

Chapter 10

Trade

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OVERVIEW

Under the Australian Constitution, the Commonwealth Government is responsible for legislation relating to trade and commerce with other countries. The Department of Foreign Affairs and Trade is in turn responsible for developing and maintaining Australia's position as a world trading nation through international trade and commodity commitments and agreements, developing export markets, and formulating proposals for the Government on Australia's international trade policy and trading objectives. It is also responsible for matters relating to the commercial development, marketing, and export of minerals and fuels. It employs Trade Commissioners at many overseas centres.

The statistics in this chapter are recorded on a general trade basis, i.e. total exports include both Australian produce and re-exports; total imports comprise goods entered directly for domestic consumption, together with goods imported into customs warehouses.

State statistics for exports comprise State of origin. 'State of origin' is defined as the State in which the final stage of production or manufacture occurs. For imports, the State is that in which the import entry was lodged with the Australian Customs Service.

Both imports to, and exports from Victoria increased in 1996–97, continuing the trend since the 1990–91 recession. Between 1995–96 and 1996–97, imports increased by 2% to \$25,190 million, whilst exports increased by 6% to \$16,288 million. Imports into Victoria in 1996–97 accounted for 32% of Australia's total imports of \$78,977 million, whilst exports from Victoria amounted to 21% of Australia's total exports of \$78,885 million.

10.1 OVERSEAS TRADE: RECORDED VALUES OF IMPORTS INTO, AND EXPORTS FROM, VICTORIA

Year	Imports	Exports	Excess of imports
	\$m	\$m	\$m
1991–92	15 353	9 545	5 808
1992–93	18 147	11 044	7 103
1993–94	20 770	12 349	8 420
1994–95	23 967	13 008	10 959
1995–96	24 663	15 410	9 253
1996–97	25 190	16 288	8 902

Source: *International Merchandise Trade, Australia* (5422.0).

Imports

In 1996–97, almost 65% of Victoria's imports came from seven countries. The major import sources were the United States of America (USA) (\$5,945 million); Japan (\$3,097 million); Germany (\$1,992 million); China, excluding Taiwan (\$1,756 million); Taiwan (\$799 million); the United Kingdom (\$1,634 million) and New Zealand (\$1,247 million).

The major commodities imported into Victoria were Road Vehicles (including air cushion vehicles) (\$2,924 million); General industrial machinery and equipment not elsewhere stated (n.e.s.), and machine parts n.e.s. (\$1,711 million); Electrical machinery, apparatus, and appliances n.e.s., and electrical parts thereof (\$1,572 million); Miscellaneous manufactured articles n.e.s. (\$1,460 million); Machinery specialised for particular industries (\$1,175 million) and Telecommunications and sound recording and reproducing apparatus and equipment. Textile yarn, fabrics, made-up articles, n.e.s., and related products (\$1,066 million).

10.2 IMPORTS FROM MAJOR TRADING PARTNERS, VICTORIA, 1996–97

Description	USA \$m	Japan \$m	Germany \$m
Power generating equipment and machinery	379	71	84
Machinery specialised for particular industries	381	145	171
General industrial machinery and equipment n.e.s. and machine parts n.e.s.	559	272	207
Telecommunications and sound recording and reproducing apparatus and equipment	148	191	62
Electrical machinery, apparatus, and appliances n.e.s., and electrical parts thereof	307	181	189
Road vehicles (including air cushion vehicles)	541	1 313	328
Other transport equipment	519	36	14
Professional, scientific and controlling instruments and apparatus n.e.s.	297	66	87
Photographic apparatus, equipment and supplies and optical goods n.e.s.; watches and clocks	305	44	43
Miscellaneous manufactured articles n.e.s.	347	102	39
Other commodities	2 162	676	698
Total	5 945	3 097	1 922
Percentage of Victorian imports	24%	12%	8%

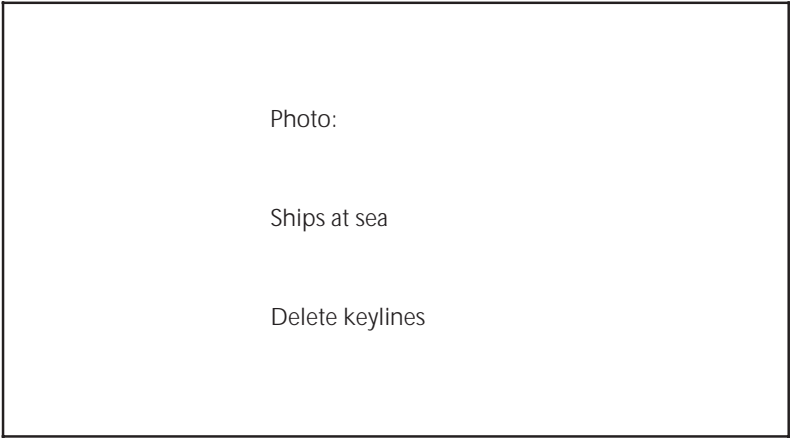
Source: Foreign Trade statistics, unpublished data.

