

CHAPTER VI.

OVERSEA TRADE.

§ 1. Introductory.

1. **Constitutional Powers of the Commonwealth in regard to Commerce.**—The powers vested in the Commonwealth Parliament by the Commonwealth Constitution Act with respect to overseas trade and commerce will be found in sub-section 51 (i) and sub-sections 86 to 95 of the Act, which is printed in full in chapter I. of this volume.

§ 2. Commonwealth Legislation affecting Foreign Trade.

1. **General.**—In previous issues of the Year Book brief particulars of the various Commonwealth Acts and amendments thereof affecting foreign trade have been given in chronological order. It is not proposed to repeat this information in the present issue. The main provisions of the initial Commonwealth Customs Legislation and also of the principal Acts in operation at the present time affecting foreign trade are mentioned hereunder.

2. **Initial Commonwealth Customs Legislation.**—The first Commonwealth Act relating to Customs, entitled “Customs Act 1901 (No. 6 of 1901),” came into operation by proclamation on the 4th October, 1901. This Act provided for the establishment of the necessary administrative machinery for all matters pertaining to the Customs, and prescribed, *inter alia*, the manner in which Customs duties shall be computed and paid. It did not, however, determine the rates of duties.

During the interval between the establishment of the Commonwealth, viz., on 1st January, 1901, and the coming into operation of the Customs Act 1901, the Customs Acts of the several States were administered by the Executive Government of the Commonwealth under Section 86 of the Constitution.

The first Commonwealth Customs Tariff was introduced in the House of Representatives on the 8th October, 1901, and the “Customs Tariff Act 1902 (No. 14 of 1902)” was assented to on the 16th September, 1902. This Act made provision that uniform duties of Customs specified in the Tariff Schedule should be imposed from the 8th October, 1901. From this date, trade between the States became free, with the exception, that under Section 95 of the Constitution Act, the right was reserved to the State of Western Australia to levy duty on the goods from other States for five years. Prior to the establishment of the Commonwealth, a different tariff was in operation in each State, and interstate trade was subject to the same duties as overseas trade.

Several amendments of the Customs Tariff Schedule have been made since 1902. Particulars of these amendments have been furnished in previous issues of the Year Book.

3. **Customs Tariff 1921 (No. 25 of 1921.)**—The Tariff Schedule which is now in operation was submitted to Parliament on the 24th March, 1920, and the Act was assented to on the 16th December, 1921. The date of commencement of the imposition of the duties of Customs imposed by this Act was the 25th March, 1920. The Tariff Schedule provides a British Preferential Tariff, an Intermediate Tariff, and a General Tariff. The main provisions of the Act are mentioned hereunder :—

The rates of duty set out in the Schedule in the column headed “British Preferential Tariff” apply to goods the produce or manufacture of the United Kingdom, subject.

to the condition that the goods have been shipped in the United Kingdom to Australia, and have not been transhipped, or, if transhipped, then only if it is proved satisfactorily that the intended destination of the goods, when originally shipped from the United Kingdom, was Australia (Section 8).

The provisions of the British Preferential Tariff may be applied wholly or in part to any part of the British Dominions, and the provisions of the Intermediate Tariff may be applied wholly or in part to any part of the British Dominions or to any foreign country.

The Act of 1921 repealed the following Acts:—Customs Tariff 1908 (No. 7 of 1908); Customs Tariff Amendment 1908 (No. 13 of 1908); Customs Tariff 1910 (No. 39 of 1910); Customs Tariff 1911 (No. 19 of 1911); and with the exception of the proposals contained in such Acts relating to the Tariff on goods imported from, and the produce or manufacture of, the Union of South Africa, the Customs Tariff Validation Act 1917, and the Customs Tariff Validation Act 1919.

The Tariff proposals assented to by the House of Representatives on the following dates ceased to have effect as from the time when the Act of 1921 was deemed to have come into operation:—

3rd December, 1914; 12th December, 1914; 9th June, 1915; 12th November, 1915; 10th August, 1917; 26th September, 1917; and 25th September, 1918.

The provisions of the Customs Tariff (South African Preference) 1906 (No. 17 of 1906) and the Tariff proposals relating to the Tariff on goods imported from, and the produce or manufacture of, the Union of South Africa agreed to in the House of Representatives on the 3rd December, 1914, and on 25th September, 1918, were not affected by the Act of 1921.

4. Customs Tariff 1922 (No. 16 of 1922).—This Act was assented to on the 28th September, 1922, and amended the Schedule to the Customs Tariff 1921. The items of import affected by the amendments to the Schedule were—wire, wire fencing, wire netting, traction engines, and alternating current-recording watt-hour meters.

5. Customs Tariff (Sugar) 1922 (No. 32 of 1922).—This Act was assented to on the 18th October, 1922, and amended the Schedule to the Customs Tariff 1921–1922. The amendments related to the duties on sugar, golden syrup and sugar syrups.

6. South African Preference.—By the Customs Tariff (South African Preference) 1906 it was provided that certain goods, specified in the Schedule to that Act, imported from, and the produce or manufacture of, any of the British South African Colonies or Protectorates included in the South African Customs Union, should be admitted to the Commonwealth at preferential rates as compared with the general rates then in force under the Schedule to the Customs Tariff 1902. Although the Schedule to the Customs Tariff 1902 has been repealed, subsequent enactments have provided for the continuance of the South African Preference. (*vide* Section 15 of Customs Tariff 1921.)

7. British Preference.—The Customs Tariff 1908 (No. 7 of 1908) made provision for preferential rates of Customs duties on certain goods the produce or manufacture of the United Kingdom. This Act was repealed by the Customs Tariff 1921 (No. 25 of 1921), the main provisions of which have already been mentioned.

8. New Zealand Preference.—The Customs Tariff (New Zealand Preference) 1922 (No. 3 of 1922) was assented to on the 23rd August, 1922, and repealed Act No. 27 of 1921. The Act was proclaimed on the 1st September, 1922, and the duties of Customs provided for in the Schedule of the Act came into force on and from that date. The Act provides

that the duties of Customs on goods imported direct from, and the produce or manufacture of, the Dominion of New Zealand shall be in accordance with the following rates:—

- (a) On all goods described in the Tariff Schedule against which rates of duty are set out in the column headed "Proposed Duties against New Zealand" the rates so set out.
- (b) On all goods other than those provided for in paragraph (a) the rates of duty for the time being applicable to goods to which the British Preferential Tariff applies.

The Act ratifies and confirms the agreement made on the 11th April, 1922, between the Commonwealth of Australia and the Dominion of New Zealand.

The Act provides that, from and after the 1st May, 1922, duties of Customs on goods not being the produce or manufacture of New Zealand which are imported into the Commonwealth from that Dominion and upon which, if they had been imported into the Commonwealth direct from the country of origin there would have been payable duties of Customs at the rates set out in the British Preferential Tariff shall be in accordance with the rates set forth in that particular tariff.

9. Tariff Board Act 1921 (No. 21 of 1921).—This Act, which was assented to on the 15th December, 1921, provides for the appointment of a Tariff Board consisting of three members, one of whom shall be an administrative officer of the Department of Trade and Customs. This member shall be appointed Chairman of the Board. The purpose of the Tariff Board is to assist the Minister in the administration of matters relating to trade and customs. The more important matters which the Minister shall refer to the Board for enquiry and report include the classification of goods for duty; the determination of the value of goods for duty; any disputes arising out of the interpretation of any Customs or Excise Tariff; the necessity for new, increased or reduced duties; the necessity for granting bonuses; any proposal for the application of the British Preferential Tariff or the Intermediate Tariff to any part of the British Dominions or any foreign country; and any complaint that a manufacturer is taking undue advantage of the protection afforded him by the tariff by charging unnecessarily high prices for his goods or acting in restraint of trade. The Minister may refer to the Board for enquiry and report the following matters:—the general effect of the working of the Customs Tariff and the Excise Tariff; the fiscal and industrial effects of the Customs laws of the Commonwealth; the incidence between the rates of duty on raw materials and on finished or partly finished products; and any other matter affecting the encouragement of primary and secondary industries in relation to the tariff.

It is provided that the Board shall, in the month of June in each year, report to the Minister generally as to the operation of the tariff and the development of industries, and shall in such report set out the recommendations made by the Board during the preceding twelve months.

10. Customs Tariff (Industries Preservation) Act 1921 (No. 28 of 1921).—This Act, assented to on the 16th December, 1921, provides that after inquiry and report by the Tariff Board, special duties shall be collected in the following cases when the importation of the goods referred to might be detrimental to an Australian industry. In the case of goods sold for export to Australia at a price less than the fair market price for home consumption or at a price which is less than a reasonable price, a special dumping duty shall be collected equal to the difference between the price at which the goods were sold and a fair market price. Similar provision is made for goods consigned to Australia for sale. With regard to goods exported to Australia at rates of freight less than the rates prevailing at the time of shipment, there shall be collected a dumping freight duty equal to 5 per cent. of the fair market value of the goods at the time of shipment. Special duties are also imposed in the case of goods imported from countries whose currency is depreciated. Provision is also made for the protection of the trade of the United Kingdom in the Australian market from depreciated foreign currency.

The Act provides that the Minister for Trade and Customs, after inquiry and report by the Tariff Board, may publish a notice in the *Commonwealth Gazette* specifying the

goods upon which special rates of duty under this Act shall be charged and collected. During the period August, 1922, to the end of April, 1923, 66 notices had been gazetted. With few exceptions action has been taken under Sections 9 and 10 of the Act. These sections provide for the imposition of special duties on imports from countries where the exchange value of the currency has depreciated, and by reason of such depreciation goods are being sold to an importer in Australia at prices which will be detrimental to an Australian industry, or at a price which is less than the fair market value of goods of like character or quality made in the United Kingdom. Fifty-three of these gazettals relate to goods imported from Germany, and cover a very wide range of commodities. Imports of enamelware, steel, and brushware from Czecho-Slovakia; brushware from Belgium; press-studs from Austria; portland cement and carbide of calcium from Norway; wire nails from United States, and barbed wire and staples from Japan have been gazetted under various sections of the Act as subject to special duties. Some of the original notices bringing certain commodities under the Act have been revoked and amended.

11. **Commerce (Trade Descriptions) Act 1905 (No. 16 of 1905).**—This Act was assented to on the 8th December, 1905, and brought into operation by proclamation on the 8th June, 1906. It gives power to compel the placing of a proper description on certain prescribed goods, or on packages containing the same, being imports or exports of the Commonwealth. The imports to which a trade description must be applied are :—
(a) Articles used for food or drink by man, or used in the manufacture or preparation of articles used for food or drink by man; (b) medicines or medicinal preparations for internal or external use; (c) manures; (d) apparel (including boots and shoes), and the materials from which apparel is manufactured; (e) jewellery; (f) agricultural seeds and plants.

§ 3. Method of Recording Imports and Exports.

1. **Value of Imports.**—The recorded value of goods imported from countries beyond Australia as shown in the following tables represents the amount on which duty is payable or would be payable if the duty were charged *ad valorem*. The value of goods is taken to be 10 per cent. in advance of their fair market value in the principal markets of the country whence the goods were exported. Acting upon a recommendation of the Tariff Board the section of the Customs Act relating to the valuation of imports was recently amended and Section 154 (1) of the Customs Act 1901–1922 now provides that “when any duty is imposed according to value, the value for duty shall be the sum of the following :—

- (a) (i) the actual money price paid or to be paid for the goods by the Australian importer plus any special deduction, or
- (ii) the current domestic value of the goods, whichever is the higher;
- (b) all charges payable or ordinarily payable for placing the goods free on board at the port of export; and
- (c) ten per centum of the amounts specified under paragraphs (a) and (b) of this sub-section.

“Current domestic value” is defined as “the amount for which the seller of the goods to the purchaser in Australia is selling or would be prepared to sell for cash, at the date of exportation of those goods, the same quantity of identically similar goods to any and every purchaser in the country of export for consumption in that country.”

Section 157 of the Customs Act provides that when the invoice value of imported goods is shown in any currency other than British currency, the equivalent value in British currency shall be ascertained according to a fair rate of exchange. Under this section it was the practice of the Department of Trade and Customs, until the 8th December, 1920, to convert on the basis of the mint par of exchange. Since the date mentioned, in consequence of a ruling of the High Court, all conversions have been based on the commercial rates of exchange. As the values for statistical purposes as well as those for duty purposes were based on the mint par, it follows that the recorded values of

imports from countries such as France and Italy, where the pound sterling has been at a premium, were, for some time prior to December, 1920, in excess of their commercial value, whereas imports from Japan, the United States of America and other countries where sterling was at a discount, were not given their full commercial value.

2. Value of Exports.—The recorded value of goods exported is taken to represent the value in the principal markets of the Commonwealth in the ordinary commercial acceptance of the term. Some modification of this practice, has, however, been necessary during recent years in respect of products affected by the policy of price-fixing arising from the war.

3. Customs Area.—The Customs Area, to which all Oversea Trade statistics issued by this Bureau apply, is the whole area of the Commonwealth of Australia, comprising the States of New South Wales, Victoria, Queensland, South Australia, Western Australia, Tasmania and the Northern Territory (contiguous territory). Other (non-contiguous) territories and mandated areas are treated as outside countries. Trade transactions between the Commonwealth and these non-contiguous territories are included in the oversea trade of the Commonwealth. Such transactions, however, are also registered separately, *i.e.*, the trade of the Commonwealth with each particular country is separately recorded and tabulated.

4. Statistical Classification of Imports and Exports.—The Oversea Trade Bulletin No. 19 for the year 1921-22, from which the summary figures in this Year Book are extracted, was compiled according to a classification which provided for 23 classes covering 926 import items and 483 export items. This classification was revised during 1922 and the number of items regarding which particulars are recorded was greatly increased. Under the new classification in operation from 1st July, 1922, there are 21 classes, with 1,448 import items, and 504 export items.

5. The Trade Year.—From the 1st July, 1914, the statistics relating to Oversea Trade are shown according to the fiscal year (July to June). Prior to that date the figures showed the volume of trade during each calendar year.

6. Records of Past Years.—In the years preceding federation, each State independently recorded its trade, and in so doing did not distinguish other Australian States from foreign countries. As the aggregation of the records of the several States is, necessarily, the only available means of ascertaining the trade of Australia for comparison with later years, it is unfortunate that past records of values and the direction of imports and exports were not on uniform lines. The figures in the following table for years prior to federation have been carefully compiled and may be taken as representative of the trade of Australia as a whole. On the introduction of the Customs Act 1901, the methods of recording values were made uniform throughout the States, but it was not until September, 1903, that a fundamental defect in the system of recording transhipped goods was remedied. Prior to 1905 the value of ships imported or exported was not included in the returns of trade.

7. Ships' Stores.—Prior to 1906 goods shipped in Australian ports on board oversea vessels as ships' stores were included in the general exports. From 1906, ships' stores have been specially recorded as such, and omitted from the return of exports. A table showing the value of these stores shipped each year since 1906 is given later on in this Chapter.

§ 4. Oversea Trade.

1. Total Oversea Trade.—(i) *General.* The following table shows the total trade of the Commonwealth with oversea countries from the earliest date for which records are available. To economise space, the period 1826 to 1915-16 has been divided into quinquennia, and the figures shown represent the annual averages for the quinquennia specified. The figures for individual years have been published in previous issues of the Year Book.

OVERSEA TRADE.—AUSTRALIA, 1826 TO 1921-22.

Period.(a)	Recorded Value.			Value per Inhabitant.(b)			Percentage of Exports on Imports.
	Imports.	Exports.	Total.	Imports.	Exports.	Total.	
	£1,000.	£1,000.	£1,000.	£ s. d.	£ s. d.	£ s. d.	%
1826-30 ..	638	153	791	10 12 5	2 10 11	13 3 4	23.9
1831-35 ..	1,144	613	1,757	11 19 10	6 8 6	18 8 4	53.6
1836-40 ..	2,283	1,112	3,395	14 15 9	7 4 1	21 19 10	48.7
1841-45 ..	1,906	1,378	3,284	9 0 5	6 10 5	15 10 10	72.3
1846-50 ..	2,379	2,264	4,643	6 18 10	6 12 2	13 11 0	95.2
1851-55 ..	11,931	11,414	23,345	19 12 5	18 15 4	38 7 9	95.7
1856-60 ..	18,816	16,019	34,835	18 6 1	15 11 8	33 17 9	85.1
1861-65 ..	20,132	18,699	38,831	15 17 1	14 14 9	30 11 10	93.0
1866-70 ..	18,691	19,417	38,108	12 7 4	12 16 11	25 4 3	103.9
1871-75 ..	21,982	24,247	46,229	12 7 2	13 13 6	26 0 8	110.3
1876-80 ..	24,622	23,772	48,394	11 19 7	11 10 9	23 10 4	96.6
1881-85 ..	34,895	28,055	62,950	14 4 3	11 9 5	25 13 8	80.4
1886-90 ..	34,675	26,579	61,254	11 16 11	9 1 0	20 17 11	76.6
1891-95 ..	27,335	33,683	61,018	8 5 2	10 2 5	18 7 7	123.2
1896-1900	33,763	41,094	74,857	9 5 4	11 5 6	20 10 10	121.7
1901-5 ..	39,258	51,237	90,495	10 1 10	13 2 9	23 4 7	130.5
1906-10 ..	51,508	69,336(c)	120,844	12 4 8	16 9 11	28 14 7	134.6
1911-15-16	73,411	74,504	147,915	15 7 4	15 12 10	31 0 2	101.5
1916-17 ..	76,229	97,955	174,184	15 12 7	20 1 10	35 14 5	128.5
1917-18 ..	62,335	81,429	143,764	12 12 7	16 10 0	29 2 7	130.6
1918-19 ..	102,335	113,964	216,299	20 6 10	22 13 1	42 19 11	111.4
1919-20 ..	98,974	149,824	248,798	18 17 3	28 11 1	47 8 4	151.4
1920-21 ..	163,802	132,159	295,961	30 12 9	24 14 5	55 7 2	80.7
1921-22 ..	103,066	127,847	230,913	18 14 1	23 4 1	41 18 2	124.0

(a) The figures given for the years 1826 to 1915-16 represent the annual averages for the quinquennial periods. The trade of the individual years will be found in the Official Year Book No. 15 and earlier issues.
 (b) Reckoned on mean population for the year. (c) Prior to 1906 ships' stores were included in the general exports. For value of these goods shipped each year since 1906 see later table.

