

EXTERNAL TRADE

INTRODUCTION

The external trade of Victoria since the commencement of the twentieth century and the Federation of six separate colonies has, of necessity, become a part of the total Australian involvement in complex international transactions. From the relatively simple compilations of nineteenth century movements of commodities into and out of local colonial ports, the statistics on external trade are now an integral contribution to the models with which national economic management is attempted.

Although not separate in political regulation or outside economic influences from Australian external trade there are nevertheless certain features of Victoria's participation that are unique. These arise by virtue of the traditional role of Melbourne as a trans-shipment port, its central location as a distribution point for maritime trade, and Victoria's concentration on certain commodities. A factor affecting Victoria's relative importance in the overseas trade of Australia has been its almost total lack of natural resources in the field of bulk exportable minerals. Despite its dominance as an oil and gas producer, Victoria has not shared the position of Queensland and Western Australia in a period when the overseas export earnings of Australia have come increasingly from mineral products.

INTERSTATE TRADE

It has been usual for Victoria and New South Wales to have adverse balances in respect of overseas trade. This is attributed to the fact that goods and materials are imported into these States for further processing or finishing, and/or ultimate distribution to other States. The adverse balances are, however, offset by favourable balances on interstate trade. Since Federation created a single market in Australia, no uniform measurement of interstate trade was undertaken after 1910 due in part to the problems of measuring road freight moving across State borders in the absence of interstate customs houses. Sea, rail, and air freight are measurable through manifests, waybills, and other documentation. However, from information available from those States utilising shipping records, approaching businesses in all States for data on interstate distribution of goods, or collecting interstate exports only, from all States, and deducing interstate imports as being the reverse transactions, the importance of Victoria in this trade is apparent.

Among commodities entering this trade are imports of chemical elements and compounds, and petroleum products from Western Australia, and exports of machinery other than electrical, clothing and accessories, and electrical apparatus to Western Australia. Imports from Tasmania include newsprint, printing and writing papers, vegetables, tungsten ores, and refined zinc. Exports to Tasmania include petroleum products, transport equipment, clothing and accessories, and machinery other than electrical.

State bases of export statistics

Before Federation external trade statistics of the colonies indicated source and destination of imports and exports, respectively, and among these were listed other colonies. It was possible to derive goods of Victorian origin included in exports, but this dissection was

lost when the Commonwealth Constitution decreed that trade between the States should be free, and the customs machinery for monitoring internal movements of goods was dismantled. This meant that, in general, State overseas exports have been compiled on the basis of the State in which the appropriate export documentation was lodged with the Bureau of Customs (or its predecessor the Department of Customs). This may at one time have been synonymous with the State of origin of the goods, but the advent of containerisation, and the increased centralisation of company accounts made "State of lodgement" a meaningless concept upon which to base State export statistics.

This led to a change in the basis of recording State details in Australian export statistics, from "State of lodgement" of export documents, to "State of origin" and "Port of loading/State of final shipment" of goods. These new bases operated only from July 1978, and since then Victorian totals of Australian produce in the "State of origin" tables represent the quantity and value of goods which were the produce of Victoria. State totals of re-exports (i.e., goods which have been imported and re-exported, often after some minor processing has taken place) represent State of final shipment, as it is not possible to assign a "State of origin" to such goods. Because of the different bases used over the years for Australian exports and re-exports, care must be exercised in the interpretation of statistics of exports from Victoria.

This development permits analysis of the extent of Victorian produce included in Victoria's total exports. Excluding the re-export component, the difference between figures on a "State of shipment" and a "State of origin" basis corresponds with goods, the produce of other States, shipped overseas through Victorian ports, although the origin of the other States is not known. (It is not possible to measure the opposite transactions — i.e., goods of Victorian origin exported through interstate ports, or similarly, the extent of overseas or interstate imports landed in Victoria which are then transported to other States, although with Melbourne's traditional reputation as a redistribution port, this trade is regarded as considerable.) A comparison of some specific items of goods on the different export bases operating in the transition years 1977-78 and 1978-79 gives an idea of the extent of these particular goods produced outside Victoria that are shipped from Victoria, and also highlights the dominance of Victoria in certain selected items of Australian exports.