The USA supplied almost a quarter of Victorian imports, with industrial and electrical machinery (Standard International Trade Classification [SITC] numbers 72, 74 and 77) to the value of \$1,247 million constituting the major items. Japan, which supplied 12% of Victorian imports was the major source of road vehicles for the State. Over 40 per cent of Japanese imports were road vehicles, comprising 45% of all road vehicles imported to Victoria. Eight per cent of Victorian imports came from Germany. These were spread over a wide range of commodities of which industrial and electrical machinery (item nos. 72, 74 and 77) and road vehicles were the major import commodities.

Exports

In 1996–97, almost 46% of Victoria’s exports went to six countries. The major export destinations were New Zealand (\$2,134 million); Korea (\$2,098 million); Japan (\$1,525 million); the USA (\$956 million); Singapore (\$891 million) and Hong Kong (\$811 million).

The major commodities exported from Victoria in 1996–97 were Dairy products and birds’ eggs (\$1,427 million); Textile fibres and their wastes (\$1,193 million); Non-ferrous metals (\$887 million); Road vehicles (including air cushion vehicles) (\$816 million); Petroleum, petroleum products and related materials (\$757 million) and Transport vehicles (excl. road vehicles) (\$666 million).



Over the two years 1994–95 to 1996–97, Victorian exports increased in most areas. Exports of Office machines and automatic data processing machines rose over 310% (\$74 million in 1994–95 to \$308 million in 1996–97). Other growth areas have been in Transport equipment (excluding road vehicles) (191%); Cereals and cereal preparations (153%); and Dairy products and birds' eggs (25%). Meat and meat preparations exports fell by 15% whilst Non-ferrous metals fell by 13%.

10.3 EXPORTS TO MAJOR TRADING PARTNERS, VICTORIA, 1996–97

Description	New Zealand \$m	Korea \$m	Japan \$m
Meat and meat preparations	6	34	133
Dairy products and birds' eggs	9	16	236
Textile fibres and their wastes (not manufactured into yarn or fabric)	2	74	79
Petroleum, petroleum products and related materials	149	—	2
Non-ferrous metals	31	283	147
Power generating machinery and equipment	24	248	34
Road vehicles (incl. air cushion vehicles)	210	32	10
Transport equipment (excl. road vehicles)	517	—	3
Miscellaneous manufactured articles n.e.s.	80	4	15
Gold, non-monetary (excl. gold ore and concentrates)	5	1 150	50
Other commodities	1 101	257	816
Total	2 134	2 098	1 525
Percentage of Victorian exports	13%	13%	9%

Source: Foreign Trade statistics, unpublished data.

Thirteen per cent of Victorian exports were sent to New Zealand, the most significant commodities being Transport equipment (excl. road vehicles) (\$517 million) and Road vehicles (\$210 million). A further 13% of exports were sold to the Republic of Korea, of which 55% (\$1,150 million) comprised gold. Japan was the destination for an additional 9% of Victorian exports. Exports to Japan included a wide variety of commodity items, the most significant being Dairy products and birds' eggs, and Non-ferrous metals, which comprised 15% and 10% respectively.

10.4 OVERSEAS IMPORTS AND EXPORTS, COUNTRIES OF ORIGIN AND CONSIGNMENT

Country	Imports			Exports		
	1994–95 \$m	1995–96 \$m	1996–97 \$m	1994–95 \$m	1995–96 \$m	1996–97 \$m
Austria	89	97	124	9	12	5
Bangladesh	13	12	18	31	47	80
Belgium-Luxembourg	225	253	242	29	74	66
Brazil	167	174	125	61	77	81
Canada	430	453	394	113	101	123
China						
Excluding Taiwan Province	1 575	1 675	1 756	561	641	656
Taiwan Province	811	773	799	631	663	695
Czech Federal Republic	14	11	13	8	5	7
Denmark	114	108	131	8	10	7
Egypt, Arab Republic of	3	3	3	45	120	145
Fiji	39	60	119	127	215	236
Finland	235	239	169	6	9	8
France	487	536	711	173	143	162
French Polynesia	—	—	—	30	28	41
Germany	2 088	1 994	1 922	262	264	280
Greece	24	29	32	4	12	20

