 Food and live animals	(a) 744	(a) 2 202	196	17.0	12.8
Of which:					
00 Live animals other than fish, crustaceans, molluscs and aquatic invertebrates	32	387	1 109	3.0	52.1
02 Dairy products and birds' eggs	204	709	248	5.5	38.7
05 Vegetables and fruit	82	(a) 314	283	2.4	27.2
2 Crude materials, inedible, except fuels	(a) 266	(a) 1 022	284	7.9	6.0
Of which:					
26 Textile fibres and their wastes (not manufactured into yarn or fabric)	161	762	373	5.9	14.6
28 Metalliferous ores and metal scrap	(a) 74	(a) 190	157	1.5	1.9
3 Mineral fuels, lubricants and related materials	361	1 075	198	8.3	7.2
Of which:					
32 Coal, coke and briquettes	80	(a) 97	21	0.8	1.1
33 Petroleum, petroleum products and related materials	282	901	219	7.0	22.0
6 Manufactured goods classified chiefly by material	(a) 645	(a) 2 136	231	16.5	21.5
Of which:					
67 Iron and steel	(a) 82	522	537	4.0	31.3
68 Non-ferrous metals	(a) 432	(a) 1 068	147	8.3	21.7
7 Machinery and transport equipment	(a) 260	(a) 2 021	677	15.6	17.9
Of which:					
74 General industrial machinery and equipment, nes and machine parts nes	46	336	630	2.6	29.3
79 Transport equipment (excluding road vehicles)	31	358	1 055	2.8	18.5
9 Commodities and transactions not classified elsewhere in the SITC	(b) 785	(b) 3 250	314	25.1	47.8
Of which:					
97 Gold, non-monetary (excl. gold ores and concentrates)	425	1 718	304	13.3	34.9
98 Combined confidential items of trade and commodities nes	(b) 352	(b) 1 473	318	11.4	..
Other Australian exports to ASEAN	(a) 400	(a) 1 220	205	9.4	
Total Australian exports to ASEAN	3 461	12 926	273	100.0	

(a) Excludes export commodities subject to a 'No Commodity Details' or a 'No Country Details' or a 'Selected Country Details—ASEAN member countries' restriction. These are included in Division 98. (b) Includes export commodities subject to a confidentiality restriction.

AUSTRALIA'S MERCHANDISE TRADE WITH ASEAN

EXPORTS *continued*

Machinery and transport equipment (SITC 7) was the third largest category of goods exported by Australia to ASEAN, constituting 16% by value of total exports to ASEAN in 1997. In contrast, exports of these goods in 1988 only made up 8% of Australia's total exports to ASEAN. Over the 10 year period, exports of machinery and transport equipment increased almost eightfold, from \$260 million in 1988 to \$2,021 million in 1997; increases were recorded in most of the transport and machinery items that comprise this category. In 1997, Australian exports to ASEAN of machinery and transport equipment accounted for 18% of Australia's world wide exports of these goods.

Exports of *non-monetary gold* (SITC 97) is the most important single commodity exported by Australia to ASEAN. In 1997, non-monetary gold exports accounted for 13% by value of total exports to ASEAN. Exports of non-monetary gold increased over fourfold between 1988 and 1997, from \$425 million in 1988 to \$1,718 million in 1997, peaking at \$2,257 million in 1992. In 1988 and 1992, exports of non-monetary gold accounted for 12% and 27% respectively of Australia's total exports to ASEAN. In 1997, ASEAN was surpassed only by Korea as Australia's largest export market for non-monetary gold, with the ASEAN market accounting for 35% of Australia's total world wide exports of this commodity (see Graph 8).

Another significant category of Australian exports to ASEAN is *mineral fuels, lubricants and related materials* (SITC 3), with *petroleum, petroleum products and related materials* (SITC 33) being the major commodity group in this category. In 1988, exports of petroleum were worth \$282 million, representing 8% of total exports to ASEAN. Over the 10 years to 1997, exports more than trebled to \$901 million in 1997, representing 7% of total exports to ASEAN in that year. Australian exports to ASEAN of petroleum (SITC 33) accounted for 22% of Australia's world wide exports of these goods in 1997 (see Graph 8).