SELECTED EXPORTS (EXCLUDING RE-EXPORTS): VICTORIA,
1977-78 AND 1978-79

Item	1978-79		1977-78	1978-79
	Total goods shipped from Victoria	Total goods of Victorian origin	Goods of Victorian origin expressed as a percentage of total shipped from Victoria	Proportion of exports from Australia (State of origin)
	\$m	\$m	per cent	per cent
Dried fruits	45.3	44.0	97	90
Milk and cream	71.8	71.6	100	80
Crude petroleum	9.7	9.7	100	100
Beef and veal	343.0	242.0	71	18
Mutton	69.4	53.1	77	39
Motor vehicle parts	29.5	26.3	89	56

This table shows that practically all dried fruits, milk and cream products, and all crude petroleum exported overseas from Victoria in the year 1978-79 were of Victorian origin. About one-quarter of beef, veal, and mutton, and about one-tenth of motor vehicle parts, were of interstate origin. For the first three items Victoria was also the dominant contributor to Australia's exports, whether the basis of measurement was "State of lodgement" as in 1977-78, or "State of origin" as in 1978-79. The other three items were less significant in the Australian total, and in each case less so on a "State of origin" basis than on a "State of lodgement" basis. Assuming that there was no large actual variation between the two years due to factors other than the changed bases, these examples tend to confirm that the region serviced by Victorian ports extends beyond the State boundary to embrace, probably, exports of New South Wales (particularly the Riverina) and South Australian origin.

OVERSEAS TRADE

The study of Victoria's overseas trade during the half century from the 1930s to the 1980s as a contribution to total Australian trade, Victoria's relationship with its major trading partners, and the main commodities recorded in Victorian imports and exports during the period, can be divided into five periods of approximately ten years each, dating from about the mid-points of each decade. This affords better comparisons of available statistics than can be derived by a simple scan of the complete fifty years, because of changes in commodity classification and valuation.

Until the 1950 edition of the United Nation's *Standard International Trade Classification* (SITC), individual countries' classifications of commodities had prevented precise international comparisons, but by 1960 the governments of countries accounting for about 80 per cent of world commodity trade were using SITC. The Australian Customs Tariff, based on the Brussels Tariff Nomenclature (BTN), which later became the Customs Co-operation Council Nomenclature (CCCN), was introduced in July 1965. For statistical purposes SITC makes a distinction between raw materials, semi-manufactured goods, and finished articles, while CCCN groups articles by the material of which they are made, as is traditional for customs usage. The Australian Import Commodity Classification (AICC), introduced from July 1965, and the Australian Export Commodity Classification (AECC), introduced from July 1966, were based on SITC and with a revision from July 1978, became the basis for commodity statistics.

Because aggregate statistics relating to overseas trade are quoted in value terms, long series are prone to lack of comparability for several reasons. The basis of valuation was "free on board (FOB) port of shipment" and until July 1976 the recorded value of imports was the "value for duty", after which date the "Brussels Definition of Value" applied. Recorded import figures from 1976-77 were estimated to be about 2 per cent lower than on the old basis. Also, imports were expressed in British currency values prior to 1947-48 and Australian values thereafter. A reasonably accurate method of converting the values of imports (except gold) from British to Australian currency was stated in contemporary Year Books as being to add 14 per cent to British currency values. Statistical tables shown herein which were originally published in pounds (British currency, not necessarily synonymous with English sterling) have therefore been converted to the approximate dollar equivalent (Australian currency) by multiplying values by a factor of 2.28. For other imports and for exports all figures prior to the introduction of decimal currency in February 1966 have been converted to dollars by multiplying Australian pounds by a factor of 2.

Being subject to the rapid inflationary forces of the post-war period a value series also suffers the loss of long-term comparability that could be derived from quantity figures for specific items if collected on a consistent basis over time. However, because of the changes in commodity classifications, long consistent quantity series do not exist, except for a relatively few homogeneous commodities, such as wheat or wool. Metric units of quantity were introduced in July 1972 for Australian overseas trade statistics.

Dissection into short periods allows isolation for closer scrutiny of the factors illustrating significant changes in the economic circumstances affecting overseas trade, such as the effects of depression and war from the mid-1930s to the mid-1940s, the post-war boom, recession, and recovery to about the mid-1950s, and technological improvement in the physical ability to handle and transport goods by the mid-1960s and 1970s. Each decade has features worthy of highlighting against the overall background of apparently steady long-term growth.

The mid-1930s to the mid-1940s

The 1930s was a period of economic depression throughout the world and this seriously affected exporters of agricultural products, which Victoria predominantly was at this time. The combination of low prices and oversupply on world markets meant that agricultural industries in Australia recovered from the Depression only slowly, with some government help, such as a tax on flour to help wheat growers, but limited prosperity had returned by 1939.

The major trading partner in the 1930s was the United Kingdom, due to the policy of Imperial Preference agreed upon at the Ottawa Conference of 1932. This gave tariff

protection to Empire products and the United Kingdom absorbed the bulk of butter and meat exports, although large quantities of wool and wheat were sent to foreign countries. Japan was disadvantaged by this policy and reacted against high tariff barriers against Japanese manufactures by seeking raw materials elsewhere. From 1935-36, the pattern of Victorian exports to Japan tapered markedly until the outbreak of hostilities in 1941, while imports remained relatively static.