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10.4 OVERSEAS IMPORTS AND EXPORTS, COUNTRIES OF ORIGIN AND CONSIGNMENT —
continued

Country	Imports			Exports		
	1994-95 \$m	1995-96 \$m	1996-97 \$m	1994-95 \$m	1995-96 \$m	1996-97 \$m
Hong Kong	205	241	267	565	821	811
India	224	234	231	115	139	239
Indonesia	335	378	513	270	367	426
Iran	6	3	5	29	82	146
Iraq	—	—	—	17	—	6
Ireland	122	146	176	5	10	10
Israel	63	64	65	17	14	14
Italy	717	807	832	263	249	319
Japan	3 986	3 429	3 097	1 849	1 952	1 525
Korea, Republic of	609	634	671	1 112	1 921	2 098
Kuwait	—	—	—	32	41	42
Macau	6	5	4	2	4	2
Malaysia	428	458	508	749	737	667
Mauritius	1	1	1	31	39	36
Mexico	55	55	64	62	43	52
Nauru, Republic of	6	8	9	20	19	16
Netherlands	229	233	237	44	60	39
New Caledonia	—	—	—	51	76	87
New Zealand	1 191	1 207	1 247	1 247	1 598	2 134
Norway	83	47	49	10	9	8
Pakistan	86	72	75	30	77	55
Papua New Guinea	125	128	232	188	237	269
Philippines	105	117	108	285	339	372
Poland	13	12	11	9	16	13
Portugal	26	31	37	6	7	6
Russian Federation	6	7	3	36	23	23
Samoa (American)	—	1	2	12	22	30
Saudi Arabia	242	225	226	127	194	168
Singapore	493	571	524	1 312	1 162	891
Solomon Islands	1	—	1	15	35	27
South Africa	73	83	100	193	207	291
Spain	149	181	172	31	30	34
Sri Lanka	22	21	22	38	71	72
Sweden	495	591	502	40	69	65
Switzerland	302	288	241	59	45	66
Thailand	323	322	335	441	513	411
Turkey	23	26	27	51	92	97
United Arab Emirates	14	5	2	64	112	249
United Kingdom	1 364	1 502	1 634	369	373	416
United States	5 256	5 839	5 945	785	788	956
Vietnam	36	56	90	42	55	61
Western Samoa	24	54	58	6	15	18
Other and unknown	206	165	307	281	324	407
Total	23 967	24 663	25 190	13 008	15 410	16 288

Source: Foreign Trade statistics, unpublished data.