GRAPH 8: ASEAN'S SHARE OF AUSTRALIA'S TOTAL EXPORTS OF PETROLEUM (SITC 33) AND NON-MONETARY GOLD (SITC 97)



Source: International Trade Australia: FASTRACCS Service (5460.0)

Exports of *crude materials, inedible, except fuels* (SITC 2), constituted 8% of total exports to ASEAN in 1997, with *textile fibres and their wastes* (SITC 26) being the most significant major commodity group within this category. In 1997, exports of crude materials (SITC 2) were valued at \$1,022 million, up nearly four times on the 1988 value of \$266 million. Exports of textile fibres (SITC 26) were valued at \$762 million in 1997, almost a fivefold increase on the \$161 million recorded in 1988. In 1997, Australia's exports to ASEAN of crude materials (SITC 2), accounted for 6% of Australia's world wide exports of these goods.

AUSTRALIA'S MERCHANDISE TRADE WITH ASEAN

IMPORTS

In 1997, by far the largest group of commodities by value imported by Australia from ASEAN was *machinery and transport equipment* (SITC 7). *Office machines and automatic data processing machines* (SITC 75), *telecommunications and sound recording and reproducing apparatus and equipment* (SITC 76) and *electrical machinery, apparatus, appliances, parts* (SITC 77) were the three major components in this broad category. Over the 10 years to 1997, there has been a dramatic rise in the relative importance of imports of machinery and transport equipment (SITC 7); in 1997 they represented 37% of total imports from ASEAN compared with only 15% in 1988. In value terms, these imports rose almost ninefold, from \$386 million in 1988 to \$3,419 million in 1997.

Within this category, imports of office machines and automatic data processing machines (SITC 75) showed the most dramatic increase over the 10 year period, rising from \$76 million in 1988 (representing 3% of total imports from ASEAN) to \$1,632 million in 1997, representing 18% of total imports from ASEAN in that year. Imports of telecommunications and sound recording and reproducing apparatus and equipment (SITC 76) increased from \$79 million in 1988 to \$669 million in 1997, while imports of electrical machinery, apparatus, appliances, parts (SITC 77) increased from \$117 million to \$653 million over the same period. In 1997, Australian imports from ASEAN of machinery and transport equipment (SITC 7), accounted for 9% of Australia's world wide imports of these goods (See Graph 9).

Mineral fuels, lubricants and related materials (SITC 3), were the second largest group of commodities by value imported in 1997, with *petroleum, petroleum products and related materials* (SITC 33) being the major commodity group in this category. Imports of petroleum (SITC 33) from ASEAN were worth \$1,985 million in 1997 compared with \$650 million in 1988. While imports over the 10 year period have more than trebled in nominal value terms, their relative significance has declined from 26% of total imports from ASEAN in 1988 to 22% in 1997, after peaking in 1991 and 1992 at 30% of total imports mainly due to higher oil prices in those years due to the Gulf war. In 1997, Australian petroleum imports from ASEAN accounted for 40% of Australia's world wide petroleum imports (see Graph 9).

GRAPH 9: ASEAN'S SHARE OF AUSTRALIA'S TOTAL IMPORTS OF FOOD & LIVE ANIMALS (SITC 0), PETROLEUM (SITC 33) AND MACHINERY & TRANSPORT EQUIPMENT (SITC 7)



Source: International Trade Australia: FASTRACCS Service (5460.0)

AUSTRALIA'S MERCHANDISE TRADE WITH ASEAN

Table E: ASEAN'S IMPORTANCE TO AUSTRALIA FOR IMPORTS, Australian Merchandise Imports from ASEAN