The United States of America offset the diminution in Victorian exports to some extent prior to 1940-41, when it approached the United Kingdom in value terms, and thereafter maintained second place among recipients of Victoria's exports. By 1942-43, it had vastly outstripped the United Kingdom as a source of imports with the massive build up of supplies that accompanied the establishment of the major allied Pacific base in Australia, although considerable trade with the United Kingdom continued, and India and Ceylon became important wartime sources of imports.

Until 1941-42, Australia had an excess of exports but thereafter the exigencies of war made this impossible. Victoria, because of Melbourne's capacity to cope with import and trans-shipment trade, had in the main an excess of imports.

VICTORIAN AND AUSTRALIAN TRADE: 1935-36 TO 1944-45

Year	Victoria			Australia			Victoria compared with Australia	
	Imports	Exports	Excess of exports(+) or imports(-)	Imports	Exports	Excess of exports(+) or imports(-)	Imports	Exports
	\$m	\$m	\$m	\$m	\$m	\$m	per cent	per cent
1935-36	69.8	69.0	-0.8	194.3	272.8	+78.5	35.9	25.3
1936-37	74.3	87.2	+12.9	211.2	323.1	+111.9	35.2	27.0
1937-38	89.4	82.4	-7.0	259.9	315.2	+55.3	34.4	26.1
1938-39	80.8	61.6	-19.2	232.9	281.0	+48.1	34.7	21.9
1939-40	97.1	79.6	-17.5	273.1	340.9	+67.8	35.6	23.3
1940-41	105.4	90.6	-14.8	255.2	314.3	+59.1	41.3	28.8
1941-42	136.3	85.3	-51.0	346.6	338.0	-8.6	39.3	25.2
1942-43	251.8	69.0	-182.8	488.9	251.1	-237.8	51.5	27.5
1943-44	205.8	73.0	-132.8	488.4	293.4	-195.0	42.1	24.9
1944-45	147.7	80.1	-67.6	429.7	310.5	-119.2	34.4	25.8

OVERSEAS TRADE WITH MAJOR COUNTRIES: VICTORIA, 1935-36 TO 1944-45 (\$m)

Country	1935-36	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	1943-44	1944-45
United Kingdom —										
Imports	29.4	32.6	36.9	33.1	38.8	51.5	62.0	83.4	57.2	48.6
Exports	33.8	41.6	42.8	30.6	45.6	33.6	31.8	26.6	25.8	32.6
United States of America —										
Imports	10.5	9.1	12.8	10.9	16.0	18.0	32.4	124.0	105.6	60.4
Exports	3.8	10.8	5.4	6.8	10.2	29.0	22.4	14.2	17.8	18.4
Canada —										
Imports	4.6	4.8	5.9	6.2	6.6	7.3	10.3	10.3	8.0	8.9
Exports	1.4	1.6	1.0	1.0	1.8	2.0	2.4	2.0	2.6	3.0
India and Ceylon —										
Imports	2.5	2.5	2.5	4.6	4.3	5.7	9.3	16.4	23.7	16.2
Exports	1.0	1.2	1.0	1.0	1.8	2.8	6.8	9.8	12.6	14.8
New Zealand —										
Imports	2.1	1.8	2.5	2.3	3.6	2.3	2.3	3.0	1.8	2.1
Exports	2.6	3.4	5.4	3.8	3.4	4.0	4.0	4.8	4.4	3.6
Japan —										
Imports	4.6	3.9	5.0	3.9	5.9	4.1	0.5	..	..	..
Exports	12.6	6.4	6.0	3.4	2.6	1.4	0.2	..	..	..

OVERSEAS TRADE: MAJOR COMMODITY GROUPS, VICTORIA,
1935-36 TO 1944-45
(\$m)

Year	Imports			Exports		
	Metals, metal manufactures, and electrical goods and machines	Oils, fats (including crude petroleum)	Textiles, yarns, and apparel	Animal foodstuffs	Vegetable foodstuffs	Animal substances
1935-36	20.7	4.8	16.6	16.4	15.0	30.8
1936-37	21.0	5.5	17.6	18.6	21.4	37.0
1937-38	28.7	6.6	19.8	18.8	24.8	28.0
1938-39	25.1	5.5	16.4	16.0	12.0	22.2
1939-40	28.3	8.4	22.8	25.0	11.4	27.4
1940-41	41.5	5.7	23.9	23.8	14.2	22.4
1941-42	61.1	8.2	28.7	23.2	12.6	35.8
1942-43	116.3	7.5	26.0	20.2	12.2	24.8
1943-44	99.4	8.7	34.2	18.8	13.0	29.8
1944-45	59.3	6.8	39.2	23.6	10.6	35.4

The mid-1940s to the mid-1950s

The immediate post-war period was introduced with a gradual return to the normal pattern which the war had interrupted, with the United Kingdom resuming the role of major trading partner. For the whole decade Australia continued to relate closely to the United Kingdom, devaluing the currency by the same percentage in 1949.

