

SECTION XV.

COMMERCE.

§ 1. Introductory.

NOTE.—From the 1st July, 1914, the Trade Year, which was formerly the Calendar Year, was altered to coincide with the Fiscal Year (July to June).

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 oversea trade and commerce will be found on page 23 (sub-section 51 (i.) and pp. 29 to 31 (sub-sections 86-95) of this volume.

§ 2. Commonwealth Legislation affecting Foreign Trade.

1. **Customs Act 1901 (No. 6 of 1901).**—"An Act relating to the Customs," assented to on the 3rd October, 1901, came into operation by proclamation on the 4th October, 1901. This 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 thereof.

During the interval between the inception 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.

2. **Customs Tariff Act 1902 (No. 14 of 1902).**—The first Commonwealth Customs Tariff imposing uniform rates of customs duty in all the States was introduced in the House of Representatives on the 8th October, 1901. "An Act relating to Duties of Customs," assented to on the 16th September, 1902, 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, however, the exception, under section 95 of the Constitution Act, of the right of Western Australia to levy duty on the goods from other States for five years. [Repealed by the Customs Tariff Act 1908 (No. 7 of 1908).]

3. **Sea Carriage of Goods Act (No. 14 of 1904).**—"An Act relating to the Sea Carriage of Goods," assented to on the 15th December, 1904, to commence on the 1st January, 1905, defines the responsibility of shipowners, charterers, masters, or agents in regard to goods carried.

4. **Secret Commission Act 1905 (No. 10 of 1905).**—"An Act relating to Secret Commissions, Rebates, and Profits," assented to on the 16th November, 1905, provides that—"Any person who, without the full knowledge and consent of the principals directly or indirectly (a) being an agent of the principal, accepts or obtains, or agrees or offers to accept or obtain, from any person, for himself, or for any person other than the principal; or (b) gives or agrees to give or offers to the agent of a principal, or to any person at the request of an agent of the principal, any gift or consideration as an inducement or reward for any act done or to be done, or any forbearance observed or to be observed, or

any favour or disfavour shewn or to be shewn in relation to the principal's affairs or business or on the principal's behalf, or for obtaining or having obtained, or aiding or having aided to obtain for any person an agency or contract for or with the principal, shall be guilty of an indictable offence."

5. Commerce (Trade Descriptions) Act 1905 (No. 16 of 1905).—"An Act relating to Commerce with other Countries," assented to on the 8th December, 1905, and brought into operation by proclamation on the 8th June, 1906, 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.

6. Australian Industries Preservation Act 1906 (No. 9 of 1906).—"An Act for the Preservation of Australian Industries and for the Repression of Destructive Monopolies," assented to 24th September, 1906, provides that any person or any corporation making or engaging or continuing in any combination "with intent to restrain trade or commerce to the detriment of the public or with intent to destroy or injure by means of unfair competition any Australian industry the preservation of which is advantageous to the Commonwealth, having due regard to the interests of producers, workers, or consumers," or any person or corporation monopolising or attempting or conspiring to monopolise any part of the trade of the Commonwealth with intent to control, to the detriment of the public, the supply or price of any service, merchandise, or commodity, is guilty of an offence. (Amended, see Acts No. 5 of 1908 and No. 26 of 1909-1910.)

7. Customs Tariff 1906 (No. 14 of 1906).—"An Act relating to Duties of Customs" amended the Customs Tariff of 1902 in relation to the duties on harvesters and agricultural implements and machinery and prescribed the prices which were not to be exceeded of Australian harvesters and drills delivered to the purchaser at the railway station or port nearest to the factory where they are made. [Repealed by Customs Tariff Act 1908 (No. 7 of 1908).]

8. Customs Tariff (South African Preference) 1906 (No. 17 of 1906).—"An Act relating to Preferential Duties of Customs on certain goods the produce or manufacture of the British Colonies or Protectorates in South Africa which are included within the South African Customs Union," assented to 12th October, 1906, to operate from 1st October, 1906, provides for special preferential rates of duty on certain goods imported from and being the produce of any of the Colonies or Protectorates included within the South African Customs Union.