The graphs of the movement of the oversea trade of Australia, which accompany this Chapter show that periods of depressed trade have been recurrent at more or less regular intervals of from seven to nine years, and, measured by population, each succeeding depression since 1855 carried the trade per head lower than the preceding one, until the lowest point was reached in 1894. This was due to the acute financial stress which culminated in the commercial crisis of 1893.

There was a slight recovery in 1895, and a continuous upward movement until 1901. A decline, due to drought, in the exports of primary products, reduced the figures for 1902, but from this date until 1907 there was an increase. There was a falling-off in 1908 as compared with 1907, but from 1909 the value of imports and exports showed a steady increase until 1913, the year prior to the war.

The trade of 1914-15 and subsequent years was seriously disturbed by the dislocation of shipping and increased prices arising out of war conditions. The shortage of shipping was particularly marked in 1917-18, when, in order to conserve space for more essential requirements, the importation of goods which were considered to be in the nature of luxuries was prohibited or restricted.

(ii) *Effect of Prices.* The effect of prices on the value of exports is shown in the "Price Levels" given in §10 hereinafter. On the basis of uniform prices, the exports during the years 1914-15 to 1918-19 were less than for the years immediately preceding the war, and notwithstanding that they include accumulations of wool and wheat which could not be shipped earlier, the exports of 1919-20 were, on the basis of quantities, only 11 per cent. greater than the exports during 1913, though the recorded values were

91 per cent. higher. On a quantitative basis—i.e., eliminating the effects of varying prices—the exports during 1921–22 were greater than in any previous year, though per head of population they were less than in 1911.

(iii) *Exchange Values.* The value of the exports during 1919–20 was sufficient to establish a very substantial balance in favour of Australia, though this balance was not actually so large as the official records would make it appear. This is due to the understatement of the value of imports as a result of the conversion of values on the par of exchange, whereas their commercial values, i.e., the value of exports which would be required to effect a settlement of exchange would be determined by the current commercial rates. The net result of converting values on the par of exchange is that the value of imports during 1919–20 is understated by about 7 per cent. The figures for 1920–21 are similarly defective, though in a lesser degree, since from the 8th December, 1920, values have been converted on the basis of the current rates of exchange.

(iv) *Trade Conditions, 1920–21.* During the year 1920–21 the value of imports increased considerably. This increase was largely due to the fulfilment of long standing orders which it had been impossible to execute earlier. In their anxiety to replenish stocks which had become depleted during the war, and to take advantage of the free spending of soldiers' gratuities and repatriation moneys, Australian importers ordered freely in the belief that their orders could not be satisfied immediately, but hoping to get a percentage thereof. The trade depression in Great Britain, and the cancellation of foreign orders, however, enabled British manufacturers to devote their attention to Australian orders, with the result that shipments, which it had been expected would be spread over a long period were received in quick succession. The rapidity with which the goods arrived created some difficulty in providing exchange, and the banks found it necessary to restrict credit for import business. The value of imports during 1920–21 reached the exceptionally high figure of £163,801,826, an amount greatly in excess of any previous year.

The decline in the value of exports during 1920–21 as compared with 1919–20 was mainly due to reduced exports of wool at lower prices, and to smaller exports of meats, flour, hides and skins, tallow, copper, and lead. As a set-off against these items there was an increase in the exports of wheat of nearly £12,000,000, and of butter of nearly £8,000,000.

(v) *Trade in 1921–22.* Imports during 1921–22 amounted to £103,066,436 and the total exports were valued at £127,846,535, of which £123,487,513 was Australian produce. The trade position was, therefore, very much improved as compared with the previous year, by a reduction of 37 per cent. in the value of imports accompanied by a fall in the value of exports of only 3.2 per cent.

2. Ratio between Exports and Imports.—The foregoing table shows the percentage of exports on imports for each year*, and, with few exceptions, due to temporary dislocations of trade, it will be noted that prior to 1892 the balance of trade has been on the side of imports, while from 1892 to 1912 the position was reversed. The excess of imports in the earlier years represents the introduction of capital in the form of Government loans or for investment in private undertakings, and the excess of exports represents mainly the interest and profit on the earlier investments, repayment of loans to foreign bondholders, and freight on trade carried mainly by ships of the United Kingdom and foreign countries. As the introduction of new capital and the payments for interest on existing investments and for shipping and other services are continually operating in opposite directions at the same time in the statistics of trade, it follows that it is the balance only of these transactions which is reflected in the excess of imports or exports.

The marked diminution in the excess of exports is a striking feature of the trade returns for 1912. The decline in the ratio was mainly due to loans raised in London by the State Governments. The proceeds of these loans naturally swell the import

* For individual years 1826 to 1900 see Official Year Book, No. 15, and previous issues.

returns, but, as no immediate payment beyond an instalment of interest has to be made in return, the export figures are affected in a minor degree only until such time as the principal of the debt is repaid. The larger number of immigrants at this period also affected, to some extent, the balance of trade by the introduction of capital. The following table presents the balance of trade of Australia for each year from 1902, and the modification of these figures as affected by loans raised abroad by the Commonwealth and State Governments. Owing to lack of complete information the figures must be taken as approximate.

EFFECT OF LOANS ON BALANCE OF AUSTRALIAN TRADE, 1902 TO 1921-22.

Year.	Excess of Exports as Recorded.		Net Amount of Debt Raised or Redeemed (—) Abroad.(b)	Excess of Exports Modified by Loans to Commonwealth and States' Governments.	
	Amount.	Per cent.	Amount.	Amount.	Per cent.
	£1,000.		£1,000.	£1,000.	
1902	3,239	100	5,014	8,253	100
1903	10,439	322	1,658	12,097	146
1904	20,465	632	753	21,218	257
1905	18,494	571	1,968	20,462	248
1906	24,993	771	— 5,308	19,685	238
1907	21,015	649	— 2,259	18,756	227
1908	14,512	448	6,088	20,600	249
1909	14,147	436	2,562	16,709	202
1910	14,477	447	— 2,904	11,573	140
1911	12,514	386	3,123	15,637	189
1912	937	29	12,205	13,142	159
1913	— 1,178	— 36	19,666	18,488	225
1914 (January to June) ..	— 1,847	— a	a	— 1,847	a
1914-15	— 3,839	— 119	5,151	1,312	16
1915-16	— 2,966	— 91	2,827	— 139	— 2
1916-17	21,726	670	11,695	33,421	405
1917-18	19,095	590	17,373	36,468	442
1918-19	11,629	359	— 2,908	8,721	106
1919-20	50,849	1,570	5,212	c56,061	679
1920-21	— 31,643	— 977	5,574	— 26,069	— 316
1921-22	24,780	765	38,500	63,280	767

(a) Prior to June, 1914, the figures relating to debt were six months in advance of the trade figures; since that date the periods to which the figures relate are identical. (b) See note (a) to the following table. (c) This amount should be reduced on account of conversion methods to about £49,000,000, and the corresponding percentage to about 590.

The trade balances would be further modified by the loans of local governing bodies, by the imports of capital for private enterprises, and by the addition to or absorption of bank balances held in London on Australian account. Particulars of such transactions are, however, not available. Moreover, since the outbreak of war the balances for single years have been completely upset by the difficulties of transport, and it is necessary, therefore, in a fair view of this period to take the total transactions during the seven years from the 1st July, 1914, to the 30th June, 1921.

The figures for the decade before the war show that an annual excess of exports of about £16,000,000 was required to meet local obligations on account of interest, and for shipping and other services rendered by persons outside Australia. Later loans raised in London by the States, and the loans and advances made by the Imperial Government to the Commonwealth Government increased this annual liability by about eight millions sterling in 1921-22, the average increase on account of each of the seven years ending June, 1921, being about £5,000,000 over the pre-war liability. This, added to the pre-war liability, represents an annual liability throughout the period

mentioned of about £21,000,000. Up to the end of the year 1919–20 all claims had been fully met, and there was at that time some accumulation of Australian funds in London. The excessive imports during 1920–21, after allowing for new loans, left an adverse balance on the trade of that year of £26,069,000, whereas the liabilities for the year required an excess of exports of over £22,000,000, consequently the value of exports for the year was about £48,000,000 short of the amount required to pay for the imports and to meet the standing obligations on account of interest, etc. The position with regard to exchange arising from this adverse balance of trade is indicated by the selling price of “On demand” drafts on London, which from December, 1920, was 37s. 6d. per £100. At no time since the establishment of the Commonwealth in 1901 had the price for similar drafts been so high. In 1916, as a result of drought, and the general dislocation due to the war, the price for some months was 25s. From 1905 to the outbreak of war the price never exceeded 15s. for more than a very brief period.

The action of the banks in restricting credit for importing purposes was so effective that the imports during 1921–22 were very substantially less than in the previous year, with the result that the trade of 1921–22 closed with a recorded excess of exports of £24,780,000. If to this recorded excess the sum of £38,500,000—representing an approximation of new external debt—be added, there will be an actual excess of exports amounting to approximately £63,280,000 which, combined with the shortage of the previous year gives an average excess for the two years of £18,105,000 per year, which would appear to be somewhat short of requirements. As already stated, however, the figures given in the accompanying tables relating to new debt are restricted to the transactions of the Governments of the Commonwealth and of the States, and so do not embrace all imports of capital. During the two years referred to, there was an increasing number of immigrants bringing in a certain amount of capital. That the Commonwealth has no unsatisfied foreign obligations at present is shown by the fact that after the 8th September, 1922, the selling price of “On demand” drafts on London was reduced to a premium of 2s. 6d. per £100.

The general relationship between the balance of trade of Australia and the borrowing of money abroad is demonstrated by the following figures :—

AUSTRALIAN BALANCE OF TRADE AND PUBLIC DEBT, 1867 TO 1922.

Period.	Annual Average.					
	Imports.	Exports.	Recorded Excess of		New Debt. (a)	Excess of Exports modified by Loans.
			Imports.	Exports.		
	Mill. £.	Mill. £.	Mill. £.	Mill. £.	Mill. £.	Mill. £.
1867–1871	17.8	20.0	..	2.2	1.7	3.9
1872–1876	23.4	24.6	..	1.2	2.6	3.8
1877–1881	25.6	24.6	1.0	..	5.2	4.2
1882–1886	35.8	26.8	9.0	..	10.6	1.6
1887–1891	35.4	29.4	6.0	..	7.4	1.4
1892–1896	25.6	33.0	..	7.4	3.8	11.2
1897–1901	36.2	44.4	..	8.2	3.2	11.4
1902–1906	39.6	55.2	..	15.6	0.8	16.4
1907–1911	56.0	71.2	..	15.2	1.3	16.5
1912–1915–16 (4½ years) ..	75.5	73.5	2.0	..	10.0	8.0
1916–17–1920–21 (5 years) ..	100.7	115.0	..	14.3	7.4	21.7(b)
1921–22	103.1	127.9	..	24.8	38.5	63.3

(a) Subsequent to 1897 these figures relate to moneys raised outside Australia only. Prior to 1897 the amounts raised locally were insignificant, but it is probable that the amount of new debt raised during 1892–6 is somewhat overstated. Loans raised by Local Government Bodies are not included. Loans for redemption purposes are not included, nor are loans from the Imperial Government for war purposes, the proceeds of which were spent abroad, and consequently did not affect Australian imports.

(b) Adjusted to eliminate defects of conversion of import values this figure would be 20.3.

§ 5. Direction of Trade.

1. Imports according to Country of Origin.—The following table shows the value of the imports stated to be the produce or manufacture of the countries named during the past five years:—

AUSTRALIAN IMPORTS—COUNTRIES OF ORIGIN, 1917-18 TO 1921-22.

Country of Origin.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
United Kingdom	22,074,921	34,584,611	38,516,436	76,849,934	53,001,926
British Possessions—					
Canada	1,667,068	2,844,050	2,640,280	4,425,262	3,146,450
Ceylon	1,302,118	1,379,387	1,675,443	858,340	1,009,477
India	4,798,624	7,967,228	4,777,905	7,312,832	3,747,023
New Zealand	1,616,803	2,136,146	1,930,049	1,995,897	1,702,991
Pacific Islands—					
Fiji	454,424	180,111	285,456	204,775	217,248
Territory of New Guinea	114,140	338,252	626,151	635,370	619,537
Other Islands	524,659	607,404	750,309	988,085	907,547
Papua	148,228	207,651	218,006	325,773	163,232
South African Union	976,050	5,918,705	964,195	534,118	356,869
Straits Settlements	475,269	339,162	354,179	284,886	571,544
Other British Possessions	311,970	502,637	1,011,737	891,150	565,213
Total British Possessions	12,389,353	22,420,683	15,233,710	18,436,488	13,007,131
Total British Countries	34,464,274	57,005,294	53,750,146	95,286,422	66,009,057
Foreign Countries—					
Belgium	21,397	4,691	276,940	1,929,647	950,952
China	772,498	791,378	1,094,427	1,034,306	950,772
France	1,219,270	1,651,833	2,422,304	3,597,811	2,781,739
Germany	18,055	10,956	13,474	56,944	85,976
Italy	470,828	581,631	581,038	828,217	944,226
Japan	5,511,383	8,203,725	4,222,511	5,230,039	3,581,614
Netherlands	162,424	259,599	196,712	613,926	498,824
Netherlands East Indies	1,519,416	3,038,018	8,313,874	8,798,957	3,236,970
Norway	395,665	654,220	831,909	1,920,997	848,134
Pacific Islands	151,224	287,197	262,377	152,938	119,127
Philippine Islands	277,653	113,997	204,958	209,170	151,106
Sweden	538,236	512,624	793,945	2,751,827	1,238,327
Switzerland	855,560	1,250,904	959,826	2,016,156	1,836,291
United States of America	15,456,002	27,183,792	23,826,313	36,113,477	18,823,113
Other Foreign Countries	500,564	787,300	1,223,538	3,260,992	1,060,208
Total Foreign Countries	27,870,175	45,329,865	45,224,146	68,515,404	37,057,379
Total	62,334,449	102,335,159	98,974,292	163,801,826	103,066,436

The value of imports into Australia fluctuated considerably during the five years under review. The lack of shipping occasioned by the war materially affected the importation of commodities during 1917-18, and the value of imports during that year was lower than that of 1913, the year prior to the war. In 1918-19 and subsequent years, however, the value of imports greatly increased; the figures reaching their maximum during the year 1920-21. The enhanced price of commodities during recent years is undoubtedly reflected in the figures, and when making any comparisons with imports during pre-war years this fact should be taken into consideration. The peculiar conditions affecting Australian trade during 1920-21 and which were responsible for the exceptionally high value of imports during that year, have already been mentioned in a previous paragraph.

In view of the effect that the varying prices of commodities had upon the value of imports during the period under review it is somewhat difficult to ascertain from the preceding table the relative importance of the various countries in the import trade of Australia. A better idea of the proportion of imports supplied by each country during each year may be obtained from the following table of percentages.

2. Percentage of Imports from Various Countries.—In the following table of percentages the relative proportions of the import trade of Australia which have been supplied by the various countries may be readily seen, together with the proportions furnished by the United Kingdom, British Possessions and foreign countries respectively.

**AUSTRALIAN IMPORTS.—PERCENTAGES FROM COUNTRIES OF ORIGIN,
1917-18 TO 1921-22.**

Country of Origin.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	per cent.	per cent.	per cent.	per cent.	per cent.
United Kingdom	35.41	33.80	38.91	46.92	51.43
British Possessions—					
Canada	2.67	2.78	2.67	2.70	3.05
Ceylon	2.09	1.35	1.69	0.51	0.98
India	7.70	7.79	4.83	4.46	3.64
New Zealand	2.59	2.09	1.95	1.22	1.65
Pacific Islands—					
Fiji	0.73	0.18	0.29	0.12	0.21
Territory of New Guinea	0.18	0.33	0.63	0.39	0.60
Other Islands	0.84	0.59	0.76	0.60	0.88
Papua	0.24	0.20	0.22	0.21	0.16
South African Union	1.57	5.78	0.97	0.33	0.35
Straits Settlements	0.76	0.33	0.36	0.17	0.55
Other British Possessions	0.51	0.49	1.02	0.54	0.55
Total British Possessions	19.88	21.91	15.39	11.25	12.62
Total British Countries ..	55.29	55.71	54.30	58.17	64.05
Foreign Countries—					
Belgium	0.03	0.00	0.28	1.18	0.92
China	1.24	0.77	1.11	0.63	0.92
France	1.96	1.61	2.45	2.20	2.65
Germany	0.03	0.01	0.01	0.04	0.08
Italy	0.76	0.57	0.59	0.51	0.91
Japan	8.84	8.02	4.27	3.19	3.48
Netherlands	0.26	0.25	0.20	0.37	0.48
Netherlands East Indies	2.44	2.97	8.40	5.37	3.14
Norway	0.63	0.64	0.84	1.17	0.82
Pacific Islands	0.24	0.28	0.26	0.09	0.12
Philippine Islands	0.45	0.11	0.21	0.13	0.15
Sweden	0.86	0.50	0.80	1.68	1.20
Switzerland	1.37	1.22	0.97	1.23	1.78
United States of America	24.80	26.57	24.07	22.05	18.27
Other Foreign Countries	0.80	0.77	1.24	1.99	1.03
Total Foreign Countries	44.71	44.29	45.70	41.83	35.95
Total	100	100	100	100	100

The percentage of imports from the United Kingdom declined during 1918-19, but in each of the succeeding years the proportion from that country steadily increased. The percentages of imports from United States and Japan show reduced figures in 1921-22 as compared with 1917-18 and 1918-19. United States provided 26.57 per cent. of the total imports during 1918-19 as against 18.27 per cent. in 1921-22, while the figures for Japan for these years were 8.02 per cent. and 3.48 per cent. respectively. The greater freedom of shipping facilities with these countries during the war years was

largely responsible for the increased trade. Other countries furnishing a fair volume of imports to Australia are India, Netherlands East Indies, Canada, France, Switzerland, and New Zealand.