The United States of America, India, and Ceylon remained relatively important in both imports and exports, while France became an important recipient of wool. Germany and Japan figured large among providers of imports, showing signs of rapid recovery from the war and re-entry into international trading.

Victoria was still contributing goods of agricultural origin to the export trade, and importing mainly metals, metal manufactures, machinery, oils, fats, waxes, crude petroleum, textiles, yarns, and apparel. The period from 1950 to 1953 was the time of the Korean War during which Australia experienced a "wool boom". This is reflected in exports of animal substances in those years, and the high figure for the United States of America in the same year, although export prices generally rose at this time.

The "wool boom" resulted in a balance of payments surplus which permitted a large increase in imports in 1951-52 arising from the increasing domestic demand for consumer durables and capital equipment. With the fall in export prices the Commonwealth Government reacted to the resulting balance of payments deficit by imposing import restrictions. However, this did not affect Victoria's relative position in Australian overseas trade, which historically was about one-third of imports and just over one-quarter of exports.

VICTORIAN AND AUSTRALIAN TRADE: 1945-46 TO 1954-55

Year	Victoria			Australia			Victoria compared with Australia	
	Imports	Exports	Excess of exports(+) or imports(-)	Imports	Exports	Excess of exports(+) or imports(-)	Imports	Exports
	\$m	\$m	\$m	\$m	\$m	\$m	per cent	per cent
1945-46	123.2	151.8	+28.6	357.5	446.6	+89.1	34.5	34.0
1946-47	152.9	177.2	+24.3	418.7	618.1	+199.4	36.5	28.7
1947-48	241.2	231.9	-9.3	679.5	819.9	+140.4	35.5	28.3
1948-49	291.1	272.9	-18.2	830.4	1,085.3	+254.9	35.1	25.1
1949-50	368.5	332.3	-36.2	1,076.1	1,227.4	+151.3	34.2	27.1
1950-51	526.1	530.0	+3.9	1,487.7	1,963.6	+475.9	35.4	27.0
1951-52	726.6	371.6	-355.0	2,106.8	1,350.0	-756.8	34.5	27.5
1952-53	347.5	456.2	+108.7	1,028.2	1,742.5	+714.3	33.8	26.2
1953-54	475.3	407.1	-68.2	1,363.2	1,656.7	+293.5	34.9	24.6
1954-55	584.9	433.1	-151.8	1,687.5	1,548.3	-139.2	34.7	28.0

OVERSEAS TRADE WITH MAJOR COUNTRIES: VICTORIA, 1945-46 TO 1954-55
(\$m)

Country	1945-46	1946-47	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53	1953-54	1954-55
United Kingdom —										
Imports	49.9	57.2	97.4	156.8	195.8	152.2	323.8	142.8	226.4	267.9
Exports	78.6	56.4	87.8	108.0	120.8	155.6	111.2	172.0	136.8	168.9
United States of America —										
Imports	36.5	32.4	54.0	32.8	37.4	45.0	74.0	66.0	55.2	71.4
Exports	18.8	25.6	21.4	15.4	29.2	80.2	40.2	28.0	25.8	24.4
Germany, Federal Republic of —										
Imports	..	1.1	2.4	3.0	5.0	11.2	24.8	10.2	19.2	26.6
Japan —										
Imports	..	1.1	1.4	1.4	5.4	11.8	31.2	4.6	4.6	13.1
Exports	..	0.4	0.8	2.0	12.6	33.4	18.4	35.6	22.8	24.8
France —										
Exports	5.2	8.8	14.6	19.8	19.6	52.4	32.2	47.0	42.6	42.3
India and Ceylon —										
Imports	12.8	16.6	22.8	18.8	23.2	30.0	31.8	14.2	18.6	26.6
Exports	19.4	14.6	27.4	18.4	22.0	17.2	22.0	26.4	15.2	17.0

OVERSEAS TRADE: MAJOR COMMODITY GROUPS, VICTORIA,
1945-46 TO 1954-55
(\$m)