10.5 OVERSEAS IMPORTS AND EXPORTS, COMMODITY GROUPS, VICTORIA

Description	Imports			Exports		
	1994-95 \$m	1995-96 \$m	1996-97 \$m	1994-95 \$m	1995-96 \$m	1996-97 \$m
Live animals chiefly for food	47	39	41	58	57	68
Meat and meat preparations	16	19	23	650	656	554
Dairy products and birds' eggs	76	91	90	1 146	1 364	1 427
Fish, crustaceans, and molluscs	176	179	167	137	150	121
Cereals and cereal preparations	64	64	61	233	528	589
Vegetables and fruit	195	219	217	288	354	482
Sugar, sugary preparations, and honey	43	45	43	14	22	19
Coffee, tea, cocoa, spices, and manufactures thereof	213	232	242	117	136	139
Feeding stuff for animals (excluding unmilled cereals)	32	24	36	125	143	170
Miscellaneous edible products and preparations	109	88	81	55	77	98
Beverages	83	84	82	65	88	95
Tobacco and tobacco manufactures	98	80	22	11	11	28
Hides, skins, and fur skins (raw)	—	—	1	178	187	194
Oil seeds and oleaginous fruit	40	36	33	15	47	74
Crude rubber (including synthetic and reclaimed)	105	110	87	11	9	8
Cork and wood	160	121	121	91	113	119
Pulp and waste paper	64	86	55	9	4	3
Textile fibres and their wastes	123	119	102	1 287	1 085	1 193
Crude fertilisers and crude minerals (excluding coal, petroleum, and precious stones)	45	39	44	15	23	20
Metalliferous ores and metal scrap	9	14	10	61	60	55
Crude animal and vegetable materials, n.e.s.	67	71	83	76	65	67
Coal, coke, and briquettes	1	1	1	13	14	15
Petroleum, petroleum products, and related materials	502	659	1 023	366	592	757
Gas, natural and manufactured	—	—	—	62	62	114
Animal oils and fats	1	1	3	53	56	49
Fixed vegetable oils and fats	70	83	82	2	2	4
Animal and vegetable oils and fats, processed and waxes of animal or vegetable origin	4	8	9	30	26	30
Organic chemicals	502	544	578	32	32	25
Inorganic chemicals	106	118	126	30	35	26
Dyeing, tanning, and colouring materials	202	207	222	57	82	86
Medicinal and pharmaceutical products	307	362	398	244	292	307
Essential oils and perfume materials; toilet, polishing, and cleansing preparations	120	121	134	43	53	54
Fertilisers manufactured	161	188	189	1	3	3
Explosives and pyrotechnic products	275	304	276	151	172	168
Artificial resins and plastic materials, cellulose esters and ethers	251	278	250	59	61	56
Chemical materials and products, n.e.s.	269	295	309	136	138	150
Leather, leather manufactures, n.e.s., and dressed fur skins	79	70	66	182	180	197
Rubber manufactures, n.e.s.	315	313	295	86	84	104
Cork and wood manufactures (excluding furniture)	82	86	88	6	8	13
Paper, paperboard, and articles of paper pulp, of paper, or of paperboard	618	665	606	85	100	159
Textile yarn, fabrics, made-up articles, n.e.s., and related products	1 231	1 131	1 066	211	258	290
Non-metallic mineral manufactures n.e.s.	305	294	301	75	82	78
Iron and steel	407	386	394	387	412	374
Non-ferrous metals	179	191	217	1 015	1 022	887
Manufactures of metal n.e.s.	692	698	673	182	204	214
Power generating machinery and equipment	745	751	709	420	419	472
Machinery specialised for particular industries	1 263	1 339	1 175	156	176	183
Metalworking machinery	205	216	244	53	53	63

For footnotes see end of table.

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10.5 OVERSEAS IMPORTS AND EXPORTS, COMMODITY GROUPS, VICTORIA — *continued*

Description	Imports			Exports		
	1994-95 \$m	1995-96 \$m	1996-97 \$m	1994-95 \$m	1995-96 \$m	1996-97 \$m
General industrial machinery and equipment, n.e.s. and machine parts n.e.s.	1 710	1 717	1 711	273	315	340
Office machines and automatic data processing equipment	650	685	705	74	419	308
Telecommunications and sound recording and reproducing apparatus and equipment	1 116	1 146	1 052	119	174	175
Electrical machinery, apparatus, and appliances n.e.s., and electrical parts thereof	1 575	1 633	1 572	332	337	369
Road vehicles (including air cushion vehicles)	2 768	2 628	2 924	422	568	816
Other transport equipment	403	751	865	229	250	666
Sanitary, plumbing, heating, and lighting fixtures and fittings n.e.s.	80	84	90	11	20	20
Furniture and parts thereof	135	145	167	16	29	27
Travel goods, handbags, and similar containers	98	102	101	3	2	3
Articles of apparel and clothing accessories	796	834	885	108	112	135
Footwear	325	342	368	22	26	26
Professional, scientific and controlling instruments, and apparatus n.e.s.	691	699	678	156	179	233
Photographic apparatus, equipment and supplies and optical goods n.e.s.; watches and clocks	538	566	601	305	359	307
Miscellaneous manufactured articles n.e.s.	1 441	1 395	1 460	211	225	242
Commodities and transactions of merchandise trade n.e.c. (a)	979	867	933	1 949	2 597	2 216
Total	23 967	24 663	25 190	13 008	15 410	16 288

(a) Includes gold, non-monetary (excl. gold ore and concentrates).

Source: *Foreign Trade statistics, unpublished data.*

REFERENCES**Data sources**

The foreign trade statistics presented in this chapter are compiled in broad agreement with the United Nations' recommendations for the compilation of international trade statistics. Overseas trade statistics are compiled by the ABS from documentation submitted by exporters and importers, or their agents, to the Australian Customs Service, as required by the Customs Act.

ABS sources

International Merchandise Trade, Australia (Cat. no. 5422.0)

Foreign Trade statistics, unpublished data