9. Australian Industries Preservation Act 1907 (No. 5 of 1908).—"An Act to amend the Australian Industries Preservation Act 1907," assented to 14th April, 1908, provides additional machinery for procuring evidence of offences against the principal Act.

10. Customs Tariff 1908 (No. 7 of 1908).—"An Act relating to Duties of Customs," assented to 3rd June, 1908, repeals Section 5 of the Customs Tariff 1902 (No. 14 of 1902) and the schedule of that Act and the whole of the Customs Tariff 1906 (No. 14 of 1906) as from 8th August, 1907, and imposes new rates of Customs Duties. This Act provides preference rates of customs duties on certain "goods the produce or manufacture of the United Kingdom."

11. Customs Tariff Amendment Act 1908 (No. 13 of 1908).—"An Act to amend the Tariff Act of 1908," assented to 10th June, 1908. The purpose of this Act is merely to remove possible doubt as to the intention of the original Acts.

12. Australian Industries Preservation Act 1909 (No. 26 of 1909).—"An Act to amend the Australian Industries Preservation Acts 1906-1907" formally repeals Sections 5 and 8 of the parent Act, which were declared by the High Court to be *ultra vires*; also provides that, in relation to trade and commerce with other countries or among the States, the payment of rebates, or the refusal to sell, "either absolutely or except upon disadvantageous conditions," with the purpose of promoting exclusive dealing, shall be an offence.

13. **Customs (Interstate Accounts) Act 1910 (No. 9 of 1910).**—Repeals Sections 272 and 273 of the Customs Act 1901. These sections relate to the passing of dutiable goods from one State to another State of the Commonwealth, and their repeal was consequent on the termination of the book-keeping system of accounts between the Commonwealth Government and the Governments of the States, in favour of a system of payments based on population.

14. **Australian Industries Preservation Act 1910 (No. 29 of 1910).**—"An Act to amend the Australian Industries Preservation Act 1906-1909." This Act removes from the principal Act the obligation to prove *intent* to restrain trade and detriment to the public.

15. **Customs Act 1910 (No. 36 of 1910).**—"An Act to amend the Customs Act 1901" gives the Customs control of all goods for export, the exportation of which is subject to compliance with any condition or restriction under any Act or regulation, extends the machinery provisions for the prevention of the importation or exportation of goods which are prohibited imports or exports respectively, amends the provisions for the payment of duty under protest, gives the Governor-General power to prescribe the nature, size, and material of the coverings for packages, and the maximum or minimum weight or quantity to be contained in any one package of goods imported or exported, or transported coastwise from one State to another; the condition of preparation or manufacture for export of any articles used for, or in the manufacture of, food or drink by man; the conditions as to purity, soundness, and freedom from disease to be conformed to by the goods for export.

16. **Customs Tariff 1910 (No. 39 of 1910).**—"An Act relating to Duties of Customs," amends the Customs Tariff of 1908 by more explicit definition of certain tariff items, and by alteration of some rates of duty.

17. **Customs Tariff 1911 (No. 19 of 1911).**—"An Act relating to Duties of Customs," amends the Customs Tariff 1908-10 by alteration of some rates of duty.

18. **Interstate Commission Act 1912 (No. 33 of 1912).**—In accordance with the provisions of the Commonwealth Constitution Act—Sections 101 to 104 (see page 31 *ante*)—an Act relating to the Interstate Commission was assented to on the 24th December, 1912. This Act provides for the appointment of the Commission, and cognate matters.

19. **Trading with the Enemy Act 1914 (No. 9 of 1914).**—"An Act relating to the control of trade during the war with Germany and Austria-Hungary." This Act was amended by Act No. 17 of 1914.

20. **Customs Act 1914 (No. 19 of 1914).**—Amends the Customs Act 1901-10 by extending the powers of the Governor-General to prohibit the exportation of goods in time of war.

21. **The Income Tax Assessment Act 1915 (No. 34 of 1915) and Amendment thereto (No. 47 of 1915).**—Provide that "In the case of a person selling goods in Australia on account of a person not resident in Australia, or on account of a company not registered in Australia, the principal shall be deemed to have derived from such sale a taxable income equal to five pounds per cent. upon the price at which the goods were sold. The person selling the goods shall be assessable on the taxable income as the agent for the principal, and shall be personally liable for the payment of the tax to the extent of the tax payable on goods sold by him after the 30th June, 1915. Goods shall be deemed to

be sold in Australia on account of a person not resident in Australia, if any person in Australia receives a commission in respect of the sale of the goods or is paid a salary for obtaining orders for or for influencing the sale of the goods."