SITC code and commodity	1988 \$A m	1997 \$A m	Change %	SHARE OF AUSTRALIAN 1997 TOTAL TRADE	
				With ASEAN %	In commodity %
0 Food and live animals	(a) 338	681	101	7.4	21.3
Of which:					
03 Fish (not marine mammals), crustaceans, molluscs and aquatic invertebrates, and preparations thereof	122	281	130	3.1	44.6
07 Coffee, tea, cocoa, spices, and manufactures thereof	(a) 132	161	22	1.8	27.8
3 Mineral fuels, lubricants and related materials	(a) 653	(a) 2 013	208	22.0	40.1
Of which:					
33 Petroleum, petroleum products and related materials	(a) 650	(a) 1 985	205	21.7	40.4
34 Gas, natural and manufactured	3	27	800	0.3	28.7
5 Chemicals and related products, n.e.s.	(a) 119	(a) 470	295	5.1	5.0
Of which:					
51 Organic chemicals	(a) 35	(a) 128	266	1.4	6.2
57 Plastics in primary forms	(a) 17	(a) 74	335	0.8	8.0
6 Manufactured goods classified chiefly by material	(a) 384	(a) 983	156	10.7	8.5
Of which:					
64 Paper, paperboard, and articles of paper pulp, of paper or of paperboard	27	(a) 159	489	1.7	8.7
65 Textile yarn, fabrics, made-up articles, n.e.s., and related products	(a) 138	(a) 255	85	2.8	10.7
7 Machinery and transport equipment	(a) 386	(a) 3 419	786	37.3	8.8
Of which:					
75 Office machines and automatic data processing machines	76	1 632	2 047	17.8	25.1
76 Telecommunications and sound recording and reproducing apparatus and equipment	(a) 79	(a) 669	747	7.3	17.8
77 Electrical machinery, apparatus, appliances, parts (including non-electrical counterparts of electrical domestic equipment)	(a) 117	(a) 653	458	7.1	12.8
8 Miscellaneous manufactured articles	(a) 292	(a) 901	209	9.8	7.3
Of which:					
82 Furniture, parts thereof; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings	36	189	425	2.1	30.8
89 Miscellaneous manufactured articles, n.e.s.	(a) 146	(a) 321	120	3.5	6.6
9 Commodities and transactions n.e.c. in the SITC	(b) 95	(b) 343	261	3.7	37.4
Of which:					
98 Combined confidential items of trade and commodities n.e.s.	(b) 91	(b) 218	140	2.4	..
Other Australian imports from ASEAN	(a) 267	(a) 353	32	3.9	
Total Australian imports from ASEAN	2 534	9 163	262	100.0	

(a) Excludes import commodities subject to a 'No Commodity Details' or a 'No Country Details' or a 'Selected Country Details—ASEAN member countries' restriction. These are included in Division 98. (b) Includes import commodities subject to a confidentiality restriction.

AUSTRALIA'S MERCHANDISE TRADE WITH ASEAN

IMPORTS *continued*

Manufactured goods classified chiefly by material (SITC 6) was the third largest group of commodities by value imported from ASEAN in 1997, accounting for 11% of total imports. In 1997, Australian imports of manufactured goods (SITC 6) were worth \$983 million, up 156% on the 1988 value of \$384 million. *Textile yarn, fabrics, made up articles, nes and related products* (SITC 65) was the major component in this category, imports of which were valued at \$255 million in 1997, up 85% on the 1988 value of \$138 million. In 1997, Australia's imports from ASEAN of manufactured goods (SITC 6) accounted for 9% of Australia's world wide imports of these goods.

Miscellaneous manufactured articles (SITC 8) was the fourth largest commodity group by value contributing to Australia's imports from ASEAN in 1997, imports of which were valued at \$901 million in 1997, triple the \$292 million recorded in 1988. In 1997, Australian imports to ASEAN of miscellaneous manufactured articles, accounted for 7% of Australia's world wide imports of these goods.

Food and live animals (SITC 0) represented 7% of total imports from ASEAN in 1997. While imports of food and live animals grew 101% in nominal value terms over the 10 year period—from \$338 million to \$681 million in 1997—their relative contribution to total imports from ASEAN has almost halved over the same period—from 13% in 1988 to 7% in 1997. In 1997, Australia's imports from ASEAN of food and live animals accounted for 21% of Australia's world wide imports of these goods (see Graph 9).

AUSTRALIAN TRADE WITH INDIVIDUAL MEMBERS OF ASEAN

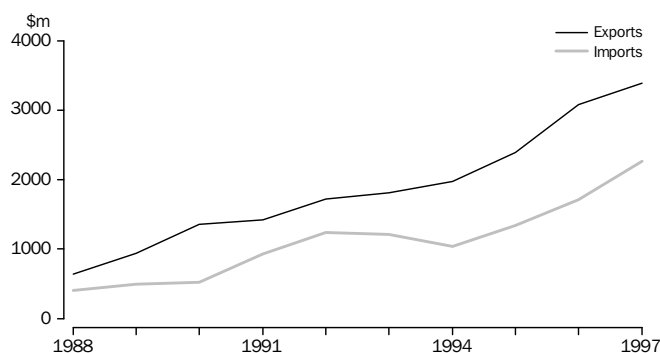
Significant developments in trading patterns with the major individual ASEAN countries are outlined in the following paragraphs.