Year	Imports			Exports		
	Metals, and metal manufactures, (including electrical and machinery)	Oils, fats, and waxes (including crude petroleum)	Textiles, yarns, and apparel	Animal foodstuffs	Vegetable foodstuffs	Animal substances
1945-46	37.6	9.3	26.4	23.8	18.2	38.0
1946-47	42.6	11.9	36.5	41.8	30.0	70.8
1947-48	63.2	20.2	71.4	46.6	69.0	88.6
1948-49	91.2	24.6	83.2	53.4	67.6	130.0
1949-50	149.4	30.0	78.0	66.6	69.6	170.2
1950-51	202.4	41.0	109.4	52.2	88.6	357.8
1951-52	263.4	53.0	151.8	52.8	87.8	194.4
1952-53	155.4	44.0	37.4	47.0	93.2	233.8
1953-54	176.6	52.0	90.0	68.4	74.6	221.6
1954-55	228.0	70.9	97.6	87.0	89.3	211.2

The mid-1950s to the mid-1960s

The decade from the mid-1950s to the mid-1960s showed a clear change in the pattern of Victoria's trade. Although the United Kingdom continued to be a dominant source of imports, the combined total of the United States of America, Germany (Federal Republic), and Japan, which had in the mid-1950s been only about one-third of the United Kingdom total, by the mid-1960s had become about one-third greater. The United States of America, alone, was challenging the United Kingdom for pre-eminence.

The United Kingdom was still the major recipient of exports although its relative decline was mainly due to the development of new markets. The United States of America's percentage of exports was increasing, France and New Zealand maintained fairly constant proportions, but the most spectacular growth was in trade with Japan. During this period Japan consistently bought more than she sold, according to the figures for Victoria.

The same major commodity groups as previously continued to predominate in both imports and exports. The classification of imports according to SITC was introduced on 1 July 1965 and of exports on 1 July 1966. The export figures for 1965-66 have therefore been included with this period for convenience. Metal and machinery imports showed a steady increase among imports, while oils, fats, waxes, and textiles were relatively constant.

Exports of animal substances showed some increase in value during the period but a more dramatic increase in the value of food exports was apparent. The doubling in value

terms was partly due to the inflationary factor but also to large actual increases in the quantities of beef, veal, and wheat exported, and a smaller increase in the quantity of butter exported. Lamb however, suffered a diminution in quantity exported.

VICTORIAN AND AUSTRALIAN TRADE: 1955-56 TO 1964-65

Year	Victoria			Australia			Victoria compared with Australia	
	Imports	Exports	Excess of exports(+) or imports(-)	Imports	Exports	Excess of exports(+) or imports(-)	Imports	Exports
	\$m	\$m	\$m	\$m	\$m	\$m	per cent	per cent
1955-56	598.6	418.7	-179.9	1,642.2	1,563.7	-78.5	36.5	26.8
1956-57	509.8	511.5	+1.7	1,438.0	1,985.8	+547.8	35.5	25.8
1957-58	565.4	436.7	-128.7	1,583.9	1,635.9	+52.0	35.7	26.7
1958-59	582.5	439.1	-143.4	1,593.2	1,622.9	+29.7	36.6	27.1
1959-60	678.6	488.1	-190.5	1,854.2	1,875.4	+21.2	36.6	26.0
1960-61	799.9	493.9	-306.0	2,175.2	1,937.7	-237.5	36.8	25.5
1961-62	610.6	573.6	-37.0	1,769.5	2,154.6	+385.1	34.5	26.6
1962-63	780.1	596.9	-183.2	2,162.7	2,151.8	-10.9	36.1	27.7
1963-64	833.8	746.6	-87.2	2,372.7	2,782.5	+409.8	35.1	26.8
1964-65	1,026.8	723.0	-303.8	2,904.7	2,651.4	-253.3	35.3	27.3

OVERSEAS TRADE WITH MAJOR COUNTRIES: VICTORIA, 1955-56 TO 1964-65 (\$m)

Country	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61	1961-62	1962-63	1963-64	1964-65
United Kingdom —										
Imports	258.3	206.4	232.8	231.8	252.0	258.8	194.8	243.6	247.6	282.3
Exports	149.0	149.1	127.0	148.8	132.0	109.4	122.6	117.2	139.8	148.5
United States of America —										
Imports	73.2	66.5	68.6	76.6	98.8	165.4	112.2	160.6	175.5	241.3
Exports	22.7	26.4	15.2	28.0	33.6	44.0	44.2	59.6	59.6	57.4
Japan —										
Imports	16.2	8.7	17.2	21.4	29.6	43.4	34.4	45.4	53.3	81.6
Exports	39.3	62.5	42.4	44.6	58.2	72.8	78.6	83.6	106.8	96.9
Germany, Federal Republic of —										
Imports	29.6	26.8	37.4	40.8	51.6	66.0	43.8	56.0	61.6	75.2
France —										
Exports	43.2	53.6	43.8	32.2	42.0	32.8	37.2	39.8	52.4	42.8
New Zealand —										
Exports	21.2	25.0	28.6	26.4	30.0	32.6	36.4	39.6	46.9	44.0