3. Direction of Exports.—The following tables show a decreasing proportion of Australian exports to the United Kingdom. This was not entirely due to the relatively smaller purchases of Australian produce by the United Kingdom, but was in some measure the effect of an increasing tendency towards direct shipment of wool, skins, etc., to the consuming countries—notably to Belgium, France, and Germany—instead of distributing the trade through London. The figures given below do not, however, denote the total purchases by European countries of Australian produce, as large quantities were still distributed from London. The reservation to the United Kingdom of the first call on Australian primary products increased the proportion of exports to that country during the war period, and, to a greater extent, the proportion shipped to other parts of the Empire, notably to Egypt and to India. Large shipments of wool and wheat to Belgium and to France during 1920–21 and 1921–22 have caused the proportion of exports to move somewhat towards the pre-war distribution. The following table shows the value of exports from Australia to the more important countries during the five years 1917–18 to 1921–22:—

EXPORTS FROM AUSTRALIA TO VARIOUS COUNTRIES, 1917–18 TO 1921–22.

(INCLUDING BULLION AND SPECIE.)

Country.	1917–18.	1918–19.	1919–20.	1920–21.	1921–22.
	£	£	£	£	£
United Kingdom	37,674,674	61,603,958	80,784,096	67,519,740	57,742,767
British Possessions—					
Canada	785,130	891,529	312,452	154,899	373,570
Ceylon	62,211	648,426	354,810	299,131	711,163
Egypt	3,960,414	8,409,107	2,769,331	6,607,172	3,623,355
Fiji	597,710	443,981	664,634	732,251	573,401
Hong Kong	391,525	1,551,679	2,599,757	866,839	536,596
India	8,696,719	7,741,081	2,439,935	2,193,006	6,770,067
Mauritius	3,376	40,108	102,944	117,554	145,352
New Zealand	4,010,085	4,156,860	7,743,744	7,780,763	4,619,655
Papua	209,139	205,193	308,159	292,851	172,410
South African Union	2,592,430	2,347,367	3,044,351	3,049,507	1,660,359
Straits Settlements	882,913	1,563,056	6,216,398	2,121,090	1,876,648
Other British Possessions	280,495	1,660,886	1,293,421	1,701,305	880,614
Total British Possessions	22,472,147	29,659,273	27,840,936	25,916,368	21,843,199
Total British Countries	60,146,821	91,263,231	108,634,032	93,436,108	79,585,966
Foreign Countries—					
Argentina Republic	76,246	2,218	5,582	7,484	8,426
Belgium		104,890	4,263,608	6,845,925	5,015,976
Chile and Peru	97,818	204,466	181,928	227,037	227,538
China	225,828	314,008	543,365	323,087	509,339
France	1,926,375	1,045,182	6,671,878	6,409,862	8,701,179
Germany		1,608	16,520	1,457,119	4,003,726
Italy	1,278,725	1,724,801	3,771,544	2,547,810	8,047,291
Japan	3,340,064	3,846,951	7,229,501	3,117,572	7,952,547
Netherlands		1,264	11,005	1,264,530	765,725
Netherlands East Indies	1,195,666	2,632,901	3,119,766	2,568,619	2,368,197
Norway		453,731	500,208	170,532	300,389
Pacific Islands	961,358	1,060,767	724,666	757,541	482,666
Philippine Islands	826,722	653,653	1,061,463	420,870	565,063
Spain	186	3,679	866	287,669	354,405
Sweden		731,282	256,702	136,500	25,180
United States of America	10,650,034	9,009,425	11,129,937	9,965,575	8,314,386
Other Foreign Countries	703,378	909,919	1,700,938	2,210,072	618,536
Total Foreign Countries	21,282,400	22,700,745	41,189,477	38,722,804	48,260,569
Total	81,429,221	113,963,976	149,823,509	132,158,912	127,846,535

4. **Percentage of Exports to Various Countries.**—The following table gives the relative proportions of the export trade of Australia with the countries specified, together with the proportions shipped to the United Kingdom, British Possessions and foreign countries respectively :—

**EXPORTS FROM AUSTRALIA.—PERCENTAGES TO VARIOUS COUNTRIES,
1917-18 TO 1921-22.**

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	per cent.	per cent.	per cent.	per cent.	per cent.
United Kingdom	46.27	54.06	53.92	51.10	45.16
British Possessions—					
Canada	0.96	0.78	0.21	0.12	0.29
Ceylon	0.08	0.57	0.24	0.22	0.56
Egypt	4.87	7.37	1.85	5.01	2.76
Fiji	0.73	0.39	0.44	0.53	0.45
Hong Kong	0.48	1.36	1.74	0.65	0.42
India	10.68	6.79	1.63	1.66	5.30
Mauritius	0.00	0.03	0.07	0.09	0.11
New Zealand	4.93	3.65	5.17	5.90	3.61
Papua	0.26	0.18	0.21	0.22	0.13
South African Union	3.18	2.06	2.02	2.31	1.30
Straits Settlements	1.08	1.37	4.15	1.61	1.47
Other British Possessions	0.34	1.47	0.86	1.29	0.69
Total British Possessions	27.59	26.02	18.59	19.61	17.09
Total British Countries ..	73.86	80.08	72.51	70.71	62.25
Foreign Countries—					
Argentine Republic	0.09	0.00	0.00	0.00	0.01
Belgium	0.00	0.09	2.85	5.18	3.92
Chile and Peru	0.12	0.18	0.12	0.17	0.18
China	0.28	0.28	0.36	0.25	0.40
France	2.37	0.92	4.45	4.86	6.81
Germany	0.00	0.00	0.01	1.10	3.13
Italy	1.57	1.51	2.52	1.93	6.29
Japan	4.10	3.38	4.83	2.36	6.22
Netherlands	0.00	0.00	0.01	0.96	0.60
Netherlands East Indies	1.47	2.31	2.08	1.94	1.85
Norway	0.00	0.40	0.33	0.12	0.24
Pacific Islands	1.18	0.93	0.48	0.57	0.38
Philippine Islands	1.02	0.57	0.71	0.32	0.44
Spain	0.00	0.00	0.00	0.21	0.28
Sweden	0.00	0.64	0.17	0.10	0.02
United States of America	13.08	7.91	7.43	7.55	6.50
Other Foreign Countries	0.86	0.80	1.14	1.67	0.48
Total Foreign Countries	26.14	19.92	27.49	29.29	37.75
Total	100	100	100	100	100

5. **Principal Imports and Exports—Countries.**—The total value of imports from, and exports to, each of the more important countries, together with brief particulars of the principal commodities interchanged with such countries are given hereunder. Should further details be required reference may be made to the annual publication "Oversea Trade Bulletin, No. 19," issued by this Bureau, which gives details of the trade of 38 of the principal countries of the world with Australia during the past five years. This publication also furnishes information regarding the country of origin of each statistical item of imports for the years 1920-21 and 1921-22, showing the value and (where available) the quantity imported from each country. The value of each item imported into each State of the Commonwealth is also shown. The publication referred to also gives information as to the country to which each item of exports was shipped during the year 1921-22.

United Kingdom. Total Imports of United Kingdom Origin, £53,001,926. The two outstanding classes of goods imported were—Apparel, textiles, etc., £21,537,704, and machines, machinery and manufactures of metal, £12,454,671. Imports of the undermentioned goods also contributed largely to the total:—Whisky; yarns, including hosiery yarn containing wool; iron and steel, bar, rod, etc.; china and earthenware; paper and stationery; drugs and chemicals, and electrical materials, including covered cable and wire.

Total Exports to United Kingdom, £57,742,767. Of this total £57,100,422 represented Australian produce. The principal items of export were—Wool, £23,013,128; wheat, £11,774,132; and butter, £6,921,654. Other commodities which bulked largely were—Frozen beef, mutton, and lamb; cheese; fruits, fresh, dried, and preserved; hides and skins; tallow; leather; copper; and lead.

United States of America. Total Imports of United States Origin, £18,823,113. The following were the more important items of import:—Tobacco, manufactured and unmanufactured; apparel, textiles, etc.; petroleum spirit, benzine; kerosene; lubricating and other oils; electrical machinery, materials and appliances; printing machinery; motor car chassis, etc.; manufactures of metals; undressed timber; films for kinematographs; sulphur; and preserved fish.

Total Exports to United States, £8,314,386. Of this total £7,978,616 represented Australian produce. The principal exports were—Wool; gold specie; rabbit, kangaroo and opossum skins; pearlshell; sausage casings; butter; and hides. The value of the above commodities represents 91 per cent. of the total exports to the United States.

India. Total Imports of Produce or Manufacture of India, £3,747,023. Bags and sacks valued at £2,128,977 represent 56 per cent. of the total imports. The other principal items were—Hessians; rice; tea; hides and skins; linseed; paraffin wax; gums and resins; and coffee and chicory.

Total Exports to India, £6,770,067. Of this total £6,734,239 represented Australian produce. The chief exports were—Wheat, £4,181,621; gold specie, £1,294,150; silver, £661,188; undressed timber; coal; tallow; preserved meats; and preserved milk and cream.

Japan. Total Imports of Japanese Origin, £3,581,614. Principal imports—Piece goods of silk or containing silk, £2,014,145; cotton piece goods, £408,851; china and porcelain ware; glass and glassware; undressed timber; and fancy goods.

Total Exports to Japan, £7,952,547. Of this total £7,883,904 was Australian produce. Chief exports—Wool, £4,438,762; wheat, £1,961,063; tallow; pig lead; zinc; flour; and infants and invalids' foods.

Netherlands East Indies. Total Imports of Netherlands East Indies Origin, £3,236,970. The principal imports were—Petroleum spirit, including benzine, etc., £1,531,397; tea, £935,619; kerosene; crude indiarubber; kapok; sago and tapioca; and spices.

Total Exports to Netherlands East Indies, £2,368,197. Of this total £2,341,618 was the produce of Australia. Chief exports were—Flour, £590,092; butter, £461,462; preserved milk and cream; coal; leather; bacon and ham; and biscuits.

Canada. Total Imports of Canadian Origin, £3,146,450. The principal imports were—Chassis for motor cars, £782,180; printing paper, £703,705; preserved fish; agricultural implements; undressed timber; corsets; and metal manufactures.

Total Exports to Canada, £373,570. Of this total £365,451 was Australian produce. Chief items were—Wool, greasy, scoured, and tops, £245,421; butter; meats; hides and skins; and onions.

France. Total Imports of French Origin, £2,731,739. Chief imports were—Piece goods of silk or containing silk, £597,657; trimmings for attire, £308,785; motor cars and parts; lace for attire; brandy; wine; indiarubber manufactures; cream of tartar; perfumery and toilet preparations; fancy goods; tobacco-pipes; and gloves.

Total Exports to France, £8,701,179. Of this total £8,580,625 was Australian produce. Principal exports were—Wool, £6,842,265; wheat, £904,821; sheep skins, £533,165; copra; concentrates; and tallow.

Switzerland. Total Imports of Swiss Origin, £1,836,291. Chief items were—Piece goods of silk, £637,853; trimmings and ornaments for attire, £545,607; lace for attire; clocks and watches; grass straw for manufacture of hats.

Total Exports to Switzerland, £32,410. (Timepieces and parts, £30,603.)

Pacific Islands (British and Foreign). Total Imports of Produce of the Pacific Islands, £1,863,459. Chief items were—Copra, £969,589; rock phosphates, £467,859; sugar, molasses, etc.; cocoa beans; cattle; and guano.

Total Exports to Pacific Islands, £1,894,450. Of this amount £1,181,789 was the produce of Australia. The exports to these islands cover a very wide range of commodities. The outstanding items, in order of value, were—Foodstuffs of vegetable origin, £482,882; apparel, textiles, etc., £239,194; machines, machinery and metal manufactures, £234,085; coal and coke, £136,744; foodstuffs of animal origin, £123,936; and tobacco, cigars, and cigarettes, £116,266. The chief individual items were—Butter; meats; biscuits; flour; rice; sugar; potatoes; tea; ale and porter; spirits; tobacco and cigarettes; boots; canvas and duck; cotton piece goods; kerosene; coal; undressed timber; and soap.

New Zealand. Total Imports of New Zealand Origin, £1,702,991. The principal items were—Undressed timber, £662,597; hides and skins, £363,671; flax and hemp; oakum and tow; linseed and other seeds; smoked fish; horses; and butter.

Total Exports to New Zealand, £4,619,655. Of this total £3,241,094 was Australian produce. The chief items were—Apparel, textiles and manufactured fibres, £676,759; machinery and metal manufactures, £491,282; coal, £445,728; manufactured tobacco, £377,774; undressed timber, £362,788; indiarubber manufactures; leather; dried and fresh fruits; confectionery; and medicines. The remaining exports covered a very large range of commodities and included a number of items which are not produced in Australia, such as rice, tea, paints, dyes, glassware, earthenware, etc.

Sweden. Total Imports of Swedish Origin, £1,238,327. Chief items were—Printing paper, £316,280; cream separators, £251,454; wrapping and other paper; dressed and undressed timber; matches; electrical fittings; and wood pulp.

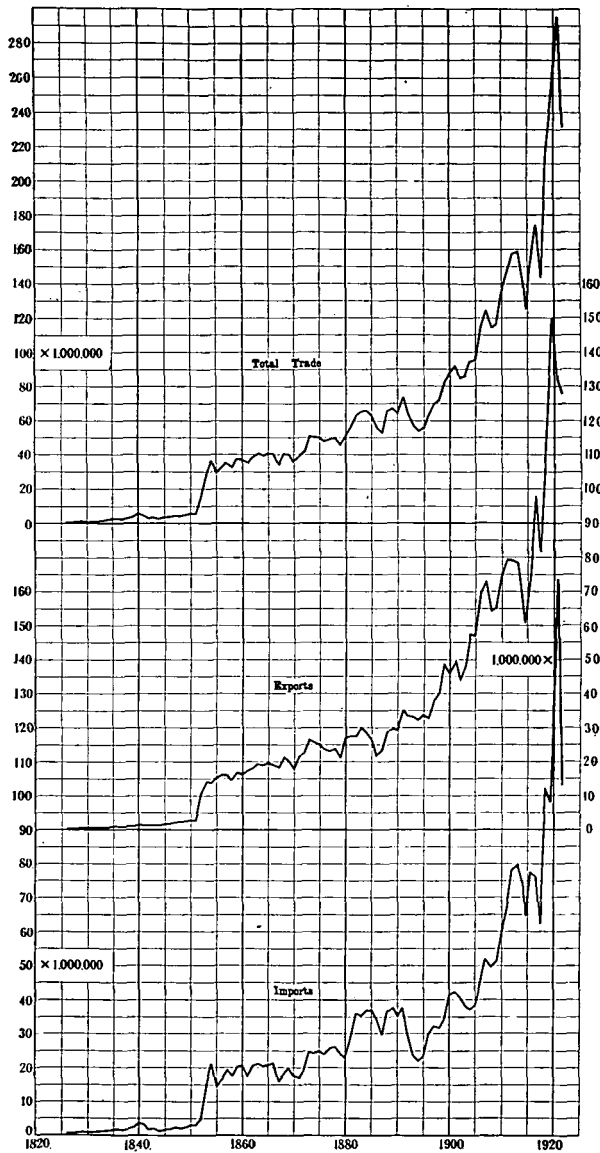
Total Exports to Sweden, £25,180. Chief items were—Wool, £16,406; hides, £6,984.

Ceylon. Total Imports of Cingalese Origin, £1,009,477. The chief items were—Tea, £826,184; nuts, £92,832; rubber; cocoa and chocolate; and fibres.

Total Exports to Ceylon, £711,163. Of this total £706,718 was Australian produce. The principal exports were—Gold specie, £352,950; flour; wheat; undressed timber; butter; bacon and ham; preserved milk; silver; and oils and fats.

Belgium. Total Imports of Belgian Origin, £950,952. Principal imports were—Iron and steel, bar, angle, hoop, etc., £221,901; glass and glassware, £213,581; cotton and linen piece goods; gloves; parchment; cameos and precious stones (unset); and iron, steel and other wire.