22. Customs Tariff Validation Act (No. 6 of 1917).—"An Act to provide for the validation of—(1) Collections of Customs duties under tariff proposals introduced into the House of Representatives on the 3rd December, 1914; (2) the remission of Customs duty on wheat as from the 12th December, 1914; (3) the remission of Customs duty on oats as from the 27th February, 1915; and (4) the restoration of the Customs duties on wheat and oats from the 12th November, 1915."

23. Apple Bounty Act (No. 21 of 1918).—This Act appropriates from the Consolidated Revenue Fund the sum of £12,000, for the payment, to the grower, of a bounty of 17d. per pound upon the export of apples grown and evaporated in Australia under certain prescribed conditions, and sold to the Imperial Government for delivery between the 1st April and 31st August, 1918.

§ 3. Regulation of Trade during the War.

1. Authority for.—By the Customs Act 1901-1910 it is enacted that the Governor-General may, by proclamation, prohibit the exportation or transfer from any State to any other State of the Commonwealth of any goods, being arms, explosives, military stores or naval stores, or being goods which, in his opinion, are capable of being used as or in the manufacture of arms, explosives, military stores, or for any purpose of war; and, by the Defence Act 1903-1912, it is enacted that the Governor-General may, subject to the provisions of that Act, do all things deemed by him to be desirable for the efficient defence and protection of the Commonwealth or of any State.

By virtue of the above, proclamations prohibiting or controlling exports from the Commonwealth have been issued from time to time as circumstances appeared to warrant.

2. Luxuries Board.—With a view to restricting unnecessary private expenditure and so increasing the ability of the people to contribute to war loans, a Luxuries Board was appointed under the War Precautions (Luxuries Restriction) Regulations 1917 (Gazette, 29th May, 1917). The Board consisted of two representatives of the Chamber of Manufactures and two representatives of the Chambers of Commerce, with Mr. Nicholas C. Lockyer as chairman.

By proclamation in the Gazette of 10th August, 1917, the importation of the following goods into the Commonwealth was prohibited except with the consent in writing of the Minister of State for Trade and Customs:—Ale and other beer, porter, cider and perry (spirituous, in bulk or in bottle), potable spirits, perfumed spirits and bay rum, biscuits, confectionery, eggs (in shell or otherwise), fur apparel, perfumery, jewellery, imitation jewellery, and imitation precious stones, bodies for motor vehicles, whether imported separately or forming part of a complete vehicle.

3. Commonwealth Board of Trade.—In April, 1918 (Gazette 26th April, 1918), the Commonwealth Board of Trade was constituted with the following personnel:—President, the Hon. J. A. Jensen, M.P., Minister of State for Trade and Customs; Senator the Hon. E. J. Russell, Honorary Minister; the Hon. W. Massy Greene, M.P., Honorary Minister; Mr. H. A. Brookes (representing the Associated Chambers of Manufactures) and Mr. J. A. M. Elder (representing the Associated Chambers of Commerce).

The functions of the Board are to investigate and report upon all matters referred to it by the Minister, and generally to consider and advise the Government upon all matters affecting the Trade and Industry of the Commonwealth.

§ 4. Method of Recording Imports and Exports.

1. **Value of Imports.**—The recorded value of goods imported from countries beyond the Commonwealth 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 the fair market value in the principal markets of the country whence the goods were exported, the increase being intended to represent roughly the insurance, freight and other charges to the place of landing.

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 in respect of products affected by the policy of price-fixing arising from the war.

3. **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 were not on uniform lines admitting of the preparation of a record for 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. Up to this date goods arriving in any Australian port for transshipment to a port in another Australian State were recorded at the latter port only, where they were ordinarily recorded as from the transshipping State, and not as an import from the oversea country.