OVERSEAS TRADE: MAJOR COMMODITY GROUPS, VICTORIA, 1955-56 TO 1965-66 (a) (\$m)

Year	Imports				Exports		
	Metals and metal manufactures (excluding electrical)	Machines and machinery (excluding dynamic electrical)	Oils, fats, and waxes	Textiles	Animal foodstuffs	Vegetable foodstuffs	Animal substances
1955-56	141.4	78.8	70.2	60.0	95.4	76.4	201.8
1956-57	104.6	64.0	68.8	44.8	84.4	76.0	278.0
1957-58	106.2	75.2	70.4	57.8	78.0	67.8	225.0
1958-59	138.6	72.0	72.2	52.2	104.0	80.0	189.2
1959-60	157.2	94.8	76.2	61.0	109.6	79.8	236.2
1960-61	193.6	116.4	74.0	65.8	95.6	94.4	211.8
1961-62	102.6	91.0	74.4	57.2	107.8	141.0	239.4
1962-63	160.2	117.8	86.6	63.4	131.8	110.4	253.8
1963-64	166.3	137.2	79.1	63.4	141.3	169.3	318.3
1964-65	226.9	181.2	82.1	72.8	173.0	149.5	268.1
1965-66 (a)	..	..	..	..	164.4	159.5	288.1

(a) As the classification of exports according to SITC occurred on 1 July 1966, export figures for 1965-66 are included for convenience.

The mid-1960s to the mid-1970s

By the mid-1970s, inflation was reflecting a significant influence in the value figures of both imports and exports, which showed almost a threefold increase in both Australian and Victorian figures in this period. In the latter years the excess of Australian exports reversed the pattern of the earlier years of the decade, but Victoria's balance showed an excess of imports for almost the whole period. Imports were increased from 1973-74 by a 25 per cent "across-the-board" cut in tariffs.

Also, by the end of the period, both the United States of America and Japan had passed the United Kingdom as major import sources. The United Kingdom's proportion had diminished from just under one-half of the total in the mid-1950s to under one-twentieth in the mid-1970s. Similarly the United States of America, Japan, and New Zealand figured more prominently than the United Kingdom among recipients of Victoria's exports. The United Kingdom proportion fell from about one-third to less than one-tenth over the same twenty years.

The major items imported were in the machinery, transport equipment, and textile categories, while exports still showed emphasis on cereals and textile fibres and other foodstuffs. An increasing proportion of goods was in the transport equipment classification, indicating the diversification of Australian exports into non-traditional categories.

This was influenced to a large extent by Britain's likelihood of entry into the European Economic Community from the 1960s. By the time it was finally admitted as a member in 1971, the exports of Victoria, in common with those of the whole of Australia, not only displayed a wider range of commodities, but had won alternative markets. Some sections of agricultural industry, however, were adversely affected by the loss of United Kingdom markets. Also, in the early 1970s, an increase in the oil price and the "across-the-board" tariff reduction of 25 per cent had a significant effect on the economy.

VICTORIAN AND AUSTRALIAN TRADE: 1965-66 TO 1974-75

Year	Victoria			Australia			Victoria compared with Australia	
	Imports	Exports	Excess of exports(+) or imports(-)	Imports	Exports	Excess of exports(+) or imports(-)	Imports	Exports
	\$m	\$m	\$m	\$m	\$m	\$m	per cent	per cent
1965-66	1,017.4	768.1	-249.3	2,939.5	2,721.0	-218.5	34.6	28.2
1966-67	1,072.5	801.2	-271.3	3,045.3	3,023.9	-21.4	35.2	26.5
1967-68	1,130.7	686.8	-443.9	3,264.5	3,044.7	-219.8	34.6	22.6
1968-69	1,182.7	707.6	-475.1	3,468.5	3,374.3	-94.2	34.1	21.0
1969-70	1,347.0	912.6	-434.4	3,881.2	4,131.5	+250.3	34.7	22.1
1970-71	1,458.6	1,034.9	-423.7	4,150.0	4,375.7	+225.7	35.1	23.7
1971-72	1,431.0	1,139.7	-291.3	4,008.4	4,893.4	+885.0	35.7	23.3
1972-73	1,472.6	1,495.3	+22.7	4,120.7	6,213.7	+2,093.0	35.7	24.1
1973-74	2,155.7	1,593.6	-562.1	6,085.0	6,913.7	+828.7	35.4	23.0
1974-75	2,793.4	1,696.8	-1,096.5	8,083.1	8,672.8	+589.7	34.6	19.6