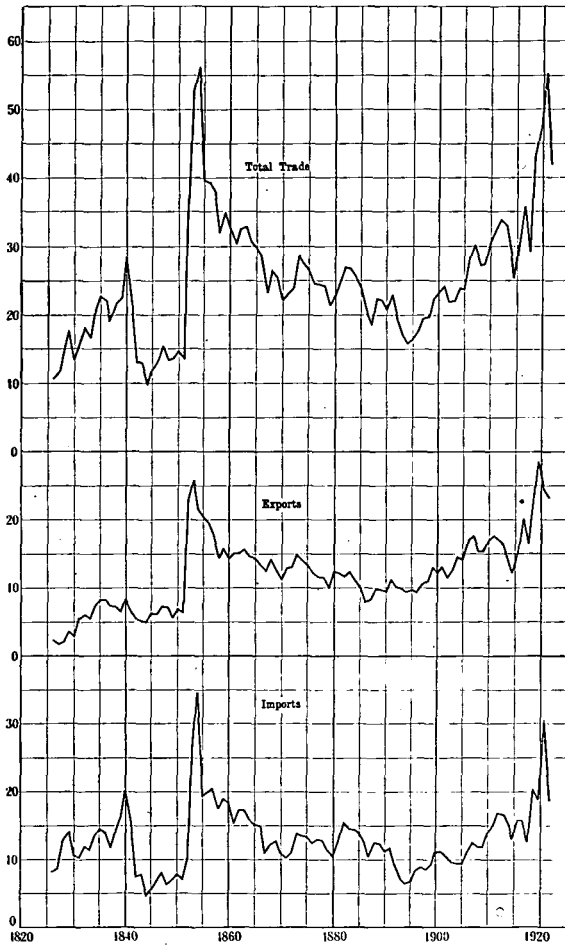
VALUES OF TOTAL TRADE, EXPORTS, AND IMPORTS, AUSTRALIA, 1826 TO 1921-22.



(See page 223.)

EXPLANATION.—The base of each square represents an interval of five years, and the vertical height five million pounds sterling for imports and exports, and ten million pounds sterling for total trade.

VALUES PER HEAD OF POPULATION OF TOTAL TRADE, EXPORTS, AND IMPORTS.
AUSTRALIA, 1826 TO 1921-22.



(See page 223.)

EXPLANATION.—The base of each square represents an interval of five years, and the vertical height £5 per head of the population.

Total Exports to Belgium, £5,015,976. Of this total £4,994,839 was the produce of Australia. Chief items were—Wool, £3,784,065; wheat, £351,013; zinc concentrates, £299,703; barley; hides and skins; and tallow.

China. Total Imports of Chinese Origin, £950,772. The principal items were—Silk piece goods, £175,156; cotton piece goods, £116,686; rice, £99,020; linseed; tea; edible nuts; preserved ginger; china and other oils; raw cotton; and grass straw.

Total Exports to China, £509,339. Of this total £501,432 was Australian produce. Principal items were—Silver, bar, ingots, etc., £137,503; butter, £88,358; flour, £63,388; wool; wheat; tallow; leather; jams and jellies; and undressed timber.

Italy. Total Imports of Italian Origin, £944,226. Chief imports were—Chassis for motor cars, £309,086; silk piece goods, £163,422; edible nuts; hides; hats; essential oils; flax and hemp; marble; gloves; and works of art.

Total Exports to Italy, £8,047,291. Of this total, £7,996,404 was Australian produce. Chief exports were—Wheat, £5,137,957; wool, £2,667,081; tallow; hides and skins; and copra.

Norway. Total Imports of Norwegian Origin, £848,134. Principal items were—Paper, £418,352; timber, £256,382; preserved fish, £131,105.

Total Exports to Norway, £300,389. Of this total the principal item was wheat. £279,822.

Straits Settlements. Total Imports of Straits Settlements Origin, £571,544. Principal items were—Petroleum spirit, etc, £253,181; rubber, £153,908; sago and tapioca; spices; resins; flax and hemp; and bamboo and cane.

Total Exports to Straits Settlements, £1,876,648. Of the total, £1,809,718 was the produce of Australia. Chief exports were—Preserved milk and cream, £726,624; flour, £301,390; mining machinery, £213,576; butter and substitutes; coal; sheep; horses; bacon and ham; and preserved and frozen meat.

Netherlands. Total Imports of Netherlands Origin, £498,824. Principal items were—Metal manufactures; piece goods; caramel, etc.; cocoa and chocolate; paper; gin and schnapps; and jewellery.

Total Exports to Netherlands, £765,725. Chief exports were—Wheat, £389,462; copra, £220,892; cameos and precious stones, £50,000.

South African Union. Total Imports of Produce of South African Union, £356,869. Principal items were—Precious stones, £166,610; explosives, £71,820; fancy goods; feathers; tanning bark; maize; fibres and seeds.

Total Exports to South African Union, £1,660,359. Of this total £1,644,989 was the produce of Australia. Chief exports were—Wheat, £443,067; flour, £329,241; undressed timber, £395,026; preserved milk and cream, £188,088; tallow; dried fruits; and leather.

Philippine Islands. Total Imports of Philippine Islands Origin, £151,106. Chief items were—Flax and hemp, £101,191; timber, £33,294; and tobacco and cigars.

Total Exports to Philippine Islands, £565,063. Principal items were—Frozen meats, £148,290; flour, £155,915; preserved milk and cream; coal; butter; bacon and ham; and cattle.

Spain. Total Imports of Spanish Origin, £90,727. Chief items were—Corks, etc., £26,018; edible nuts, £20,764; liquorice; raisins; and quicksilver.

Total Exports to Spain, £354,405. Wheat, £324,601; wool, £28,535.

Germany. Trade with Germany was suspended on the outbreak of war, and importation of German goods, except by permits granted by the Minister for Trade and Customs, was not permitted until the 1st August, 1922. Imports from Germany during 1921–22 were valued at £85,976, and exports thereto amounted to £4,003,726. Chief items of export were—Wool, £2,404,833; wheat, £879,184; copra, £458,005; concentrates; hides and skins; and sausage casings.

Egypt. *Total Imports of Egyptian Origin*, £21,962. Chief items were—Gums and resins, £12,581; seeds; cigarettes; oils; and prepared grain and pulse.

Total Exports to Egypt, £3,523,355. Principal items were—Flour, £2,111,333; wheat, £1,341,109; butter; frozen meat; and undressed timber.

Russia. *Total Imports of Russian Origin*, £18,011. Chief items were—Linseed; furs; pitch and tar; and drugs.

Total Exports to Russia, £210,748. Of this total wheat represented £210,690.

Hong Kong. *Total Imports of Hong Kong Origin*, £5,445. Chief items were—Coir mats and matting; ginger; silk piece goods; bamboo and wicker articles; and fireworks.

Total Exports to Hong Kong, £536,596. Chief items were—Flour, £124,493; fish, £84,289; sandalwood, £57,714; butter; preserved milk and cream; pig lead; leather and manufactures thereof; jams and jellies; bacon and ham; and frozen meat.

6. Imports—States, and Total.—Imports are recorded at the port of landing and are credited to the State in which the port is situated. Records are not obtainable of interstate trade and the State totals represent, therefore, the value of oversea goods consigned to the various States. They do not, moreover, represent the consumption within each State.

IMPORTS.—STATES, AND TOTAL, 1917-18 TO 1921-22.

State.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
New South Wales	29,519,986	46,013,102	44,691,959	72,466,306	43,321,478
Victoria ..	21,113,588	35,026,311	33,788,287	57,608,777	36,352,056
Queensland ..	4,492,746	6,075,649	7,218,694	11,840,442	8,639,446
South Australia ..	4,181,322	6,502,319	7,473,893	12,381,973	9,047,242
Western Australia	2,505,271	8,083,852	4,959,062	7,219,538	4,308,141
Tasmania ..	489,249	608,786	813,341	2,264,933	1,385,958
Northern Territory	32,287	25,140	29,056	19,857	12,115
Total ..	62,334,449	102,335,159	98,974,292	163,801,826	103,066,436

7. Exports—States and Total.—The following table gives the value of exports shipped from each State during the past five years. It must be noted that the value of goods transferred from one State to another for shipment to oversea countries is shown as an export from the State from which the goods were finally despatched.

EXPORTS.—STATES AND TOTAL, 1917-18 TO 1921-22.

State.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
New South Wales	39,619,093	51,027,359	55,017,065	52,601,798	48,012,511
Victoria ..	20,716,688	28,095,159	43,124,940	34,871,961	34,644,182
Queensland ..	10,960,811	12,447,616	14,403,922	15,171,884	17,573,103
South Australia ..	5,148,977	11,570,470	20,530,355	17,773,919	14,747,260
Western Australia	3,763,610	9,444,021	14,459,097	10,395,015	10,797,000
Tasmania ..	951,623	1,002,093	2,010,503	1,329,583	2,067,443
Northern Territory	268,419	377,258	277,627	14,752	5,036
Total ..	81,429,221	113,963,976	149,823,509	132,158,912	127,846,536

8. Trade of Principal Ports.—The following table gives the value of Imports received at, and Exports despatched from, the principal ports of Australia during 1920-21 and 1921-22.

OVERSEA TRADE.—PRINCIPAL PORTS, 1920-21 AND 1921-22.

Port.	1920-21.			1921-22.		
	Imports.	Exports.	Total.	Imports.	Exports.	Total.
	£	£	£	£	£	£
<i>New South Wales.</i>						
Sydney ..	70,423,894	49,558,831	119,982,725	41,753,947	46,041,670	87,795,617
Newcastle ..	2,042,412	2,928,603	4,971,015	1,567,531	1,915,624	3,483,155
Other Ports ..	..	114,364	114,364	..	55,217	55,217
Total ..	72,466,306	52,601,798	125,068,104	43,321,478	48,012,511	91,333,989
<i>Victoria.</i>						
Melbourne ..	57,366,043	31,008,032	88,374,075	36,057,242	29,935,460	65,992,702
Geelong ..	222,666	3,053,110	3,275,776	226,271	3,382,514	3,608,785
Other Ports ..	20,068	810,819	830,887	68,543	1,326,208	1,394,751
Total ..	57,608,777	34,871,961	92,480,738	36,352,056	34,644,182	70,996,238
<i>Queensland.</i>						
Brisbane ..	10,235,407	11,126,832	21,362,239	7,603,342	15,076,563	22,679,905
Townsville ..	627,228	1,941,292	2,568,520	431,133	1,231,361	1,662,494
Other Ports ..	977,807	2,103,760	3,081,567	604,971	1,265,179	1,870,150
Total ..	11,840,442	15,171,884	27,012,326	8,639,446	17,573,103	26,212,549
<i>South Australia.</i>						
Port Adelaide, including Adelaide	12,298,214	10,212,543	22,510,757	8,919,867	9,948,437	18,868,304
Port Pirie ..	35,057	2,529,835	2,564,892	66,590	1,977,542	2,044,132
Wallaroo ..	48,702	3,231,072	3,279,774	60,785	1,636,251	1,697,036
Other Ports ..	..	1,800,469	1,800,469	..	1,185,030	1,185,030
Total ..	12,381,973	17,773,919	30,155,892	9,047,242	14,747,260	23,794,502
<i>Western Australia.</i>						
Fremantle (Perth)	7,047,824	7,066,631	14,114,455	4,218,047	7,827,798	12,045,845
Bunbury ..	11,187	834,455	845,642	20,552	1,193,943	1,214,495
Other Ports ..	160,527	2,493,929	2,654,456	69,542	1,775,259	1,844,801
Total ..	7,219,538	10,395,015	17,614,553	4,308,141	10,797,000	15,105,141
<i>Tasmania.</i>						
Hobart ..	1,689,694	971,409	2,661,103	888,154	1,535,948	2,424,102
Launceston ..	575,239	358,174	933,413	484,018	387,279	871,297
Other Ports ..	..	..	..	13,786	144,216	158,002
Total ..	2,264,933	1,329,583	3,594,516	1,385,958	2,067,443	3,453,401
<i>Northern Territory.</i>						
Port Darwin ..	19,857	14,752	34,609	12,115	5,036	17,151
Grand Total	163,801,826	132,158,912	295,960,738	103,066,436	127,846,535	230,912,971

§ 6. Exports to Eastern Countries.

1. **Principal Articles Exported.**—The following table shows the value of exports from Australia to Eastern countries during the last five years. The principal countries concerned in this trade are China, India and Ceylon, Japan, Netherlands Indies and Timor (Portuguese), Philippine Islands, Straits Settlements, and Hong Kong, and the particulars given in the tables apply to these countries only.

EXPORTS FROM AUSTRALIA TO EASTERN COUNTRIES.—PRINCIPAL COMMODITIES, 1917-18 TO 1921-22.

Article.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
Antimony	1,834	1,313	1,099	160	683
Biscuits	248,822	208,495	165,584	127,573	86,187
Butter	420,551	659,743	1,066,694	700,283	760,581
Cheese	48,016	41,706	61,862	30,104	19,036
Coal	41,496	85,792	247,147	863,165	422,323
Concentrates—Zinc	236,465	158,557	37,310		
Copper	595,877	280,598	729,041	212,466	4,239
Grain and Pulse—					
Wheat	258,660	1,997,299	2,389,191	13,881	6,243,878
Flour	1,286,990	1,811,476	4,057,560	628,274	1,413,859
Other (prepared and unprepared)	122,846	289,854	210,079	109,465	47,693
Hay, chaff, and compressed fodder	23,563	19,542	36,190	24,659	22,110
Horses	481,370	176,239	121,857	154,235	40,382
Iron and Steel (unmanufactured)	86,771	314,776	301,612	67,961	1,527
Jams and jellies	452,919	155,377	128,688	158,092	81,299
Lead, Pig	560,100	681,473	580,724	32,701	347,963
Leather	144,950	229,695	346,510	282,738	217,185
Meats	1,483,663	1,581,192	526,277	587,907	545,659
Milk and cream	422,216	697,311	901,343	944,021	1,305,277
Pearl shell and trochus shell	53,363	70,007	209,657	43,880	50,779
Sandalwood	99,943	138,468	266,945	194,591	75,556
Skins, hoofs, horns, bones, sinews, tallow	235,920	464,544	947,271	439,270	601,077
Sulphate of ammonia	104,921	325,793	204,759	126,639	83,346
Tin ore	28,885			2,735	
Timber (undressed)	12,817	5,258	29,834	151,059	182,032
Wool	1,862,869	1,481,315	2,014,820	2,161,707	4,535,541
Other merchandise	1,161,720	2,235,562	1,755,816	1,672,567	1,588,522
Total merchandise	10,566,547	14,111,385	17,337,870	9,730,133	18,676,734
Specie and gold and silver bullion	5,064,507	4,854,609	6,232,767	2,192,714	2,615,173
Total exports	15,631,054	18,965,994	23,570,637	11,922,847	21,291,907

2. **Destination of Exports.**—The next table shows the destination of the articles exported to Eastern countries during the past five years.

EXPORTS FROM AUSTRALIA OF MERCHANDISE TO PRINCIPAL EASTERN COUNTRIES.—DESTINATION, 1917-18 TO 1921-22.

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
China	225,828	313,908	406,850	328,087	371,836
East Indies	1,203,472	2,645,840	2,878,615	2,372,881	2,262,758
Hong Kong	391,525	683,256	1,406,924	668,713	536,596
India and Ceylon	3,696,023	4,452,771	1,571,885	1,229,252	5,158,346
Japan	3,340,064	3,846,901	7,229,424	2,853,406	7,952,547
Philippine Islands	826,722	653,653	1,061,360	420,870	565,063
Straits Settlements	882,913	1,513,056	2,782,812	1,856,924	1,829,588
Total	10,566,547	14,111,385	17,337,870	9,730,133	18,676,734

3. **Chief Exports to Eastern Countries.**—The series of tables given hereunder shows the value of each of the principal articles exported to the countries specified during each of the last five years.

BUTTER.

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
China	77,743	56,271	89,217	91,173	88,358
East Indies	196,594	424,458	564,585	374,999	461,645
Hong Kong	33,298	28,618	66,197	62,127	42,116
India and Ceylon	7,526	10,168	38,485	35,922	19,237
Japan	691	1,170	55,126	12,204	36,721
Philippine Islands	26,504	48,658	91,040	45,002	35,753
Straits Settlements	78,195	90,400	162,044	78,856	76,751
Total	420,551	659,743	1,066,694	700,283	760,581

The exports of butter given above for the year 1921-22 were shipped from the several States as follows:—New South Wales, £213,423; Victoria, £488,689; Queensland, £55,765; Western Australia, £2,704.

COAL.

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
China .. .. .	..	..	..	10,251	..
East Indies	8,133	31,533	73,303	422,213	219,919
Hong Kong .. .. .	..	6,079	2	13,758	4,293
India and Ceylon	16,043	14,438	15,258	105,488	65,643
Japan .. .. .	..	..	3,473	7,639	2,502
Philippine Islands	8,725	8,568	56,743	111,488	59,163
Straits Settlements	8,595	25,174	98,368	192,328	70,803
Total	41,496	85,792	247,147	863,165	422,323

The exports of coal are chiefly from New South Wales.

COPPER.

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
China .. .. .	..	1,876	59,981	16,954	4,125
East Indies .. .. .	..	..	1,848	2	..
India and Ceylon	595,877	270,695	276,840	195,510	..
Japan .. .. .	..	8,027	390,372	..	..
Straits Settlements .. .. .	..	..	..	..	114
Total	595,877	280,598	729,041	212,466	4,239

The copper exported to the East was mainly shipped from New South Wales.

GRAIN AND PULSE.—WHEAT.

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
China .. ..	..	..	..	..	34,150
East Indies ..	..	48	57,716	173	7
Hong Kong ..	..	..	6	..	..
India and Ceylon ..	54,500	1,573,608	402,662	10,306	4,248,575
Japan	204,141	422,028	1,924,723	3,376	1,961,063
Philippine Islands ..	19	71	..	26	..
Straits Settlements ..	..	1,544	4,084	..	83
Total	258,660	1,997,299	2,389,191	13,881	6,243,878

The exports of wheat given for the year 1921-22 were shipped from the following States:—New South Wales, £800,746; Victoria, £2,772,398; South Australia, £1,943,582; Western Australia, £727,152.

GRAIN AND PULSE.—FLOUR.