In recording exports an analogous defect also existed in most of the States, since goods despatched from one Australian State for transshipment in another State to an oversea country were simply recorded in the former as an export to the transshipping State; thus no proper record of the export oversea was made. Owing to this defect the oversea trade prior to September 1903 is understated by an amount which it is impossible to estimate accurately, since it varies with the development of the shipping facilities of the States concerned. To discover the direction of the transhipped trade is not possible. The figures presented in the tables hereinafter are therefore the values as recorded, and must be taken as subject to the defects explained.

4. **Vessels (Ships) Imported and Exported.**—The imports or exports of vessels were not recorded prior to the year 1905. The value of vessels imported during each of the years 1905 to 1916-17 were as follows:—1905, £265,957; 1906, £366,300; 1907, £680,700; 1908, £700,500; 1909, £757,100; 1910, £711,850; 1911, £340,045; 1912, £1,257,655; 1913, £1,662,300;† 1914-15, £340,530; 1915-16, £485,141; 1916-17, £2,278,243. The exports during the same years were:—1905, £79,975; 1906, £51,365; 1907, £90,201; 1908, £82,355; 1909, £38,600; 1910, £72,000; 1911, £17,605; 1912, £66,800; 1913, £418,220; 1914-15, £129,950; 1915-16, £289,000; 1916-17, £124,156.

* Although cost of freight and insurance has risen materially in consequence of the war, no further addition has been made to the value of imports, and cognisance should be taken of this fact in regard to imports during 1914-15 and subsequent years referred to throughout this section.

† Exclusive of warships, £2,495,000.

5. **Ships' Stores.**—Prior to 1906 goods shipped in Australian ports on board oversea ships 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. The value of ships' stores during 1906 amounted to £875,966 (of which bunker coal represented £575,471, or 65.7 per cent.), during 1907 to £998,897 (bunker coal representing £668,724, or 66.45 per cent.), during 1908 to £1,196,106 (bunker coal £867,707, or 72.55 per cent.), during 1909 to £1,071,677 (bunker coal £781,113, or 72.90 per cent.), during 1910 to £1,080,133 (bunker coal £740,567, or 68.57 per cent.), during 1911 to £1,238,446 (bunker coal £858,783, or 69.35 per cent.), during 1912 to £1,431,985 (bunker coal £1,008,259, or 70.41 per cent.), during 1913 to £1,458,702 (bunker coal £1,018,595, or 69.82 per cent.) during 1914-15 to £1,587,757 (bunker coal £829,875, or 52.26 per cent.), during 1915-16, to £1,544,872 (bunker coal £719,510, or 46.57 per cent.), and during 1916-17, to £1,676,116 (bunker coal, £748,852, or 44.68 per cent.).

§ 5. Oversea Trade.

1. **Total Oversea Trade.**—The following table shews the total trade of the Commonwealth with oversea countries from the earliest date for which records are available. In consequence of the defects of record, referred to in the preceding section, the results can be only approximate to the actual figures. The very marked rise and sudden fall in the value of imports during the period 1837 to 1842 were contemporaneous with heavy land speculation and a subsequent severe financial crisis. The great increase of trade in the early fifties was due to the discovery of gold. In the State of Victoria the value of imports from oversea countries increased from £500,000 in 1851 to nearly £11,000,000 in 1853, and to £13,000,000 in 1854; while in New South Wales similar imports rose from £1,390,000 in 1851 to £5,500,000 in 1854, when the total imports into the Commonwealth reached the sum of £34 13s. 10d. per head, and the total trade £56 3s. 10d. per head of the population. The rapid influx of persons anxious to share the good fortunes of these times, however, soon reduced the value of the trade per head, till, in 1858, it had declined to £31 19s. 6d. per head. The period 1867-1872 showed a marked reduction in the value of trade per head. For some years prior to this period New South Wales had experienced a succession of indifferent seasons, and Victoria was suffering from a congested labour market consequent on the decline of alluvial gold-mining in that State. This congestion of the labour market during the years 1862 to 1866 gave rise to the agitation for a protective tariff to provide employment in manufactures, and in April 1866, the Tariff Act, which expressed the protective policy thenceforward adhered to in Victoria, was assented to.

OVERSEA TRADE OF THE COMMONWEALTH, 1826 to 1916-17.