OVERSEAS TRADE WITH MAJOR COUNTRIES: VICTORIA, 1965-66 TO 1974-75 (\$m)

Country	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
United Kingdom —										
Imports	284.2	267.0	262.0	275.5	304.7	328.8	305.5	283.4	318.1	453.9
Exports	130.7	117.3	106.9	100.6	120.9	114.4	92.6	146.4	102.7	97.6
United States of America —										
Imports	209.0	240.4	270.1	267.1	316.0	363.0	312.0	301.3	439.8	600.0
Exports	85.5	83.4	81.3	83.9	112.9	116.4	140.2	164.3	173.4	121.4
Japan —										
Imports	94.0	113.2	127.0	147.9	177.4	204.1	228.0	267.5	383.6	478.6
Exports	105.7	137.8	106.8	107.5	141.1	176.8	202.3	326.5	355.0	313.7
Germany, Federal Republic of —										
Imports	73.8	68.7	82.7	89.4	113.5	133.9	132.8	124.0	212.5	261.1
New Zealand —										
Exports	51.1	47.8	45.1	45.5	58.8	79.7	98.0	121.8	170.3	217.9

OVERSEAS TRADE: MAJOR COMMODITY GROUPS, VICTORIA,
1965-66 TO 1974-75
(\$m)

Year	Imports				Exports				
	Machinery (excluding electrical)	Electrical machinery	Transport equipment	Textiles, yarns and fabrics	Meat etc.	Dairy products	Cereals	Textile fibres and waste	Transport equipment
1965-66	190.7	155.2	142.3	95.7	(a)	(a)	(a)	(a)	(a)
1966-67	192.6	60.0	156.9	100.2	89.7	80.1	89.5	260.8	25.6
1967-68	208.4	62.7	166.7	103.1	85.6	59.2	59.8	204.6	33.7
1968-69	206.7	66.6	159.5	112.5	73.5	56.6	47.2	223.7	35.2
1969-70	232.6	81.1	212.4	123.7	127.5	68.9	77.4	244.3	51.1
1970-71	269.1	96.3	231.2	132.1	134.4	70.0	141.9	188.4	77.7
1971-72	243.0	96.4	220.1	145.7	177.7	74.6	139.0	193.2	85.9
1972-73	245.5	94.7	211.4	155.7	260.6	103.4	93.1	382.3	111.5
1973-74	303.0	139.7	282.0	271.1	239.9	112.7	133.8	360.0	97.6
1974-75	467.0	236.7	418.8	194.8	121.6	125.7	221.2	244.0	101.0

(a) As the classification of exports according to SITC occurred on 1 July 1966, export figures for 1965-66 were compiled on a different basis and have been excluded from this table.

Since the mid-1970s

The pattern of the previous decade continued although many trading policies were affected by government attitudes to tariffs and the value of the currency. Much of this policy formulation concerned mineral exportation which is less relevant to a study of Victoria's trade than to some other States, or to Australia as a whole.

The United States of America continued to provide most of Victoria's imports and Japan took most of its exports. The United Kingdom still provided considerable imports although these had now become proportionately less important. New Zealand had become a significant recipient of Victoria's exports since surpassing the United Kingdom in 1973-74, taking about three times the latter in value terms. Imports from Japan continued generally to exceed exports to Japan.

The traded commodities remained similar to the previous period in both imports and exports, although petroleum and petroleum products have assumed greater importance among exports than hitherto due to the establishment of refining facilities to cater to the offshore oil deposits of the Bass Strait fields. Almost the total Australian overseas export of these products has been of Victorian origin.

The Victorian ports have developed sophisticated handling methods to cope with their continually expanding role, and the State is strategically well placed to maintain its redistribution function. The Victorian Government established a World Trade Centre in Melbourne to service aspects of this important feature of the Victorian economy.