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
China	14,812	13,873	20,183	1,440	63,388
East Indies ..	299,398	508,071	802,968	345,561	591,093
Hong Kong ..	49,567	226,971	591,734	9,364	124,498
India and Ceylon ..	11	256,337	174,562	11,768	94,315
Japan	47,109	18,743	464,922	8,603	83,260
Philippine Islands ..	518,650	412,642	683,698	65,270	155,915
Straits Settlements ..	357,443	374,839	1,319,493	186,268	301,390
Total	1,286,990	1,811,476	4,057,560	628,274	1,413,859

The flour exported during 1921-22 as above, was shipped from the several States as follows:—New South Wales, £563,388; Victoria, £560,429; South Australia, £67,576; Western Australia, £222,466.

GRAIN AND PULSE, OTHER THAN WHEAT AND FLOUR.

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
China	1,474	5,028	474	3,365	423
East Indies ..	3,680	41,378	67,689	65,209	5,211
Hong Kong ..	1,867	5,663	6,760	5,426	1,208
India and Ceylon ..	42,722	25,532	17,222	6,804	6,802
Japan	47,354	191,767	106,499	22,346	10
Philippine Islands ..	16,001	7,518	2,326	2,454	182
Straits Settlements ..	9,748	12,968	9,109	3,861	33,857
Total	122,846	289,854	210,079	109,465	47,693

The exports given above for 1921-22 were shipped from the following States:—New South Wales, £1,301; Victoria, £39,784; South Australia, £1,385; Western Australia, £4,990; Tasmania, £233.

HAY AND CHAFF, AND COMPRESSED FODDER.

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
China .. ..	..	..	..	65	44
East Indies	323	1,655	3,420	2,413	2,998
Hong Kong	680	1,596	1,191	1,783	1,103
India and Ceylon	12,711	4,874	13,881	10,547	4,514
Japan .. ..	..	135	67	540	..
Philippine Islands	8,771	8,168	12,601	5,983	8,901
Straits Settlements	1,078	3,114	5,030	3,328	4,550
Total	23,563	19,542	36,190	24,659	22,110

The exports given above for the year 1921-22 were shipped from the several States as follows :—New South Wales, £1,859; Victoria, £15,239; South Australia, £28; Western Australia, £4,984.

HORSES.

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
China .. ..	..	..	250	140	..
East Indies .. ..	..	18,336	14,464	15,375	6,163
Hong Kong .. ..	..	80	50	..	..
India and Ceylon	479,520	146,758	86,801	128,611	26,724
Japan	750	1,350	1,770	3,025	2,425
Philippine Islands	200	3,800	3,330	678	..
Straits Settlements	900	5,915	15,192	6,406	5,070
Total	481,370	176,239	121,857	154,235	40,382

The value of horses exported to the above countries from each State during 1921-22 was as follows :—New South Wales, £12,532; Victoria, £11,230; Queensland, £15,264; Western Australia, £1,356.

LEAD, PIG.

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
China	27,568	30,672	30,698	..	223
East Indies	1,146	2,945	463	128	313
Hong Kong	76,968	77,426	120,427	347	39,695
India and Ceylon .. ..	..	7,145	..	..	..
Japan	454,118	563,035	428,796	32,200	307,732
Philippine Islands	300	..	340	..	..
Straits Settlements .. ..	..	250	..	26	..
Total	560,100	681,473	580,724	32,701	347,963

The exports of pig lead in 1921-22 were shipped from New South Wales, £347,664; Victoria, £223; Western Australia, £76.

MEATS.—PRESERVED BY COLD PROCESS.

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
China .. ..	..	..	..	..	5
East Indies	131	21	1,637	7,600	14,566
Hong Kong	6,501	7,465	21,213	31,599	20,961
India and Ceylon	14,270	7,696	25,066	34,747	16,883
Japan	4	..	1,019	1,303	4,023
Philippine Islands	36,587	56,617	88,481	73,691	148,310
Straits Settlements	65,206	62,374	104,633	130,963	89,542
Total	122,699	134,173	242,049	279,903	294,290

The exports to the above-mentioned Eastern countries during 1921-22 of meats preserved by cold process were shipped from the following States :—New South Wales, £102,017; Victoria, £492; Queensland, £191,781.

MEATS.—OTHER THAN MEATS PRESERVED BY COLD PROCESS.

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
China	9,317	14,124	14,972	16,115	5,193
East Indies	25,177	52,567	73,454	114,501	81,683
Hong Kong	13,325	14,608	28,753	23,082	13,303
India and Ceylon	1,251,929	1,289,847	48,450	50,987	80,220
Japan	338	2,335	3,312	2,460	1,619
Philippine Islands	17,575	23,644	33,589	48,877	23,822
Straits Settlements	43,303	49,894	81,698	51,982	45,529
Total	1,360,964	1,447,019	284,228	308,004	251,369

The exports given above for the year 1921-22 were shipped from the following States :—New South Wales, £54,921; Victoria, £34,309; Queensland, £161,334; South Australia, £426; Western Australia, £379.

SANDALWOOD.

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
China	9,857	18,767	18,307	39,798	7,611
East Indies .. ..	..	2,032	115	96	66
Hong Kong	76,093	92,518	174,659	111,730	57,714
India and Ceylon	1,275	1,588	1,860	7,736	6,180
Japan	482	1,500	482	40	50
Straits Settlements	12,236	22,063	71,522	35,191	3,935
Total	99,943	138,468	266,945	194,591	75,556

The exports of sandalwood in 1921-22 were shipped from Queensland, £20,482; Western Australia, £54,769; Northern Territory, £305.

SKINS, HOOF, HORNS, BONES, SINEWS, AND TALLOW.

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
China .. ..	..	20	1,742	5,268	31,161
East Indies	6	..	..	821	4,230
Hong Kong	1,183	1,247	4,633	11,728	10,289
India and Ceylon	78	11,719	167,579	75,167	65,883
Japan	233,941	447,454	772,881	345,460	488,554
Philippine Islands .. ..	..	18	290	117	..
Straits Settlements	112	4,086	146	709	960
Total	235,320	464,544	947,271	439,270	601,077

The above exports of skins, etc., in 1921-22 were shipped from the several States as follows:—New South Wales, £363,498; Victoria, £103,170; Queensland, £113,762; South Australia, £20,477; Western Australia, £160; Northern Territory, £10.

TIMBER, UNDRESSED.

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
China .. ..	..	..	5,996	39,682	19,796
East Indies	83	..	..	3,674	37
Hong Kong	8	2,197	2,969	4,954	6,580
India and Ceylon .. ..	..	650	13,948	91,966	153,117
Japan	11,827	2,276	6,921	8,380	2,478
Philippine Islands .. ..	..	..	..	2,403	..
Straits Settlements	899	135	..	..	24
Total	12,817	5,258	29,834	151,059	182,032

The above exports of undressed timber during 1921-22 from the several States were shipped as follows:—New South Wales, £8,776; Queensland, £564; Western Australia, £153,786; Tasmania, £18,906.

WOOL.

Country.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
China .. ..	..	..	..	..	46,626
India and Ceylon	66,780	78,336	..	45,198	50,243
Japan	1,796,089	1,400,192	2,010,732	2,107,473	4,438,672
Philippine Islands .. ..	..	2,787	4,088	9,036	..
Total	1,862,869	1,481,315	2,014,820	2,161,707	4,535,541

The value of wool exported to the East by each State during 1921-22 was as follows:—New South Wales, £2,451,870; Victoria, £683,296; Queensland, £1,392,443; South Australia, £5,240; Western Australia, £2,692.

§ 7. Classified Summary of Australian Trade.

1. Imports.—The following table gives the imports into Australia during the last five years arranged in classes according to the nature of the goods :—

AUSTRALIAN IMPORTS.—IN CLASSES, 1917-18 TO 1921-22.

Classes.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
I. Animal foodstuffs, etc. ..	1,080,249	585,562	1,459,212	1,224,099	1,535,308
II. Vegetable foodstuffs, etc. ..	1,902,395	2,464,925	7,182,849	8,735,897	2,032,062
III. Beverages (non-alcoholic), etc.	1,843,990	2,454,323	4,623,883	1,907,213	2,423,271
IV. Alcoholic liquors, etc. ..	1,348,574	1,263,324	1,808,686	2,000,248	1,583,382
V. Tobacco, etc. ..	646,746	1,864,594	2,743,535	3,841,548	2,467,033
VI. Live animals ..	88,316	30,785	117,519	76,382	96,934
VII. Animal substances, etc. ..	496,760	1,710,058	1,720,135	2,324,742	1,783,228
VIII. Vegetable substances, etc. ..	3,175,545	3,200,509	3,642,092	4,251,172	3,338,679
IX. Apparel, etc. ..	21,752,258	36,237,171	26,702,771	49,877,538	32,511,316
X. Oils, etc. ..	2,995,967	4,099,649	4,751,906	8,428,750	5,130,286
XI. Paints, etc. ..	423,397	553,630	459,136	627,333	426,039
XII. Stones, etc. ..	131,648	181,326	187,706	209,147	170,160
XIII. Ores and metals, unmanufactured ..	623,555	772,880	924,366	1,509,914	1,252,466
XIV. Machinery and metals, manufactured ..	9,698,970	16,995,544	21,573,114	39,148,721	22,524,855
XV. Rubber, Leather, etc. ..	1,643,647	2,373,188	2,192,520	3,277,489	1,650,544
XVI. Wood, etc. ..	1,697,836	2,185,786	2,933,500	5,948,837	2,989,968
XVII. Earthenware, etc. ..	780,219	1,467,886	1,239,685	3,185,152	1,887,905
XVIII. Paper, etc. ..	3,003,538	5,543,880	4,156,626	8,978,897	4,855,564
XIX. Jewellery, etc. ..	1,065,432	1,600,868	2,029,268	2,538,269	1,698,412
XX. Instruments, etc. ..	701,420	745,718	991,041	1,125,158	943,688
XXI. Drugs, etc. ..	3,358,003	4,425,073	3,648,755	5,587,575	3,553,377
XXII. Miscellaneous ..	2,212,218	4,101,780	4,325,838	8,881,935	8,128,673
XXIII. Gold and silver : and bronze specie ..	1,658,766	7,467,700	60,149	25,810	74,286
Grand Total	62,334,449	102,335,159	98,974,292	163,801,826	103,066,436

2. Exports.—The exports are shown according to the same classification, distinguishing between exports of Australian produce and re-exports.

EXPORTS FROM AUSTRALIA.—IN CLASSES, 1917-18 TO 1921-22.

Classes.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
	£	£	£	£	£
I. Animal foodstuffs, etc. ..	14,827,125	13,969,397	18,148,656	20,980,389	16,355,946
II. Vegetable foodstuffs, etc. ..	13,481,989	21,277,964	35,949,908	43,553,525	38,680,684
III. Beverages (non-alcoholic), etc.	44,343	58,435	71,736	58,651	41,325
IV. Alcoholic liquors, etc. ..	205,415	363,839	438,837	611,300	237,437
V. Tobacco, etc. ..	175,021	197,651	276,735	369,157	451,940
VI. Live animals ..	535,760	238,650	245,628	386,296	177,569
VII. Animal substances, etc. ..	27,854,379	47,656,915	62,102,428	37,743,146	51,552,608
VIII. Vegetable substances, etc. ..	234,964	310,701	499,651	356,886	234,964
IX. Apparel, etc. ..	482,062	1,047,515	1,435,711	1,165,237	317,840
X. Oils, etc. ..	1,218,164	2,679,540	3,629,903	1,731,162	1,596,965
XI. Paints, etc. ..	62,977	122,191	250,555	179,834	83,983
XII. Stones, etc. ..	322,332	441,278	898,565	2,364,101	1,155,075
XIII. Ores and metals, unmanufactured ..	8,238,395	7,478,178	7,634,907	4,665,082	3,824,067
XIV. Machinery and metals, manufactured ..	541,734	1,184,125	885,878	1,303,103	865,172
XV. Rubber, Leather, etc. ..	925,333	2,336,864	2,646,348	1,605,043	891,898
XVI. Wood, etc. ..	266,162	259,870	559,026	1,471,550	1,242,562
XVII. Earthenware, etc. ..	49,180	71,545	121,018	224,615	130,749
XVIII. Paper, etc. ..	78,412	97,093	147,178	194,732	148,604
XIX. Jewellery, etc. ..	78,712	193,931	350,694	259,395	84,321
XX. Instruments, etc. ..	38,115	43,138	62,658	67,564	61,076
XXI. Drugs, etc. ..	863,824	1,055,084	966,262	914,950	501,326
XXII. Miscellaneous ..	513,549	778,116	693,752	760,025	514,832
XXIII. Gold and silver : and bronze specie ..	7,411,968	4,164,761	6,573,390	5,464,938	4,336,569
Grand Total	78,448,915	106,026,801	144,569,324	126,430,681	123,487,512

EXPORTS FROM AUSTRALIA.—IN CLASSES, 1917-18 TO 1921-22—*continued.*

Classes.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
OTHER PRODUCE.—RE-EXPORTS.					
I. Animal foodstuffs, etc. ..	£ 73,095	£ 127,446	£ 70,793	£ 71,200	£ 39,822
II. Vegetable foodstuffs, etc. ..	294,688	224,358	270,713	393,973	277,126
III. Beverages (non-alcoholic), etc. ..	187,026	166,101	406,001	80,310	150,817
IV. Alcoholic liquors, etc. ..	71,800	73,264	176,524	155,548	102,889
V. Tobacco, etc. ..	105,815	89,886	136,348	117,506	61,365
VI. Live animals ..	8,199	14	24,298	3,793	9,092
VII. Animal substances, etc. ..	70,632	7,340	126,501	24,466	41,868
VIII. Vegetable substances, etc. ..	252,069	520,835	608,904	1,031,602	1,078,688
IX. Apparel, etc. ..	686,283	510,476	948,902	803,047	964,263
X. Oils, etc. ..	119,650	103,770	178,321	272,633	243,834
XI. Paints, etc. ..	11,095	8,903	11,760	8,102	5,341
XII. Stones, etc. ..	2,472	737	3,852	4,912	1,973
XIII. Ores and metals, unmanufactured ..	32,426	18,999	41,904	32,084	12,453
XIV. Machinery and metals, manufactured ..	306,184	268,116	505,283	622,630	454,443
XV. Rubber, Leather, etc. ..	66,862	84,461	155,036	107,904	226,839
XVI. Wood, etc. ..	14,850	28,125	52,082	106,821	76,766
XVII. Earthenware, etc. ..	13,398	15,493	33,693	30,354	14,129
XVIII. Paper, etc. ..	72,037	77,193	96,939	114,537	99,575
XIX. Jewellery, etc. ..	33,520	46,762	85,888	173,277	132,914
XX. Instruments, etc. ..	83,266	65,750	100,147	126,795	85,883
XXI. Drugs, etc. ..	132,254	161,327	150,662	129,403	101,291
XXII. Miscellaneous ..	168,782	312,377	993,509	1,252,056	176,102
XXIII. Gold and silver; and bronze specie ..	173,903	5,025,442	76,125	15,275	1,550
Grand Total ..	2,980,306	7,937,175	5,254,185	5,728,231	4,359,023

TOTAL EXPORTS.—AUSTRALIAN PRODUCE AND RE-EXPORTS.

I. Animal foodstuffs, etc. ..	£ 14,900,220	£ 14,096,843	£ 18,219,449	£ 21,051,589	£ 16,395,768
II. Vegetable foodstuffs, etc. ..	13,776,677	21,502,322	36,220,621	43,947,498	38,957,810
III. Beverages (non-alcoholic), etc. ..	231,369	224,536	477,737	138,961	192,142
IV. Alcoholic liquors, etc. ..	277,215	437,103	615,361	766,848	340,326
V. Tobacco, etc. ..	280,836	287,537	413,083	486,663	513,305
VI. Live animals ..	543,959	238,664	269,826	390,089	186,661
VII. Animal substances, etc. ..	27,925,011	47,664,255	62,228,929	37,767,612	51,594,476
VIII. Vegetable substances, etc. ..	487,033	831,356	1,106,555	1,438,488	1,313,652
IX. Apparel, etc. ..	1,168,345	1,557,991	2,384,613	1,968,284	1,282,103
X. Oils, etc. ..	1,337,814	2,783,310	3,808,224	2,002,795	1,840,709
XI. Paints, etc. ..	74,072	131,094	242,315	187,936	89,324
XII. Stones, etc. ..	324,804	442,015	902,417	2,369,013	1,157,048
XIII. Ores, and metals unmanufactured ..	8,270,821	7,497,177	7,676,811	4,697,166	3,836,520
XIV. Machinery and metals, manufactured ..	847,918	1,452,241	1,391,161	1,925,733	1,319,615
XV. Rubber, Leather, etc. ..	992,195	2,421,345	2,801,384	1,712,947	1,118,737
XVI. Wood, etc. ..	281,012	287,995	611,108	1,578,371	1,319,328
XVII. Earthenware, etc. ..	62,578	87,038	156,711	254,969	144,878
XVIII. Paper, etc. ..	148,449	174,286	244,117	309,269	248,179
XIX. Jewellery, etc. ..	112,232	240,693	436,582	422,672	217,235
XX. Instruments, etc. ..	122,381	108,888	162,805	194,359	146,959
XXI. Drugs, etc. ..	996,078	1,216,411	1,116,924	1,044,356	602,617
XXII. Miscellaneous ..	682,331	1,090,493	1,687,261	2,012,081	690,334
XXIII. Gold and silver; and bronze specie ..	7,585,871	9,190,203	6,649,515	5,480,213	4,338,119
Grand Total ..	81,429,221	113,963,976	149,823,509	132,158,912	127,846,535

3. Ships' Stores.—Prior to 1906 goods shipped in Australian ports on board overseas vessels as ships' stores were included in the general exports. From 1906, ships' stores have been specially recorded as such, and have been omitted from the export figures.