Period.	Recorded Value.			Value per Inhabitant.*			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	688	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

* Reckoned on mean population of the year.

OVERSEA TRADE OF COMMONWEALTH, 1826 TO 1916-17.—Continued.

Year.	Recorded Value.			Value per Inhabitant.*			Percentage of Exports on Imports.
	Imports.	Exports.	Total.	Imports.	Exports.	Total.	
	£,1000.	£1,000.	£1,000.	£ s. d.	£ s. d.	£ s. d.	%
1861	17,651	17,413	35,064	15 5 2	15 1 1	30 6 3	98.7
1862	20,599	18,065	38,664	17 7 1	15 4 5	32 11 6	87.7
1863	21,248	19,336	40,584	17 4 7	15 13 7	32 18 2	91.0
1864	20,503	18,977	39,480	15 17 4	14 13 6	30 10 10	92.6
1865	20,660	19,706	40,366	15 4 4	14 10 4	29 14 8	95.4
1866	21,311	18,972	40,283	15 0 10	13 7 10	28 8 8	89.0
1867	15,964	18,384	34,348	10 18 1	12 11 2	23 9 3	115.2
1868	18,436	21,650	40,086	12 3 11	14 6 6	26 10 5	117.4
1869	19,910	20,066	39,976	12 14 4	12 16 4	25 10 8	103.8
1870	17,833	18,012	35,845	11 0 2	11 2 5	22 2 7	101.0
1871	17,017	21,725	38,742	10 3 3	12 19 6	23 2 9	127.7
1872	18,833	22,518	41,351	10 18 9	13 1 7	24 0 4	119.6
1873	24,567	26,370	50,937	13 17 10	14 18 2	28 16 0	107.4
1874	24,554	25,646	50,200	13 9 9	14 1 8	27 11 5	104.5
1875	24,939	24,978	49,917	13 6 2	13 6 7	26 12 9	100.1
1876	23,963	23,540	47,503	12 8 7	12 4 2	24 12 9	98.2
1877	25,797	23,107	48,904	12 18 8	11 11 8	24 10 4	89.6
1878	26,181	23,773	49,954	12 14 0	11 10 8	24 4 8	90.8
1879	24,233	21,184	45,417	11 7 10	9 19 2	21 7 0	87.4
1880	22,939	27,255	50,194	10 8 10	12 8 1	22 16 11	118.8
1881	29,067	27,528	56,595	12 16 2	12 2 8	24 18 10	94.7
1882	36,103	27,313	63,416	15 7 7	11 12 9	27 0 4	75.6
1883	35,454	30,058	65,512	14 9 9	12 5 8	26 15 5	84.8
1884	36,988	28,708	65,696	14 9 6	11 4 8	25 14 2	77.6
1885	36,862	26,667	63,529	13 18 2	10 1 3	23 19 5	72.3
1886	34,179	21,700	55,879	12 9 4	7 18 4	20 7 8	63.5
1887	29,572	23,421	52,993	10 8 8	8 5 3	18 13 11	79.2
1888	36,881	28,900	65,781	12 11 7	9 17 2	22 8 9	78.4
1889	37,577	29,553	67,130	12 8 8	9 15 7	22 4 3	78.6
1890	35,168	29,321	64,489	11 6 4	9 8 9	20 15 1	83.4
1891	37,711	36,043	73,754	11 16 0	11 5 6	23 1 6	95.6
1892	30,107	33,370	63,477	9 4 0	10 3 10	19 7 10	110.8
1893	23,765	33,225	56,990	7 2 7	9 19 4	17 1 11	139.8
1894	21,897	32,131	54,028	6 9 0	9 9 4	15 18 4	146.7
1895	23,195	33,644	56,839	6 14 1	9 14 6	16 8 7	145.0
1896	29,658	32,964	62,622	8 8 5	9 7 2	17 15 7	111.1
1897	31,958	37,783	69,741	8 18 3	10 10 9	19 9 0	118.2
1898	31,481	40,165	71,646	8 12 11	11 0 7	19 13 6	127.6
1899	34,330	48,599	82,929	9 6 0	13 3 5	22 9 5	141.6
1900	41,388	45,957	87,345	11 1 3	12 5 9	23 7 0	111.0
1901	42,434	49,696	92,130	11 3 11	13 2 2	24 6 1	117.1
1902	40,676	43,915	84,591	10 11 4	11 8 3	21 19 7	108.0
1903	37,811	48,250	86,061	9 14 3	12 7 10	22 2 1	127.6
1904	37,021	57,486	94,507	9 7 9	14 11 7	23 19 4	155.3
1905	38,347	56,841	95,188	9 11 9	14 4 1	23 15 10	148.2
1906	44,745	69,738	114,483	11 0 4	17 3 6	28 3 10	155.9
1907	51,809	72,824	124,633	12 11 3	17 13 2	30 4 5	140.6
1908	49,799	64,311	114,110	11 17 5	15 6 8	27 4 1	129.1
1909	51,172	65,319	116,491	11 19 5	15 5 7	27 5 0	127.6
1910	60,014	74,491	134,505	13 14 8	17 0 10	30 15 6	124.1
1911	66,968	79,482	146,450	14 18 3	17 14 0	32 12 3	118.7
1912	78,159	79,096	157,255	16 16 7	17 0 7	33 17 2	101.2
1913	79,749	78,572	158,321	16 12 0	16 7 2	32 19 2	98.5
First Six Months 1914	39,777	37,930	77,707	8 2 7	7 15 0	15 17 7	95.4
1914-15	64,432	60,593	125,025	13 0 10	12 5 3	25 6 1	94.0
1915-16	77,521	74,778	152,299	15 14 5	15 3 3	30 17 8	96.4
1916-17	76,229	97,955	174,184	15 12 7	20 1 10	35 14 5	128.5