VICTORIAN AND AUSTRALIAN TRADE: 1975-76 TO 1981-82

Year	Victoria			Australia			Victoria compared with Australia	
	Imports	Exports	Excess of exports(+) or imports(-)	Imports	Exports	Excess of exports(+) or imports(-)	Imports	Exports
	\$m	\$m	\$m	\$m	\$m	\$m	per cent	per cent
1975-76	2,875.3	1,818.2	-1,057.1	8,240.2	9,600.7	+1,360.6	34.9	18.9
1976-77	3,665.9	2,216.0	-1,449.8	10,410.6	11,646.4	+1,235.8	35.2	19.0
1977-78	3,855.6	2,505.8	-1,349.9	11,166.5	12,269.5	+1,103.0	34.5	20.4
1978-79	4,693.6	3,254.6	-1,439.0	13,751.8	14,242.7	+490.9	34.1	22.9
1979-80	5,506.4	3,782.9	-1,723.4	16,217.5	18,870.0	+2,652.5	34.0	20.0
1980-81	5,929.2	3,989.4	-1,939.8	18,964.2	19,169.2	+204.9	31.3	20.8
1981-82	7,169.6	4,179.9	-2,989.7	23,003.2	19,585.8	-3,417.4	31.2	21.3

OVERSEAS TRADE WITH MAJOR COUNTRIES: VICTORIA, 1975-76 TO 1981-82
(\$m)

Country	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	1981-82
United Kingdom —							
Imports	411.9	447.9	524.9	606.1	673.4	605.8	632.7
Exports	84.9	101.9	88.0	90.3	129.5	121.2	116.5
United States of America —							
Imports	603.1	813.5	834.8	1,086.7	1,351.8	1,464.3	1,907.7
Exports	164.5	170.3	232.3	283.1	294.2	310.2	264.5
Japan —							
Imports	564.5	711.0	703.4	524.2	796.5	1,029.1	1,287.1
Exports	399.6	504.4	524.2	535.8	750.2	685.2	738.6
Germany, Federal Republic of —							
Imports	251.1	352.5	336.5	452.7	444.0	501.0	576.4
New Zealand —							
Exports	185.4	224.1	223.7	290.4	316.7	310.8	293.7

OVERSEAS TRADE: MAJOR COMMODITY GROUPS, VICTORIA,
1975-76 TO 1981-82
(\$m)

Year	Imports					Exports				
	Machinery (excluding electrical)	Electrical machinery	Textiles	Transport equipment	Petroleum and petroleum products	Meat and meat products	Cereals and cereal preparations	Textile fibres and waste	Dairy products and eggs	Petroleum and petroleum products
1975-76	428.0	289.7	256.7	451.9	109.3	178.5	244.3	286.5	152.7	111.9
1976-77	604.4	337.9	294.2	585.6	107.2	253.8	214.4	449.6	153.0	118.9
1977-78	646.5	344.5	309.0	516.3	106.3	340.9	316.6	391.4	146.6	122.3
1978-79	833.2	(a) 242.7	381.7	729.6	106.5	357.9	233.9	462.3	167.4	173.9
1979-80	1,116.8	277.9	436.6	674.7	158.3	322.8	768.2	469.0	215.4	244.5
1980-81	1,329.2	293.5	431.5	745.4	238.2	380.3	689.4	596.6	219.7	247.9
1981-82	1,580.4	368.7	527.4	1,089.2	292.4	320.8	610.7	605.1	252.6	313.6

(a) Due to changes in classification from 1 July 1978, it has not been possible to derive figures exactly comparable to previous years.

VICTORIA'S OVERSEAS REPRESENTATION

Victoria has had overseas representation since its days as a Colony. The *Immigration Act 1863* provided for the establishment of the office of the Agent-General for Victoria in London, whose main object was to encourage the immigration of more people from Great Britain and Ireland to Victoria. The first Agent-General of Victoria assumed office in 1868. At the time of Federation in 1901 each State government retained the right to be represented in London by its own Agent-General. Soon after Federation, the government of the day changed the basic role of the office of the Agent-General to help stimulate Victorian trade and commerce. Although subsequent Acts continued to refer to the duties of the Agent-General only as dealing with immigration to Victoria, the office of the Agent-General dealt increasingly with commercial and financial matters.

Since the Second World War, the Agent-General's office has emphasised attracting British capital and industry to Victoria. The office has been assisted by visits from successive Victorian Premiers and other Ministers.

In 1956, the Victorian Government established the Victoria Promotion Committee to assist the development of Victoria by making known industrial and commercial opportunities and to encourage new investment from overseas and other ventures of benefit to the State. In 1981, the Victorian Government merged the Victoria Promotion Committee and the Victorian Development Corporation under a new statutory corporation—the Victorian Economic Development Corporation, which assumed responsibilities of both former organisations, including the lending of money to industrial and tourist projects within Victoria.

Victoria also maintained overseas representation in Frankfurt, Los Angeles, and Tokyo. In 1977, with a background of growing Japanese investment in Victoria and increasing contact and trade between Australia and Japan and other Asian countries, the Victorian Government established the office of Commissioner for the Government of Victoria in Japan, whose main task is to promote Victoria, primarily in Japan, but also in China, the Republic of Korea, the Philippines, and Hong Kong.