The value of these stores shipped each year, during the period 1906 to 1921-22, showing bunker coal separately, is given in the following table:—

**VALUE OF STORES SHIPPED IN AUSTRALIAN PORTS ON OVERSEA VESSELS,^o
1906 TO 1921-22.**

Period.	Bunker Coal.	All Stores (including Coal).	Period.	Bunker Coal.	All Stores (including Coal).
	£	£		£	£
1906	575,471	875,966	1914 (1st six mths.)	533,288	771,581
1907	663,724	998,897	1914-15 ..	829,875	1,587,757
1908	867,707	1,196,106	1915-16 ..	719,510	1,544,872
1909	781,113	1,071,677	1916-17 ..	748,852	1,676,116
1910	740,567	1,080,133	1917-18 ..	632,910	1,389,291
1911	858,783	1,238,446	1918-19 ..	857,507	1,765,367
1912	1,008,259	1,431,985	1919-20 ..	1,487,872	2,688,371
1913	1,018,595	1,458,702	1920-21 ..	2,027,133	3,560,648
			1921-22 ..	2,178,101	3,152,604

§ 8. Exports according to Industries.

1. **Classification.**—The following table presents an analysis of the exports of Australian produce, according to the main classes of industry in which the goods were produced. In some cases in which the produce has been subjected to some initial process of manufacture, opinions may differ in regard to its classification. In preparing the following table the method adopted generally has been to credit to the primary industry those products in which the value of the primary element is appreciably the greater. Thus, such commodities as flour, jams and preserved fruits, chaff and prepared fodders, etc., have been treated as the produce of agriculture; butter, cheese, preserved milk, and bacon and hams have been credited to the dairying industry; canned meats, tallow and fellmongered skins have been credited to the pastoral industry, but leather has been classed as a product of manufacturing; minerals and metals which have been smelted or otherwise refined, but not further manufactured, have been included as the produce of mining; and sawn timber as the produce of forestry.

EXPORTS OF AUSTRALIAN PRODUCE ACCORDING TO INDUSTRIAL ORIGIN.

Industrial Origin.	1913.(a)		1920-21.		1921-22.	
	£		£		£	
Agriculture	10,677,734	100	43,336,754	406	38,452,643	360
Pastoral	42,057,346	100	45,815,314	109	58,220,175	138
Dairy and Farmyard ..	3,854,734	100	14,359,224	373	10,992,021	285
Mines and Quarries ..	14,712,242	100	12,417,565	84	9,345,342	64
Fisheries	424,849	100	445,280	105	434,552	102
Forestry	1,106,549	100	1,608,592	145	1,270,691	115
Total Primary Produce ..	72,833,454	100	117,982,729	162	118,715,424	163
Manufacturing	2,304,693	100	8,447,952	367	4,772,088	207
Total	75,138,147	100	126,430,681	168	123,487,512	164

(a) Base year.

2. **Effect of Price Changes.**—If the effect of price changes be eliminated from the above figures by the application of the export price index numbers, the relative quantitative results will be approximately as follows :—

AUSTRALIAN EXPORTS.—ELIMINATION OF PRICE CHANGES.

Industrial Origin.	1913.(a)		1920-21.		1921-22.	
	£		£		£	
Agriculture	10,677,734	100	18,060,391	169	24,151,470	226
Pastoral	42,057,346	100	29,200,969	69	45,233,380	108
Dairy and Farmyard	3,854,734	100	5,655,139	147	8,198,428	213
Mines and Quarries	14,712,242	100	7,629,987	52	7,295,523	50
Fisheries	424,849	100	392,663	92	450,313	106
Forestry	1,106,549	100	937,955	85	739,204	67
Total Primary Produce ..	72,833,454	100	61,877,104	85	86,068,318	118
Manufacturing	2,304,693	100	3,467,961	150	2,302,020	91
Total	75,138,147	100	65,345,065	87	88,370,338	118

(a) Base year.

Increasing manufacturing activity in close proximity to the centres of primary production—in some instances by co-operative association of primary producers—has the effect of merging closer the direct interests of primary and secondary production. Prominent cases of the kind referred to are the production of butter, preserved and dried milk, bacon and hams, canned and dehydrated fruit, jam, sugar, flax fibre. As, therefore, no sharp distinction can be made in such cases between the primary and secondary industries, it follows that the values allocated to these divisions in the above table must be taken as a general indication only of their relative importance in the export returns. While there is in the primary products some value due to factory processes, there is, on the other hand, in the manufactured products a considerable element of Australian primary produce in the raw materials from which these manufactured products were made. As the figures given are, however, on the same basis throughout the period covered by the table, they indicate, with reasonable accuracy, the variations in the relative importance of the several industrial groups.

3. **Relative Importance of Industrial Groups.**—In the first of the two preceding tables the value of commodities in each industrial group of exports is that recorded at date of shipment from Australia, while in the second the effect of price changes during the period has been taken into account.

In the table showing exports according to recorded value the pastoral group was responsible for the highest proportion of exports during each year. In 1913 the value of items included in this group represented 56 per cent. of the total exports, as compared with 47 per cent. during the year 1921-22. Wool constitutes the greater part of the exports in the pastoral group.

The value of minerals, etc., included in the mining group exceeded the value of items in the agricultural group during the year 1913, but, during the two later years the value of agricultural produce exported was greatly in excess of mineral exports, the value of which declined during 1920-22. According to value, the agricultural group now ranks next to the pastoral group. Wheat and flour are the two items of export mainly responsible for this position. The value of dairy and farm produce exported increased considerably during the period under review. Exports included in the fisheries and forestry groups have not varied to a marked extent, but a noticeable increase

occurred in the value of exports classified in the manufacturing group. Compared with 1913 the exports of manufactured goods increased 267 per cent. in 1920-21, but the value of exports in this group declined during 1921-22.

The recorded value of exports for all industrial groups shows an increase of 68 per cent. during 1920-21, and of 64 per cent. during 1921-22 as compared with the total value of exports during the year 1913.

The effect of eliminating price changes during the period may be seen in the second table. The high prices which prevailed during the years 1920 and 1921 tended to inflate the value of exports in 1920-21, but on a quantitative basis, the total exports during that year were 13 per cent. less than the exports in 1913. Prices receded during 1921-22, and this movement, together with the large increase in the exports of pastoral products, caused the figures for this year for all exports, on a quantitative basis, to show an increase of 18 per cent. over those for 1913, and of 35 per cent. over the total for the year 1920-21. The effect of eliminating price changes from the recorded value of exports is particularly noticeable in the figures for the agricultural, pastoral, dairy produce, and manufacturing groups.

§ 9. Movement of Specie and Bullion.

1. Imports and Exports.—The following tables show the value of gold and silver bullion, and specie, including bronze specie, imported and exported during the years 1917-18 to 1921-22 :—

AUSTRALIAN IMPORTS AND EXPORTS, SPECIE AND BULLION, 1917-18 TO 1921-22.

Items.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
IMPORTS.					
	£	£	£	£	£
Gold—Specie	250,000	152	19	13	7
Bullion	1,231,810	6,969,849	36,312	6,736	6,356
Total	1,481,810	6,970,001	36,331	6,749	6,363
Silver—Specie	51,732	24,760	8,152	10,882	34,877
Bullion	94,712	75,678	1,596	2,502	2,041
Total	146,444	100,438	9,748	13,384	36,918
Bronze—Specie	24,271	600	7	11	23
GRAND TOTAL	1,652,525	7,071,039	46,086	20,144	43,304

**AUSTRALIAN IMPORTS AND EXPORTS—SPECIE AND BULLION,
1917-18 TO 1921-22—continued.**

Items.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.
EXPORTS.					
Gold—Specie ..	£ 6,360,526	£ 7,166,029	£ 5,321,053	£ 5,303,423	£ 3,480,420
Bullion ..	6	2,132	226,154	796	200
Total ..	6,360,532	7,168,161	5,547,207	5,304,219	3,480,620
Silver—Specie ..	122,668	83,991	105,657	66,687	6,955
Bullion ..	906,651	1,938,001	979,307	77,319	841,085
Total ..	1,029,319	2,021,992	1,084,964	144,006	848,040
Bronze—Specie ..	65	50	2,045	515	40
Total—					
Australian Produce ..	7,216,013	4,164,761	6,558,091	5,433,465	4,327,150
Other Produce ..	173,903	5,025,442	76,125	15,275	1,550
GRAND TOTAL ..	7,389,916	9,190,203	6,634,216(a)	5,448,740(a)	4,328,700(a)

(a) Includes premium on gold exported.

2. Imports and Exports by Countries.—The next table shows the imports and exports of specie and bullion from and to various countries during the year 1921-22.

**AUSTRALIAN IMPORTS AND EXPORTS—SPECIE AND BULLION BY COUNTRIES,
1921-22.**

Country.	Imports.			Exports.		
	Specie.	Bullion.	Total.	Specie.	Bullion.	Total.
	£	£	£	£	£	£
Australia ..	16,479	..	16,479	..	..	..
United Kingdom ..	11,888	2,159	14,047	2,021	27,841	29,862
Ceylon ..	..	..	..	352,950	14,596	367,546
India ..	..	..	..	1,294,150	661,188	1,955,338
New Zealand ..	..	44	44	2,800	92	2,892
Pacific Islands—						
Fiji ..	..	..	..	500	65	565
Nauru ..	..	..	..	2,060	..	2,060
Solomon Islands ..	..	..	..	200	..	200
Territory of New Guinea ..	..	215	215	711	..	711
Papua ..	..	5,230	5,230	..	..	..
Straits Settlements	..	..	..	47,060	..	47,060
Total British Countries ..	28,367	7,648	36,015	1,702,452	703,782	2,406,234

AUSTRALIAN IMPORTS AND EXPORTS—SPECIE AND BULLION BY COUNTRIES, 1921-22—continued.

Country.	Imports.			Exports.		
	Specie.	Bullion.	Total.	Specie.	Bullion.	Total.
	£	£	£	£	£	£
China .. ..	..	..	..	..	137,503	137,503
France	11	..	11	..	..	..
Germany	6,529	..	6,529	..	..	..
Netherlands East Indies ..	..	..	..	107,726	..	107,726
Pacific Islands—						
New Hebrides .. ..	..	..	..	724	..	724
United States of America ..	..	749	749	1,676,513	..	1,676,513
Total Foreign Countries	6,540	749	7,289	1,784,963	137,503	1,922,466
GRAND TOTAL	34,907	8,397	43,304	3,487,415	841,285	(a)4,328,700

(a) Includes the premium on gold exported.

§ 10. Effect of Prices on Value of Exports.

1. **General.**—In comparing the value of exports from, and also imports into, any country for a series of years, the question naturally arises as to how much any variation in the aggregate value is due to fluctuations in prices, and how much to increase or decrease of actual quantities, for, in aggregates expressed in value—the only possible method when the commodities differ—the two sources of variation are confused.

2. **Methods of Computation.**—The scheme of comparison adopted has been to take an annual average for an extended period of the quantities of all such articles of export as are recorded by quantity, and to apply to the average quantities so obtained the average prices in each year. The quantities used to produce the following results are the averages for 19½ years, viz., from 1st January, 1897, to 30th June, 1916, which it is considered may be taken as representing the general quantitative composition or norm of the exports from Australia. The results published in issues of this work prior to No. 12, 1919, were ascertained by applying to the quantities exported during each year the average price per unit ruling in some year arbitrarily taken as the basic year. The advantage of the method now adopted is that the results are comparable throughout, whereas under the method previously followed each year was comparable with the basic year only.

3. **Effect on Export Values.**—The following table shows the value of exports as actually recorded in each year specified, together with the value computed on the assumption that the prices of 1901 were maintained. The table also shows the yearly “price-levels” based upon the results so ascertained.

This table obviously furnishes a measure of the influence of prices on the value of exports in each year since 1901. Column IV.—values computed on 1901 prices—represents the volume of exports (less specie and gold bullion), expressed in the common denomination of value, and from the figures therein it will be seen that, had the prices of 1901 remained constant, the value of the exports of merchandise during the year 1921-22, for example, would have been £72,259,686 only, instead of £124,358,920—the value actually recorded. The difference between these amounts (£52,099,234) results from a rise of 72 per cent. (i.e., from 1,000 to 1,721) in the prices of commodities for the period intervening between 1901 and 1921-22. A further increment in values has arisen from the premium on exported gold. During 1921-22 the premium on gold represented £522,137, or 17.6 per cent. on the standard price. Thus, on the basis of 1901 prices the total value of the exports during 1921-22 would have been £75,225,164 instead of £127,846,535 as recorded.

It will be seen from the column "Price-levels" that prices as indicated by the exports rose from the beginning of the decade to the year 1906. Owing to the large proportion of the aggregate value of exports represented by wool and wheat, any change in the price of these commodities has a marked effect on the index-numbers for the total group of exports, and it is to their influence that the fall of prices in 1911 is mainly due. Since that year prices have steadily increased, reaching their maximum during 1920-21, but there was a considerable decline during 1921-22.

AUSTRALIAN EXPORTS.—VALUES AND PRICE LEVELS, 1901, 1906, AND 1911 TO 1922.

Year.	Exports of Specie and Gold Bullion.	Other Exports.		Total Exports (including Specie and Gold Bullion).		Price-Levels.(a) Year 1901 = 1,000.
		Values as Recorded.	Values Computed on Mass Prices of 1901.	Values as Recorded.	Values Computed on Mass Prices of 1901.	
I.	II.	III.	IV.	V.	VI.	VII.
	£	£	£	£	£	
1901 ..	14,347,776	35,348,396	35,348,396	49,696,172	49,696,172	1000
1906 ..	16,895,059	52,842,704	42,005,330	69,737,763	58,900,389	1258
1911 ..	11,561,639	67,920,619	58,501,825	79,482,258	70,063,464	1161
1912 ..	11,881,216	67,214,874	53,218,427	79,096,090	65,099,643	1263
1913 ..	3,164,105	75,407,664	58,455,553	78,571,769	61,619,658	1290
1914-15 ..	2,474,197	58,118,379	44,740,861	60,592,576	47,215,058	1299
1915-16 ..	10,391,019	64,387,302	40,469,705	74,778,321	50,860,724	1591
1916-17 ..	11,521,815	86,433,667	43,985,398	97,955,482	55,507,213	1965
1917-18 ..	6,483,265	74,945,956	35,962,551	81,429,221	42,445,816	2084
1918-19 ..	7,252,202	106,711,774	52,489,805	113,963,976	59,742,007	2033
1919-20 ..	5,654,909b	144,168,600	64,103,424	149,823,509	68,516,379	2249
1920-21 ..	5,371,421b	126,787,491	56,249,996	132,158,912	60,330,722	2254
1921-22 ..	3,487,615b	124,358,920	72,259,686	127,846,535	75,225,164	1721

(a) These are index-numbers for the total group of exports, excluding specie and gold bullion.

(b) Including premium on gold exported 1919-20, £1,241,054, or 28.8 per cent. on standard price; 1920-21, £1,290,695, or 32.1 per cent.; 1921-22, £522,137 or 17.6 per cent.

4. Price-Levels of Exports.—The following table of index-numbers shows the variations in price of the different classes of goods exported, grouped according to their industrial origin:—

AUSTRALIAN EXPORTS.—PRICE-LEVELS, 1901, 1906 AND 1911 TO 1922.

Year.	Agricultural Produce.	Pastoral Produce.	Dairy Produce.	Mineral Produce.(a)	Miscellaneous.	All Classes.(a)
1901 ..	1,000	1,000	1,000	1,000	1,000	1,000
1906 ..	1,155	1,344	1,021	1,113	991	1,258
1911 ..	1,243	1,193	1,085	944	1,227	1,161
1912 ..	1,388	1,268	1,198	1,133	1,254	1,263
1913 ..	1,324	1,334	1,124	1,114	1,329	1,290
1914-15 ..	1,480	1,323	1,176	1,066	1,221	1,299
1915-16 ..	1,927	1,589	1,488	1,393	1,106	1,591
1916-17 ..	1,726	2,131	1,690	1,650	1,357	1,965
1917-18 ..	1,954	2,250	1,624	1,760	1,401	2,084
1918-19 ..	1,864	2,166	1,855	1,692	1,775	2,033
1919-20 ..	2,145	2,393	2,023	1,787	2,150	2,249
1920-21 ..	3,177	2,093	2,854	1,813	2,179	2,254
1921-22 ..	2,108	1,717	1,507	1,427	1,845	1,721

(a) Excluding gold which, since February, 1919, has been exported at a premium. During the year 1919-20 the premium realized was 28.8 per cent., during 1920-21, 32.1 per cent., and during 1921-22, 17.6 per cent.

The lower index-number for agricultural produce exported during 1916-17 is due to the lower price registered for wheat, viz., 4s. 10d. per bushel as against 5s. 6d. per bushel for 1915-16.

Although the fall in prices which occurred during 1921-22 was general throughout all the main groups of exported commodities, it was most pronounced in the dairy produce group, the average price registered for butter in the export returns having fallen from 2s. 4½d. per lb. in 1920-21 to 1s. 3d. per lb. in 1921-22. At the same time the price of wheat fell from 9s. to 5s. 9d. per bushel.

§ 11. External Trade of Australia and other Countries.