INDONESIA

In 1997, Indonesia was Australia's tenth most important trading partner in terms of total trade, up from sixteenth in 1988, and Australia's second most significant trading partner in the ASEAN group for both imports and exports. The value of total trade between the two countries increased fivefold, from \$1,038 million in 1988 to \$ 5,656 million in 1997. Indonesia's share of Australia's total trade increased from 1% in 1988 to 3% in 1997, resulting in almost a fivefold increase in Australia's trade surplus with Indonesia, from \$233 million in 1988 to \$1,124 million in 1997, after peaking in 1996 at \$1,371 million.

In 1997, exports and imports to Indonesia were worth \$3,390 million and \$2,266 million respectively; the value of exports increased by 433% while the value of imports increased by 464% over the 10 year period (see graph 10). Indonesia was the ninth largest destination for Australia's exports, and the eleventh largest source of imports.

GRAPH 10: AUSTRALIA'S MERCHANDISE TRADE WITH INDONESIA



Source: International Trade Australia: FASTTRACCS Service (5460.0)

A U S T R A L I A ' S M E R C H A N D I S E T R A D E W I T H A S E A N

INDONESIA *continued*

TABLE F: AUSTRALIA'S MERCHANDISE TRADE WITH INDONESIA

SITC code and commodity	1988 \$A m	1997 \$A m	Change %
Exports			
00 Live animals	7	213	2 943
26 Textile fibres	36	414	1 050
Of which:			
263 Cotton	34	366	976
33 Petroleum	28	272	871
67 Iron and steel	(a) 18	136	656
68 Non-ferrous metals	(a) 87	(a) 322	270
Of which:			
684 Aluminium	17	147	765
686 Zinc	56	81	45
69 Manufactures of metals	9	79	778
72 Specialised machinery	(a) 20	(a) 107	435
77 Electrical machinery	(a) 2	(a) 81	3 950
79 Transport equipment	6	83	1 283
98 Combined confidential items	(b) 110	(b) 828	653
Other exports	(a) 313	(a) 855	173
Total exports	636	3 390	433
Imports			
33 Petroleum	(c) 213	(c) 1 118	425
63 Cork	(c) 11	57	418
64 Paper	9	(c) 106	1 078
65 Textiles	(c) 35	(c) 126	260
67 Iron and steel	–	(c) 48	..
76 Telecommunications equipment	–	52	..
82 Furniture	3	68	2 167
84 Articles of apparel	3	51	1 600
97 Non-monetary gold	–	96	..
98 Combined confidential items	(d) 5	(d) 20	300
Other imports	(c) 123	(c) 524	326
Total imports	402	2 266	464

(a) Excludes export commodities subject to a 'No Commodity Details' or a 'No Country Details' or a 'Selected Country Details—Indonesia' restriction. These are included in Division 98.

(b) Includes export commodities subject to a confidentiality restriction.

(d) Includes import commodities subject to a confidentiality restriction.

(c) Excludes import commodities subject to a 'No Commodity Details' or a 'No Country Details' or a 'Selected Country Details—Indonesia' restriction. These are included in Division 98.

AUSTRALIA'S MERCHANDISE TRADE WITH ASEAN

INDONESIA *continued Exports*

The largest single group of commodities exported to Indonesia in 1997 was *textile fibres and their wastes* (SITC 26), which accounted for 12% of Australia's total exports to Indonesia, up from 6% in 1988. Exports of textile fibres and their wastes were valued at \$414 million in 1997 compared with just \$36 million in 1988. An increase in exports of cotton (SITC 263), from \$34 million in 1988 to \$366 million in 1997, was the principal cause of this growth.