1. **Essentials of Comparisons.**—Direct comparisons of the external trade of any two countries are possible only when the general conditions prevailing therein, and the scheme of record, are more or less identical. For example, in regard to the mere matter of record, it may be observed that in one country the value of imports may be the value at the port of shipment, while in another the cost of freight, insurance, and charges may be added thereto. Again, the values of imports and exports in the one may be declared by merchants, whereas in the other they may be the official prices fixed from time to time by a commission constituted for the purpose. In later years, moreover, a very substantial difference in the value of imports would arise from the different methods of converting the moneys of foreign countries, *i.e.*, from the application of current rates of exchange or of the mint par. Lastly, the figures relating to the external trade of any country are also affected in varying degree by the extent to which they include transit or re-export trade. Including bullion and specie, the transit trade of Belgium, for example, represented, prior to the war, approximately 40 per cent. of the gross trade recorded; of Switzerland, 45 per cent.; of France, 20 per cent.; and of the United Kingdom, 15 per cent.; whereas in Australia the same element represents, normally, about 4 per cent., and in New Zealand even less.

2. **"Special Trade" of Various Countries.**—Special trade may be defined according to the interpretation of the British Board of Trade, as (*a*) imports entered for consumption in the country (as distinguished from imports for transshipment or re-export) and (*b*) exports of domestic products.

In the following table the figures relate as nearly as possible to imports entered for consumption in the various countries specified, and to exports of their domestic products. It is to be noted, however, that these figures do not unequivocally denote the same thing throughout, since, in the United Kingdom and other manufacturing countries, raw or partly manufactured materials are imported as for home consumption, and, after undergoing some process of manufacture or further modification, are re-exported as domestic production. Further, the statistical records of many countries do not distinguish between bullion and specie imported for the use of the particular country (home consumption) and the amount in transit, nor between the exports of that produced within the country and that re-exported. Nevertheless, a comparison of this character reveals approximately the extent of the external trade which otherwise would not be manifest. The figures relating to foreign countries have been converted on the average of the commercial rates of exchange for the years subsequent to the war.

**IMPORTS FOR HOME CONSUMPTION, AND EXPORTS OF DOMESTIC PRODUCTS
—INCLUDING BULLION AND SPECIE, VARIOUS COUNTRIES.**

Country.	Year ended—	Trade.			Trade per Inhabitant.		
		Imports.	Exports.	Total.	Imports.	Exports.	Total.
		£1,000	£1,000	£1,000	£ s. d.	£ s. d.	£ s. d.
C'wealth of {	30/6/22	98,707	123,488	222,195	17 18 3	22 8 3	40 6 6
Australia {	31/12/13	76,323	75,113	151,436	15 17 11	15 12 10	31 10 9
United King- {	31/12/22	900,140	720,496	1,620,636	19 0 7	15 4 7	34 5 2
dom (a) {	31/12/13	671,265	525,461	1,196,726	14 11 8	11 8 4	26 0 0
Canada (a) {	30/6/22	153,869	155,129	308,998	17 0 9	17 3 7	34 4 4
	31/3/14	132,019	89,915	221,934	16 13 6	11 7 2	28 0 8
New Zealand {	31/12/22	35,006	42,726	77,732	27 13 3	33 15 2	61 8 5
	31/12/13	21,879	22,578	44,457	20 10 7	21 3 8	41 14 3
Union of South Africa ..	31/12/22	51,557	60,334	111,891	7 8 11	8 14 4	16 3 3
United States of America {	31/12/21	640,058	1,117,098	1,757,156	6 1 1	10 11 4	16 12 5
(a) {	30/6/14	391,780	493,182	884,962	4 0 0	5 0 8	9 0 8
Argentina Republic {	31/12/20	52,416	206,208	258,624	6 6 7	24 18 2	31 4 9
Belgium .. {	31/12/21	194,367	138,166	332,533	25 8 8	18 1 7	43 10 3
	31/12/12	210,211	160,054	370,265	27 15 3	21 2 10	48 18 1
Denmark(a) {	31/12/21	76,762	64,948	141,710	28 6 4	21 8 5	47 14 9
	31/12/12	41,954	33,940	75,894	14 19 8	12 2 5	27 2 1
France .. {	31/12/21	455,832	417,211	873,043	11 12 6	10 12 9	22 5 3
	31/12/12	350,482	281,405	631,977	8 16 9	7 1 11	15 18 8
German Empire ..	31/12/12	541,675	447,392	989,067	8 3 9	6 15 3	14 19 0
Italy .. {	31/3/22	141,530	82,239	223,769	3 10 7	2 1 1	5 11 8
	31/12/12	149,113	97,536	246,649	4 5 2	2 15 8	7 0 10
Japan(a) .. {	31/12/21	198,788	152,463	351,251	3 11 1	2 14 5	6 5 6
	31/12/12	66,007	57,972	123,979	1 5 3	1 2 2	2 7 5
Netherlands {	31/12/20	314,717	163,412	478,129	46 8 6	24 2 2	70 10 8
Norway .. {	31/12/17	92,295	43,779	136,074	35 1 4	16 12 8	51 4 0
	31/12/12	28,756	18,147	46,903	11 15 9	7 8 10	19 4 7
Spain (a) .. {	31/12/21	44,315	28,061	72,376	2 2 10	1 7 1	3 9 11
	31/12/12	42,989	41,826	83,915	2 2 9	2 2 6	4 5 3
Sweden (a) {	31/12/21	74,006	64,131	138,137	12 14 7	11 0 7	23 15 2
	31/12/12	44,095	42,257	86,352	7 17 4	7 10 10	15 8 2
Switzerland (a) {	31/12/21	101,897	79,789	181,486	25 16 7	20 5 4	46 1 11
	31/12/12	81,577	55,629	137,206	21 6 7	14 10 11	35 17 6

(a) Excluding Bullion and Specie.

§ 12. Trade of the United Kingdom with Australia, compared with that of Competing Countries.

1. Proportion of Trade from United Kingdom and Competing Countries.—The failure of the United Kingdom to maintain the position formerly held in the import trade of Australia has been a matter of more than ordinary interest for some years. Since 1908, a permanent resident Commissioner appointed by the British Board of Trade has been established in Australia for the purpose of advising manufacturers and merchants in the United Kingdom with regard to Australian trade affairs. From the 8th August, 1907, the Commonwealth Customs Tariffs have provided special rates in favour of goods from the United Kingdom with the object of assisting the British manufacturer to retain or improve his position in this market.

Previous issues of this Year Book have contained a table showing, since 1886, the proportions of the imports into Australia which were shipped from the United Kingdom, Germany, and the United States respectively. The records according to "Countries of Shipment" having been discontinued, references to this aspect of the trade of Australia will be restricted, in future, to the trade according to "Countries of Origin," for which accurate information is available from 1908.

It may be pointed out that there are many items of magnitude in Australian imports, such as tea, unmanufactured tobacco, petroleum products, timber, etc., which the United Kingdom could not possibly supply. Consequently, in any investigation concerning the relative position of the United Kingdom in the Australian market, inquiries must be

confined to those classes of goods which are produced in the United Kingdom. The principal of these competitive classes are shown in the following tables:—

AUSTRALIAN IMPORTS.—PRODUCTS OF VARIOUS COUNTRIES, 1913 AND 1918-19 TO 1921-22.

Nature of Imports.	Year.	United Kingdom.	France.	Germany.	Japan.	U.S. of America.	All Countries.
	£	£	£	£	£	£	£
Foodstuffs of animal origin	{ 1913 ..	301,025	3,093	12,071	6,988	289,229	947,697
	{ 1918-19	26,218	115	..	23,034	205,063	585,562
	{ 1919-20	311,934	1,681	..	13,554	429,137	1,459,212
	{ 1920-21	406,982	2,557	..	5,695	310,202	1,224,099
	{ 1921-22	345,803	3,145	..	6,423	390,545	1,535,308
Alcoholic liquors ..	{ 1913 ..	1,227,561	343,403	143,477	1,755	2,805	1,947,248
	{ 1918-19	961,875	65,897	..	993	15,826	1,263,324
	{ 1919-20	941,290	219,271	85	947	1,331	1,308,686
	{ 1920-21	1,443,554	346,059	..	480	53	2,000,248
	{ 1921-22	1,364,857	134,430	..	126	..	1,583,382
Apparel (including boots), Textiles, etc.	{ 1913 ..	11,920,600	960,377	1,698,283	475,954	621,954	19,559,304
	{ 1918-19	19,880,413	912,808	42	4,810,637	4,109,844	36,237,171
	{ 1919-20	15,801,397	1,315,034	1	2,574,280	2,906,214	26,702,771
	{ 1920-21	32,005,480	1,807,234	55	3,209,647	4,046,592	49,877,538
	{ 1921-22	21,537,704	1,446,461	275	2,754,541	1,607,476	32,511,316
Metals unmanufactured or partly manufactured (a)	{ 1913 ..	1,202,514	3,674	302,466	..	108,000	1,899,846
	{ 1918-19	305,242	2	416	22,053	335,340	772,880
	{ 1919-20	608,121	11	..	2,353	925,125	924,366
	{ 1920-21	987,815	11,443	11	2,577	195,007	1,509,914
	{ 1921-22	799,673	47,376	696	722	67,525	1,252,466
Manufactures of metals (including machinery)	{ 1913 ..	12,027,377	211,610	1,962,154	7,601	3,680,720	19,152,660
	{ 1918-19	6,325,224	12,200	3,010	524,280	8,509,002	16,995,544
	{ 1919-20	11,607,307	34,029	4,059	142,200	8,101,993	21,573,114
	{ 1920-21	22,737,100	220,325	10,515	277,014	13,153,975	39,148,721
	{ 1921-22	12,454,771	288,983	69,357	65,296	6,991,973	22,524,855
Paper and stationery	{ 1913 ..	1,789,577	21,930	266,483	10,656	403,679	3,134,750
	{ 1918-19	1,293,255	57,196	1,380	177,871	2,442,333	5,543,880
	{ 1919-20	1,299,747	70,760	146	85,439	1,287,938	4,156,626
	{ 1920-21	3,538,515	109,027	1,352	106,649	1,325,978	8,978,897
	{ 1921-22	2,301,177	122,122	2,337	17,744	523,048	4,855,564
Jewellery, timepieces, and fancy goods	{ 1913 ..	506,608	85,430	250,846	19,192	136,965	1,410,555
	{ 1918-19	303,948	139,792	263	258,312	319,656	1,600,868
	{ 1919-20	630,605	182,035	12	122,684	258,840	2,029,268
	{ 1920-21	998,809	204,777	12	154,527	342,838	2,538,269
	{ 1921-22	716,910	102,551	24	81,203	227,579	1,698,412
Earthenware, cements, glass, etc.	{ 1913 ..	650,867	40,188	457,810	21,493	62,895	1,568,531
	{ 1918-19	387,472	1,886	138	476,007	587,569	1,467,886
	{ 1919-20	517,992	5,647	7	328,809	251,907	1,239,685
	{ 1920-21	1,234,656	13,650	17	629,028	323,233	3,185,152
	{ 1921-22	1,200,131	20,252	25	202,257	166,886	1,887,905
Drugs, chemicals, fertilizers	{ 1913 ..	1,020,141	245,413	303,447	139,106	205,123	2,715,127
	{ 1918-19	1,530,004	316,008	501	519,327	1,284,492	4,425,073
	{ 1919-20	1,357,429	377,518	63	111,340	876,931	3,648,755
	{ 1920-21	2,413,605	425,074	37,409	88,435	1,241,070	5,587,755
	{ 1921-22	1,716,328	228,559	5,451	50,740	619,059	3,553,377
Leather and manufactures thereof and substitutes therefor, including indiarubber (excluding boots)	{ 1913 ..	515,169	68,746	347,550	692	435,071	1,749,046
	{ 1918-19	497,796	86,486	3	21,198	1,009,402	2,373,188
	{ 1919-20	459,949	74,571	..	6,261	1,065,866	2,192,520
	{ 1920-21	946,335	169,654	..	4,324	1,314,408	3,277,489
	{ 1921-22	571,679	135,583	2	1,178	515,899	1,659,544
Total above-mentioned imports	{ 1913 ..	31,161,439	1,983,864	5,744,587	683,437	5,946,441	54,084,764
	{ 1918-19	31,511,447	1,592,390	5,753	6,833,712	18,818,527	71,265,376
	{ 1919-20	33,835,771	2,280,557	4,373	3,387,867	15,425,282	65,235,003
	{ 1920-21	66,712,851	3,309,800	49,371	4,478,376	22,253,356	117,327,902
	{ 1921-22	43,008,933	2,529,462	78,167	3,180,230	11,109,990	73,062,129
Total imports (less bullion and specie)	{ 1913 ..	40,948,803	2,222,631	7,029,325	950,300	10,907,512	78,196,109
	{ 1918-19	34,563,860	1,651,833	6,556	8,203,725	27,180,656	95,264,120
	{ 1919-20	38,514,975	2,422,304	6,848	4,222,511	23,824,255	98,928,206
	{ 1920-21	76,845,973	3,597,811	52,432	5,230,039	36,110,081	163,781,682
	{ 1921-22	52,987,879	2,731,739	79,447	3,581,614	18,822,364	103,023,132

(a) Mainly pig iron and bar and rod iron. Gold and silver bullion not included.

**AUSTRALIAN IMPORTS.—PRODUCTS OF VARIOUS COUNTRIES.—PERCENTAGES.
1913 AND 1918-19 TO 1921-22.**

Nature of Imports.	Year.	United Kingdom.	France.	Germany.	Japan.	U.S. of America.	All Countries.
Foodstuffs of animal origin	{ 1913 ..	31.77	0.33	12.74	0.74	30.52	100
	{ 1918-19	4.43	0.02	..	3.93	35.02	100
	{ 1919-20	21.38	0.12	..	0.93	29.41	100
	{ 1920-21	33.25	0.21	..	0.47	25.35	100
	{ 1921-22	22.52	0.20	..	0.42	25.43	100
Alcoholic liquors ..	{ 1913 ..	63.04	17.64	7.37	0.09	0.14	100
	{ 1918-19	76.14	5.22	..	0.08	1.25	100
	{ 1919-20	71.93	16.76	0.00	0.07	1.02	100
	{ 1920-21	72.19	17.30	..	0.00	0.00	100
	{ 1921-22	86.18	8.49	..	0.01	..	100
Apparel (including boots, textiles, etc.)	{ 1913 ..	60.94	4.91	8.68	2.43	3.18	100
	{ 1918-19	54.86	2.52	0.00	13.28	11.34	100
	{ 1919-20	59.18	4.92	0.00	9.64	10.88	100
	{ 1920-21	64.17	3.62	0.00	6.43	8.11	100
	{ 1921-22	66.22	4.45	0.00	8.47	4.94	100
Metals unmanufactured or partly manufactured	{ 1913 ..	63.29	0.19	15.92	..	5.69	100
	{ 1918-19	39.49	0.00	0.54	2.85	43.39	100
	{ 1919-20	65.79	0.00	..	0.25	26.52	100
	{ 1920-21	65.42	0.76	0.00	0.17	12.91	100
	{ 1921-22	63.85	3.78	0.06	0.06	5.39	100
Manufactures of metal (including machinery)	{ 1913 ..	62.80	1.10	10.24	0.04	19.22	100
	{ 1918-19	37.22	0.07	0.02	3.08	50.07	100
	{ 1919-20	55.20	0.16	0.02	0.66	37.56	100
	{ 1920-21	58.09	0.56	0.03	0.71	33.60	100
	{ 1921-22	55.30	1.28	0.31	0.29	31.04	100
Paper and stationery	{ 1913 ..	57.41	0.70	8.50	0.34	12.88	100
	{ 1918-19	23.33	1.03	0.02	3.21	44.05	100
	{ 1919-20	31.26	1.70	0.00	2.06	30.99	100
	{ 1920-21	39.41	1.21	0.01	1.18	14.76	100
	{ 1921-22	47.39	2.51	0.05	0.37	10.77	100
Jewellery, time-pieces, and fancy goods	{ 1913 ..	35.92	6.06	17.77	1.36	9.71	100
	{ 1918-19	18.99	8.73	0.02	16.14	19.97	100
	{ 1919-20	31.08	8.97	0.00	6.05	12.76	100
	{ 1920-21	39.35	8.07	0.00	6.09	13.51	100
	{ 1921-22	42.21	6.04	0.00	4.78	13.40	100
Earthenware, cements, glass, etc.	{ 1913 ..	41.49	2.56	29.19	1.37	4.01	100
	{ 1918-19	26.40	0.13	0.01	32.43	40.03	100
	{ 1919-20	41.78	0.46	0.00	26.52	20.32	100
	{ 1920-21	38.74	0.43	0.00	19.74	10.14	100
	{ 1921-22	63.56	1.07	0.00	10.71	8.84	100
Drugs, chemicals, and fertilizers	{ 1913 ..	37.57	9.04	11.18	5.12	7.55	100
	{ 1918-19	34.58	7.14	0.00	11.74	29.03	100
	{ 1919-20	37.20	10.35	0.00	3.05	24.03	100
	{ 1920-21	43.20	7.60	0.67	1.58	22.21	100
	{ 1921-22	48.30	6.43	0.15	1.43	17.42	100
Leather and manufactures thereof, and substitutes therefor, including Indianrubber (excluding boots)	{ 1913 ..	29.45	3.93	19.87	0.04	24.88	100
	{ 1918-19	20.98	3.64	0.00	0.89	42.53	100
	{ 1919-20	20.98	3.40	0.00	0.29	48.61	100
	{ 1920-21	28.87	5.18	..	0.01	40.11	100
	{ 1921-22	34.45	8.17	0.00	0.07	31.09	100
Total above-mentioned articles	{ 1913 ..	57.62	3.67	10.62	1.26	10.99	100
	{ 1918-19	44.22	2.23	0.01	9.59	26.41	100
	{ 1919-20	51.87	3.50	0.07	5.19	23.65	100
	{ 1920-21	56.86	2.82	0.04	3.82	18.97	100
	{ 1921-22	58.86	3.46	0.11	4.35	15.20	100
Total imports (less bullion and specie)	{ 1913 ..	52.37	2.84	8.99	1.21	13.95	100
	{ 1918-19	36.43	1.74	0.01	8.65	28.65	100
	{ 1919-20	38.94	2.45	0.07	4.26	24.09	100
	{ 1920-21	46.92	2.20	0.03	3.19	22.05	100
	{ 1921-22	51.44	2.65	0.08	3.48	18.27	100

It may also be mentioned here that the value of the imports from the United States and from Japan during the later years are somewhat understated, inasmuch as the values have been converted from the currencies of those countries on the basis of the par of exchange, whereas the actual exchange rates were considerably in their favour. The effect of this method of conversion, except in the case of Italy, did not reach serious dimensions until the year 1919-20. This method of conversion, which was applied to values for Customs duty also, was an advantage to Japan and to the United States in the Australian market by reducing the amount of duty to be paid on goods subject to *ad valorem* rates. In consequence of using the par of exchange, the figures given in the foregoing tables, though taken from the official records, are somewhat misleading. As the practice of converting import values on the par of exchange was continued until the 8th December, 1920, it follows that the figures for 1920-21 are also affected to some extent. The position of the United Kingdom in the Australian market has been recovered to such a marked extent that minor defects in the records are, however, of little consequence in the results.

From the foregoing tables it is clear that the value of the trade for which the United Kingdom is a substantial competitor increased from £54,084,764 in 1913, to £73,062,129 in 1921-22. Of this larger amount the United Kingdom supplied 58.86 per cent. as against 57.62 per cent. of similar imports in 1913. In 1918-19 the share of the United Kingdom in this trade represented only 44.22 per cent. The share of Japan increased from 1.26 per cent. in 1913 to 9.59 per cent. in 1918-19, but fell to 4.35 per cent. in 1921-22. Not only was Japan's proportion of the trade less during 1921-22 than in 1918-19, but the *actual value* was less by £3,653,482. Although the value of the imports of competitive goods from Japan is much less than from the United States of America, the rate of increase has been far greater—from £683,437 in 1913 to £3,180,230 in 1921-22, equal to 360 per cent. The classes of goods chiefly responsible for this increase are as follows:—Apparel and textiles, metal manufactures and machinery, china and porcelain ware, earthenware, glass and glassware, paper and stationery, and fancy goods.

The position of the United States in this competitive trade has improved from 10.99 per cent. in 1913 to 15.20 per cent. in 1921-22, though it is much lower than in 1918-19, when it represented 26.41 per cent. In the latest pre-war year (1913), the value of goods from the United States in the "competitive" groups was £5,946,441, whereas in 1921-22 it was £11,109,990. The following are the principal groups of commodities in which United States sales to Australia during 1921-22 were increased over those of 1913:—Apparel and textiles, manufactured metals and machinery (including vehicles), india-rubber and manufactures thereof, and drugs and chemicals.

The position of France has declined from 3.67 per cent. in 1913 to 3.46 per cent. in 1921-22, though some improvement is evident as compared with 1918-19.

The proportion of the imports supplied by Germany in 1913 was 10.62 per cent. as compared with 57.62 per cent. from the United Kingdom; 3.67 per cent. from France; 1.26 per cent. from Japan and 10.99 per cent. from the United States. The corresponding figures for the year 1921-22 were:—Germany, 0.11 per cent.; United Kingdom, 58.86 per cent.; France, 3.46 per cent.; Japan, 4.35 per cent. and the United States, 15.20 per cent.

From the foregoing it will be seen that the more prominent position held by the United States of America and by Japan in the Australia import market in 1921-22 was not at the expense of the United Kingdom, but, rather, represented a substitution of the trade formerly supplied by Germany.

Comparing the percentages of imports from each country during the period 1918-19 to 1921-22 it will be noticed that the proportions supplied by the United Kingdom and France increased, while those from Japan and the United States decreased.

2. Preferential Tariffs.—The Commonwealth Tariff Act of 1908 provided preferential tariff rates in favour of goods produced or manufactured in the United Kingdom. Subsequent amendments of the Tariff have extended the list of articles to which the preferential rates apply. In the schedule submitted to Parliament on the 3rd December, 1914, the extension of the number of preferential rates was very material, and was accompanied in many instances by an increase of the margin in favour of the United Kingdom. This favourable treatment of the United Kingdom was again extended in both directions by the Tariff submitted on the 24th March, 1920 (Tariff Act 1921).

On the introduction of the preferential treatment of British goods by the Commonwealth Tariff, it was required that British material or labour should represent not less than one-fourth the value of such goods. From the 1st September, 1911, it has been required, in regard to goods only partially manufactured in the United Kingdom, that the final process or processes of manufacture shall have been performed in the United Kingdom, and that the expenditure on material of British production and/or British labour shall have been not less than one-fourth of the factory or works cost of the goods in the finished state.

On the basis of the imports during 1913, the preferential provisions of the Tariff of 1908-11 covered 65 per cent. of the imports of merchandise of United Kingdom origin, the margin of preference being equal to 5.08 per cent. of the value of the goods. On the same basis the Tariff of 1921 has extended the application of the preferential Tariff rates to 90 per cent. of the imports from the United Kingdom, and, at the same time, has increased the margin of preference to 12.22 per cent. *ad valorem*. For the purpose of these computations an unusual importation of warships valued at £2,495,000 has not been taken into account. The average equivalent *ad valorem* rate of duty payable under the tariff of 1921 on goods of United Kingdom origin is about 25 per cent., whereas the same goods under the general Tariff rates would be called upon to pay an average rate of about 37½ per cent.

An application of the Tariff of 1921 to the imports from the United Kingdom entered for home consumption during the year 1921-22 shows that about 90 per cent. of these imports were favoured by a margin of 12.61 per cent. *ad valorem*, representing about £5,573,000 additional duty which would have been paid had the same goods been imported under the general Tariff rates.

3. Reciprocal Tariffs.—(i) *General.* The Tariff Act of 1921 introduced a new feature into Australian Tariffs in the form of an Intermediate Tariff. In submitting the schedule to Parliament, the Minister for Trade and Customs made the following statement of the object of the Intermediate Tariff:—" . . . the Minister is empowered under the Bill to enter into reciprocal arrangements with other Dominions of the British Crown. The Minister will be able, if we can arrange a satisfactory reciprocal agreement, to extend to other Dominions on individual items the British preference rate, or the intermediate rate, or, it may be, the general rate. Such agreements will be subject to the ratification of Parliament. The provision simply means that if any of our sister self-governing Dominions desires to enter into reciprocal trade relationships with us, the Minister, with the British Preference Tariff, the Intermediate Tariff, and the General Tariff before him, may bargain with the sister Dominion and come to an agreement which, as I say, must subsequently be ratified by Parliament. . . . There is a provision of a somewhat similar character in regard to other countries than the Dominions, the only difference being that the Minister is empowered to extend to countries other than the Dominions only the Intermediate Tariff; that is to say, in entering into such negotiations, he is precluded from offering to those countries what we might term, for the purposes of this Bill, the Empire rate. He is confined in his negotiations with these other countries to the Intermediate Tariff."

(ii) *Union of South Africa.* Until recently, the Union of South Africa was the only British Dominion with which Australia had a reciprocal Tariff arrangement. The Commonwealth Customs Tariff (South African Preference) Act, No. 17 of 1906, and subsequent amending Acts have provided preferential rates of duty to be applied to certain imported goods "when those goods are imported from and are the produce or manufacture of any of the British South African Colonies or Protectorates which are included within the South African Customs Union."

(iii) *Dominion of New Zealand.* On the 11th April, 1922, an agreement was made between the Commonwealth of Australia and the Dominion of New Zealand whereby goods specified in the schedule attached to the agreement should be admitted at the rates of duty set out in the schedule. In addition to the goods specially mentioned in the schedule, it is provided that "all other goods being the produce or manufacture of Australia or New Zealand shall be dutiable at the rates applicable to goods being the produce or manufacture of the United Kingdom, upon entry into New Zealand or Australia

respectively." This agreement was ratified by the Commonwealth Parliament by the Customs Tariff (New Zealand Preference) 1922, and, by Proclamation dated 24th August, 1922, came into operation on the 1st September, 1922.

(iv) *Dominion of Canada.* Although previous efforts to bring about reciprocal Tariff arrangements between Canada and Australia have not been successful, further negotiations with this object in view are in progress.

4. **Preferential Tariff of the United Kingdom.**—The post-war Tariff of the United Kingdom provides Preferential Customs Rates on certain goods where they are shown to the satisfaction of the Commissioners of Customs and Excise to have been consigned from and grown, produced, or manufactured in the British Empire. Manufactured articles generally are not entitled to the preferential rates unless 25 per cent. of their value is the result of labour within the British Empire. The principal items of interest to Australia which are accorded preferential treatment under the Tariff of the United Kingdom are :—Fruits, dried and preserved ; jam ; fruit pulp ; preserved milk ; wine ; and brandy.

§ 13. Customs Tariff of 1921.

1. **General.**—The Commonwealth Customs Duties are levied partially in the form of *ad valorem* duties and partially in the form of fixed rates per unit of quantity ; in a few instances both these forms are complementary, and in a few other instances provision is made for the application of fixed rates or *ad valorem* rates according to which will produce the greater amount of duty. Under the Tariff of 1921 about 46 per cent. of imports (on the basis of the imports of 1913) would be subject to *ad valorem* rates, about 25 per cent. would pay fixed rate duties, and the balance—about 29 per cent.—would be free of duty.

2. **Comparisons with Tariff of 1908–11.**—The following table shows approximately the changes made in the average equivalent *ad valorem* rates of duty on the various classes of imports by the Tariff of 1921 in comparison with the Tariff of 1908–11. The results given have been obtained by applying, as closely as possible, the rates of duty prescribed by each Tariff to the imports of 1913. The year 1913 has been selected as representing more nearly than any subsequent year the normal composition of Commonwealth imports. Owing to the many subdivisions which have been made in the items of the earlier Tariff by the recent revision, and the inadequacy of the statistics of imports to meet these changes, the results must be taken as merely approximate to the truth. As the imports for 1913 have been taken as the basis of the comparison it has been necessary to make allowance for the increase in prices in computing the *ad valorem* equivalent of the fixed rate duties in operation under the Tariff of 1921. For this purpose the average prices for similar goods imported during 1921–22 have been taken.

From the results given it would appear that the Tariff of 1921 has reduced the proportion of imports which were free from duty from 42.96 per cent. to 29.12 per cent., or, conversely, has increased the proportion of dutiable goods from 57.04 per cent. to 70.88 per cent. This result is due in the most part (75 per cent.) to the imposition of duties of general application, and to a lesser degree (25 per cent.) to duties imposed for the purpose of providing preference to the manufactures of the United Kingdom.

The average *ad valorem* rate of duty over all merchandise—both dutiable and free—has been raised from 17.08 per cent. to 22.63 per cent. This comparatively small increase in what is the equivalent of an average *ad valorem* rate is due to the effect of increased prices for those goods which are subject to fixed rate duties. In order to determine what change has been made in the average rate of duty over all goods, it is usual to put all rates on a common *ad valorem* basis. Notwithstanding that in numerous cases very substantial increases were made in these fixed rate duties the increase in price was so much greater, that their *ad valorem* incidence is less, at the present time, under the 1921 Tariff than it was when the Tariff of 1908–11 was in operation. A simple illustration, to make this clear, may not be out of place.

AUSTRALIAN CUSTOMS TARIFFS OF 1908-11 AND OF 1921 COMPARED.

Class of Imports.	Tariff of 1908-11.			Tariff of 1921.		
	Per-centage of Free Goods.	Equivalent <i>ad val.</i> Rates of Duty on—		Per-centage of Free Goods.	Equivalent <i>ad val.</i> Rates of Duty on—	
		All Mer- chandise.	All Dutiable Mer- chandise.		All Mer- chandise.	All Dutiable Mer- chandise.
I. Foodstuffs of Animal Origin ..	10.42	15.43	17.22	10.42	14.71	16.44
II. Foodstuffs of Vegetable Origin ..	5.33	33.11	34.97	12.00	23.75	26.98
III. Beverages (non-alcoholic) and Substances used in making ..	79.62	4.36	21.38	79.62	4.08	20.04
IV. Spirituous and Alcoholic Liquors ..	00.00	144.95	144.95	00.00	106.92	106.92
V. Tobacco and preparations thereof ..	00.00	159.00	159.00	00.00	85.32	85.32
VI. Live Animals ..	87.70	00.07	00.59	100.00	00.00	00.00
VII. Animal Substances (mainly un- manufactured) ..	80.37	2.70	13.76	80.37	3.64	18.56
VIII. Vegetable Substances and Fibres ..	87.89	3.52	29.01	79.31	6.51	31.46
IX. (i) Apparel ..	15.12	24.75	29.15	4.67	34.85	36.55
(ii) Textiles ..	45.39	9.45	17.31	44.60	12.40	22.36
(iii) Bags and Cordage ..	91.30	1.91	21.92	91.30	2.42	27.88
X. Oils, Fats, and Waxes ..	32.32	11.12	16.43	27.72	9.73	13.46
XI. Paints and Varnishes ..	4.43	16.25	17.00	4.07	21.33	22.23
XII. Stones and Minerals used in- dustrially ..	16.54	19.27	23.10	6.60	21.30	22.80
XIII. Ores and Mineral Earths ..	100.00	..	..	63.78	19.23	53.22
XIV. (i) Machines and Machinery. Agricultural Implements and Machinery ..	39.47	12.44	20.56	4.62	32.58	34.16
Other Machines and Machinery ..	25.92	14.80	19.98	10.60	23.62	26.43
Total Machines and Machinery ..	27.42	14.54	20.04	9.94	24.63	27.34
(ii) Manufactures of Metals, iron and steel (simpler forms) ..	52.18	3.94	6.25	1.60	20.83	21.17
Other Manufactures of Metals ..	42.33	11.64	20.18	16.74	22.83	27.43
Total Manufactures of Metals ..	47.22	7.81	14.80	9.22	20.74	22.85
XV. Rubber and Manufactures of Rubber ..	34.46	15.43	23.54	34.46	23.21	35.42
Leather and Manufactures of Leather ..	3.34	18.72	19.37	1.94	31.37	31.99
XVI. Wood and Wicker, raw and manufactured ..	7.70	15.53	16.83	2.86	21.64	22.28
XVII. Earthenware, Cements, China, Glass, and Stoneware ..	7.13	25.71	27.67	2.38	28.44	29.13
XVIII. (i) Paper ..	71.75	6.30	22.30	2.34	15.43	15.80
(ii) Stationery ..	67.46	7.82	24.03	67.04	10.05	30.47
XIX. Jewellery, Timepieces, and Fancy Goods ..	20.47	20.39	25.64	20.48	32.55	40.94
XX. Optical Surgical and Scientific Instruments ..	75.38	3.52	14.26	21.91	22.37	28.65
XXI. Drugs, Chemicals, and Fertilizers ..	71.50	6.82	23.02	39.19	14.82	24.37
XXII. Miscellaneous ..	75.93	5.68	23.60	73.08	8.24	30.61
Total Merchandise ..	42.96	17.08	20.06	29.12	22.63	31.93
Total Merchandise, excluding Alcoholic Liquors and Tobacco ..	44.76	11.66	21.10	30.31	18.17	26.26

NOTE.—In computing the results given in the above table it has been assumed that all imports during 1913 were entered for consumption during the year and that all deferred duties were in operation.

Under the Tariff of 1908-11 the duty on whisky was 14s. per gallon, while under the Tariff of 1921 it is 30s. per gallon—an actual increase in duty of 114 per cent. In 1913 the import value of a gallon of bulk whisky was 6s. 6d., whereas in 1921-22 a similar gallon of whisky was valued at 26s. 5d.—an increase in price of 306 per cent. Thus under the 1908-11 Tariff a gallon of whisky valued at 6s. 6d. paid duty amounting to 14s. or 215 per cent. *ad valorem*, while under the Tariff of 1921 a gallon of whisky valued at 26s. 5d. would pay 30s. which, however, would represent only 113 per cent. *ad valorem*. The same thing applies, in varying degree, to all goods subject to fixed rate duties.

The classes most conspicuously affected in this way are those numbered I. to V. in the accompanying table, and it will be noticed that for each of these classes the rates

of duty on the *ad valorem* basis are lower under the 1921 Tariff than before. These results do not indicate a reduction of duties, but merely an increase in prices greater than the increase in duties. As prices revert towards the pre-war level the duties collected under fixed rates will, of course, increase relatively to the cost of the goods.

§ 14. Commonwealth Trade Representation in Overseas Countries.

The Commonwealth is represented in the United Kingdom by the High Commissioner for Australia (Rt. Hon. Sir Joseph Cook, P.C., G.C.M.G.), with headquarters at Australia House, London. Oversea trade matters affecting Australia come within the scope of the duties attaching to the office of High Commissioner.

The Commonwealth has a Trade Representative in France, with headquarters at Paris. This official is attached to the High Commissioner's office, London.

The first appointment of a Commonwealth Trade Commissioner for the United States of America was made in 1918, when Mr. (now Sir) H. Y. Braddon was appointed. He was succeeded in 1919 by Mr. (now Sir) M. Sheldon, who continued in office until 1922. Since his resignation and until the appointment of Mr. Donald Mackinnon on 1st June, 1923, the duties of the office were carried on by the Official Secretary, Mr. D. B. Edward, with headquarters at New York.

Early in 1921, Mr. E. S. Little was appointed as Commonwealth Trade Commissioner in China, with offices at Shanghai and Hong Kong, and in January, 1922, Mr. E. T. Sheaf was appointed Australian Trade Representative in the East, with headquarters at Singapore.