Exports of *non-ferrous metals* (SITC 68) while still significant in absolute terms, have declined in relative importance over the 10 year period. In 1997, exports of non-ferrous metals were worth \$322 million, accounting for 9% of Australia's total exports to Indonesia; aluminium (SITC 684) and zinc (SITC 686) were the major commodities exported and were valued at \$147 million and \$81 million respectively in 1997. In 1988, exports of non-ferrous metals were worth \$87 million and accounted for 14% of Australia's total exports to Indonesia.

Imports

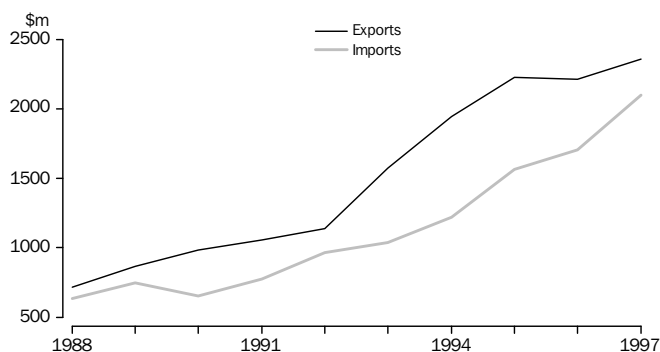
Petroleum, petroleum products and related materials (SITC 33) was the largest single group of commodities imported from Indonesia for each of the 10 years from 1988 to 1997. Petroleum imports increased by 425% over the period, from \$213 million in 1988 to \$1,118 million in 1997. In 1997, petroleum accounted for 49% of imports from Indonesia down from 53% in 1988.

MALAYSIA Malaysia's importance as a trading partner increased significantly between 1988 and 1997, rising from fourteenth to twelfth in total trade terms. The value of total trade more than trebled between 1988 and 1997 from \$1,349 million to \$4,462 million. Malaysia's share of Australia's total global trade also increased over the same period, from 2% in 1988 to 3% in 1997.

Reflecting the relatively faster growth in the value of exports compared with the value of imports, Australia's trade surplus with Malaysia grew rapidly between 1988 and 1994, from \$83 million in 1988 to \$728 million in 1994. Subsequently, however, the trade surplus decreased to \$260 million in 1997, reflecting relatively stronger growth in the value of imports since 1994.

Malaysia was the eleventh largest market for Australia's exports, and the twelfth largest source of imports in 1997. Over the 10 year period, Australian exports to Malaysia more than trebled to \$2,361 million in 1997, while imports similarly trebled to \$2,101 million in 1997 (see Graph 11).

GRAPH 11: AUSTRALIA'S MERCHANDISE TRADE WITH MALAYSIA



Source: International Trade Australia: FASTRACCS Service (5460.0)

A U S T R A L I A ' S M E R C H A N D I S E T R A D E W I T H A S E A N

MALAYSIA *continued*

TABLE G: AUSTRALIA'S MERCHANDISE TRADE WITH MALAYSIA

SITC code and commodity	1988	1997	Change
	\$A m	\$A m	%
Exports			
02 Dairy products and birds' eggs	49	158	222
05 Vegetables and fruit	27	(a) 114	322
06 Sugars	(a) 1	(a) 89	8 800
26 Textile fibres	67	142	112
67 Iron and steel	(a) 17	135	694
68 Non-ferrous metals	(a) 78	(a) 248	218
Of which:			
682 Copper	5	99	1 880
684 Aluminium	51	84	65
74 General industrial machinery and equip	5	65	1 200
79 Transport equipment	9	110	1 122
97 Non-monetary gold	—	142	..
98 Combined confidential items	(b) 158	(b) 322	104
Other exports	(a) 305	(a) 836	176
Total exports	716	2 361	230
Imports			
24 Cork and wood	100	70	-30
33 Petroleum	(c) 160	(c) 69	-57
42 Fixed vegetable fats and oils	42	(c) 81	93
56 Fertilisers (excl. crude)	11	51	364
7 Machinery and transport equipment	(c) 51	(c) 1 170	2 194
74 General industrial machinery and equip	(c) 9	(c) 68	656
75 Office machines	—	374	..
76 Telecommunications equipment	(c) 27	(c) 352	1 204
77 Electrical machinery	(c) 13	(c) 320	2 362
82 Furniture	5	82	1 540
98 Combined confidential items	(d) 15	(d) 42	180
Other imports	(c) 249	(c) 536	115
Total imports	633	2 101	232

(a) Excludes export commodities subject to a 'No Commodity Details' or a 'No Country Details' or a 'Selected Country Details—Malaysia' restriction. These are included in Division 98.

(b) Includes export commodities subject to a confidentiality restriction.

(d) Includes import commodities subject to a confidentiality restriction.

(c) Excludes import commodities subject to a 'No Commodity Details' or a 'No Country Details' or a 'Selected Country Details—Malaysia' restriction. These are included in Division 98.

AUSTRALIA'S MERCHANDISE TRADE WITH ASEAN

MALAYSIA *continued* Exports

In 1997, *non ferrous metals* (SITC 68) were Australia's largest export to Malaysia. Since 1988 trade in these commodities has increased by 218% with the value of exports increasing from \$78 million in 1988 to \$248 million in 1997. Exports of copper (SITC 682), and aluminium (SITC 684) accounted for most of the growth; in 1997 exports of copper and aluminium were worth \$99 million and \$84 million respectively. Exports of non-ferrous metals (SITC 68) represented 11% of Australia's total exports to Malaysia in 1997 and in 1988.

Dairy products and birds' eggs (SITC 02) were the second largest single group of commodities exported to Malaysia in 1997. Exports of dairy products trebled in value between 1988 and 1997, from \$49 million to \$158 million.

Imports

Imports of *Machinery and transport equipment* (SITC 7) were by far the most important category of commodities imported from Malaysia in 1997, accounting for 56% of total imports. Imports of machinery and transport equipment increased dramatically over the 10 year period, from \$51 million in 1988 to \$1,170 million in 1997, a 22 fold increase. Imports of *office machines and automatic data processing machines* (SITC 75), *telecommunications and sound recording and reproducing apparatus and equipment* (SITC 76) and *electrical machinery, apparatus, appliances, parts* (SITC 77) accounted for most of the increase; in 1997 the value of imports for each of these groups were, \$374 million, \$352 million and \$320 million respectively.

SINGAPORE In terms of total trade, in 1997 Singapore was Australia's most important trading partner within ASEAN and Australia's eighth most important trading partner globally, up from tenth in 1988. In 1997, trade with Singapore accounted for 4% of Australia's total global trade, up from 3% in 1988.

Australia's trade with Singapore in 1997 accounted for almost 30% of Australia's total export trade and 27% of its total import trade with ASEAN. Over the 10 year period, Australia's total trade with Singapore almost trebled, from \$2,298 million in 1988 to \$6,360 million in 1997 while the trade surplus with Singapore increased almost fourfold over the same period, from \$362 million in 1988 to \$1,382 million in 1997, peaking in 1992 at \$2,440 million due to a surge in exports of non-monetary gold in that year (see Graph 12).

GRAPH 12: AUSTRALIA'S MERCHANDISE TRADE WITH SINGAPORE



Source: International Trade Australia: FASTRACCS Service (5460.0)

A U S T R A L I A ' S M E R C H A N D I S E T R A D E W I T H A S E A N

SINGAPORE *continued*

TABLE H: AUSTRALIA'S MERCHANDISE TRADE WITH SINGAPORE

SITC code and commodity	1988 \$A m	1997 \$A m	Change %
Exports			
02 Dairy products and birds' eggs	63	107	70
05 Vegetables and fruit	48	(a) 110	129
33 Petroleum	175	436	149
68 Non-ferrous metals	(a) 92	(a) 109	18
74 General industrial machinery and equip	20	117	485
75 Office machines	23	181	687
79 Transport equipment	14	123	779
88 Photographic apparatus	63	109	73
97 Non-monetary gold	416	1 436	245
98 Combined confidential items	(b) 59	(b) 105	78
Other exports	(a) 357	(a) 1 038	191
Total exports	1 330	3 871	191
Imports			
07 Coffee, tea, cocoa	(c) 55	42	-24
33 Petroleum	(c) 260	(c) 341	31
51 Organic Chemicals	(c) 27	(c) 75	178
74 General industrial machinery and equip	(c) 29	(c) 45	55
75 Office machines	71	1 065	1 400
76 Telecommunications equipment	(c) 49	(c) 150	206
77 Electrical machinery	(c) 83	(c) 180	117
87 Professional & scientific apparatus	(c) 18	49	172
89 Miscellaneous manufactured articles	(c) 74	(c) 101	36
98 Combined confidential items	(d) 66	(d) 96	45
Other imports	(c) 236	(c) 345	47
Total imports	968	2 489	157

(a) Excludes export commodities subject to a 'No Commodity Details' or a 'No Country Details' or a 'Selected Country Details—Singapore' restriction. These are included in Division 98.

(b) Includes export commodities subject to a confidentiality restriction.

(d) Includes import commodities subject to a confidentiality restriction.

(c) Excludes import commodities subject to a 'No Commodity Details' or a 'No Country Details' or a 'Selected Country Details—Singapore' restriction. These are included in Division 98.

SINGAPORE *continued* Exports

Singapore was Australia's seventh most important export destination in 1997, taking 5% of total Australian exports. The value of Australia's exports to Singapore almost trebled over the 10 year period, from \$1,330 million in 1988 to \$3,871 million in 1997. Forty per cent of this rise in exports to Singapore was due to increasing exports of non-monetary gold. Statistical users should also recognise that some exports to Singapore may subsequently be on-shipped to other destinations.

Non-monetary gold (SITC 97) was the single most important commodity exported from Australia to Singapore over the 10 year period. The value of non-monetary gold exports increased from \$416 million in 1988 to \$1,436 million in 1997, an increase of 245%, with the value peaking at \$2,088 million in 1992. Non-monetary gold represented 37% of Australia's total exports to Singapore in 1997 an increase from 31% in 1988. Singapore was Australia's most important destination for this commodity in 1997, taking 29% of Australia's total exports of non-monetary gold.

Exports of *petroleum and petroleum products* (SITC 33) also rose strongly over the 10 year period. Petroleum was Australia's second largest single export to Singapore in each year from 1988 to 1997. This commodity group represented 11% of Australian exports to Singapore in 1997, a decrease from 13% in 1988.

Imports

Over the 10 years from 1988 to 1997, the ranking of Singapore as a source of Australia's imports increased marginally from tenth in 1988 to ninth in 1997. The value of imports increased from \$968 million in 1988 to \$2,489 million in 1997, an increase of 157%. The proportion of Australia's global imports supplied by Singapore increased slightly, from 2% to 3%, over the period.

The largest group of commodities imported from Singapore in 1997 was *office machines and automatic data processing machines* (SITC 75). Australia's imports of these goods increased dramatically over the 10 year period, from \$71 million in 1988 to \$1,065 million in 1997. In 1988, these commodities represented only 7% of Australia's total imports from Singapore but by 1997, imports have increased significantly to account for 43% of Australia's total imports from Singapore. In 1997 Singapore was the source of 16% of Australia's total world wide imports of these goods.

THAILAND In 1997, Thailand was Australia's fourteenth most important trading partner, accounting for 2% of Australia's total trade. In 1988 Thailand was ranked twenty second amongst Australia's trading partners. Over the 10 year period, Australia's total trade with Thailand grew fourfold, from \$743 million in 1988 to \$2,983 million in 1997.

Australia had a steadily increasing trade surplus with Thailand between 1988 and 1995; the surplus increased from \$30 million in 1988 to \$723 million in 1995 before declining to \$319 million in 1997.

A U S T R A L I A ' S M E R C H A N D I S E T R A D E W I T H A S E A N

THAILAND *continued*

TABLE I: AUSTRALIA'S MERCHANDISE TRADE WITH THAILAND

SITC code and commodity	1988 \$A m	1997 \$A m	Change %
Exports			
02 Dairy products and birds' eggs	24	127	429
26 Textile fibres	39	172	341
33 Petroleum	11	159	1 345
54 Medicinal & pharmaceutical products	(a) 7	(a)45	543
67 Iron and steel	(a) 7	78	1 014
68 Non-ferrous metals	133	(a) 278	109
Of which:			
682 Copper	2	38	1 800
684 Aluminium	123	197	60
74 General industrial machinery and equip	5	45	800
77 Electrical machinery	(a) 4	(a) 53	1 225
97 Non-monetary gold	10	135	1 250
98 Combined confidential items	(b) 13	(b) 135	938
Other exports	(a) 133	(a) 424	216
Total exports	386	1 651	328
Imports			
03 Fish, crustaceans, molluscs	54	198	267
05 Vegetables and fruit	13	37	185
65 Textiles	(c) 57	(c) 74	30
66 Non-metallic mineral manufactures	(c) 25	(c) 36	44
7 Machinery and transport equipment	(c) 22	(c) 446	1 927
74 General industrial machinery and equip	(c) 4	(c) 92	2 200
75 Office machines	4	125	3 025
76 Telecommunications equipment	—	(c) 102	. .
78 Road vehicles	1	88	8 700
89 Miscellaneous manufactured articles	(c) 35	84	140
98 Combined confidential items	(d) 1	(d) 59	5 800
Other imports	(c) 149	(c) 398	169
Total imports	356	1 332	274

(a) Excludes export commodities subject to a 'No Commodity Details' or a 'No Country Details' or a 'Selected Country Details—Thailand' restriction. These are included in Division 98.

(b) Includes export commodities subject to a confidentiality restriction.

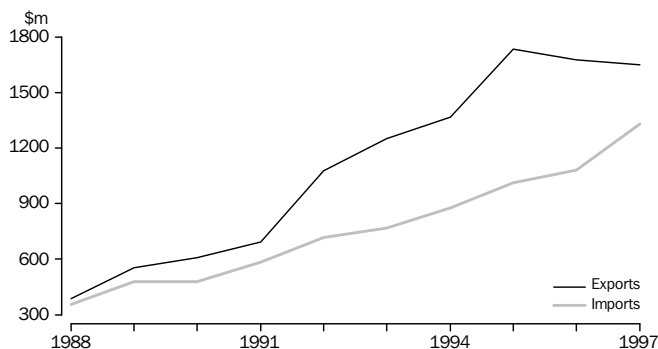
(d) Includes import commodities subject to a confidentiality restriction.

(c) Excludes import commodities subject to a 'No Commodity Details' or a 'No Country Details' or a 'Selected Country Details—Thailand' restriction. These are included in Division 98.

AUSTRALIA'S MERCHANDISE TRADE WITH ASEAN

THAILAND *continued* Australia's merchandise exports to Thailand increased fourfold over the 10 year period, from \$386 million in 1988 to \$1,651 million in 1997. Australian merchandise imports from Thailand also increased almost fourfold over the same period, from \$356 million in 1988 to \$1,332 million in 1997 (see Graph 13).

GRAPH 13: AUSTRALIA'S MERCHANDISE TRADE WITH THAILAND



Source: International Trade Australia: FASTRACCS Service (5460.0)

Exports

In 1997, exports of *non-ferrous metals* (SITC 68) accounted for 17% of Australia's total exports to Thailand. Exports of non-ferrous metals were worth \$278 million in 1997 compared with \$133 million in 1988. Exports of aluminium (SITC 684) and copper (SITC 682) accounted for most of the increase, exports of which were worth \$197 million and \$38 million respectively in 1997. Exports of *petroleum, petroleum products and related materials* (SITC 33) increased significantly over the period with most of the growth occurring in 1997. In 1988 exports of petroleum were worth \$11 million and represented 3% of Australia's total export trade with Thailand; by 1997 exports had increased 14 fold to \$159 million representing 10% of Australia's total export trade with Thailand.

Imports

Machinery and transport equipment (SITC 7) was the largest group of commodities imported from Thailand in 1997, accounting for 33% of Australia's total imports from Thailand in that year, up from only 6% in 1988, reflecting a dramatic increase in value, from \$22 million in 1988 to \$446 million in 1997.

OTHER ASEAN MEMBERS A detailed analysis of commodities traded with the other members of ASEAN has not been included in this article due to their smaller significance as ASEAN trading partners with Australia.

FURTHER INFORMATION

The statistics presented in this article have been sourced from ABS publications and other data sources as footnoted. Users interested in obtaining more details about Australia's trade with the ASEAN or about other aspects of Australia's international merchandise trade can contact ABS Client Services on (02) 6252 5400.

Further information on the processes involved in collecting, compiling and disseminating Australia's international merchandise trade statistics is contained in the article *Tracking Australia's International Trade* published in the September quarter 1997 issue of this publication.