* Reckoned on mean population of the year.

The graphs illustrating the movement of the oversea trade of Australia (see pages 571 and 572) shew 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.

The year 1892 marked the beginning of a period of acute financial stress, culminating in the commercial crisis of 1893. The collapse of these years is plainly reflected in the trade records of that period, the trade of 1894 falling to £54,028,227, a decline of no less than 26.75 per cent. in three years. In 1895 there was a slight recovery, and a continuous upward movement until 1901, when the trade reached £92,130,183, or £24 6s. 1d. per head. A decline, due to drought, in the exports of agricultural, pastoral, and dairy produce, reduced the trade of 1902 to £84,591,037, but although in the next year there was a further shrinkage in the exports of agricultural produce, the increase in the value of the exports of metals, specie, butter, and wool was so large as to effect an increase in the total trade. From 1902 the increase in the value of trade continued, till in 1907 it reached the amount of £124,633,280, equal to £30 4s. 5d. per inhabitant.

The imports during 1907 were, doubtless, to some extent inflated by the importation of goods in anticipation of the tariff revision of that year. The trade of 1908 shews a decline of £10,523,000 as compared with 1907, of which £8,513,000 was in the value of exports, notwithstanding an increase of £3,447,767 in the export of gold and specie. This decline in the value of exports was largely due to reduced prices ruling for wool and metals in consequence of the financial crisis in the United States during the previous year, and in lesser degree to the smaller exports of agricultural and pastoral produce, due to the unfavourable season experienced in some of the States.

The trade of 1909 per head of population was slightly more than in 1908, notwithstanding that the gold exports were less by £5,193,587. In 1910 the value of imports per head was higher than in any year since 1885, and the value of exports was—excepting in the years 1906 and 1907—the highest since 1857. The high value of exports is particularly striking when considered in conjunction with the exceptionally small exports of gold. The exports of gold, already much reduced in 1909 as compared with 1908, were in 1910 still further reduced by £4,264,368 to £4,108,783, the smallest recorded since 1892. During 1911 the exports of gold bullion and specie again increased to £11,540,782. The continued increase in the value of imports during 1912 and 1913, while the value of exports remained stationary, is referred to on the next page.

The trade of 1914-15, was, of course, materially affected by the war. Of the £18,000,000 decrease in the value of exports during 1914-15 as compared with 1913, about £13,500,000 was mainly due to the dry season throughout the Commonwealth. From this cause the exports of wheat and flour were reduced by about £3,500,000, and of butter by £1,000,000. The reduction by £4,000,000 of the exports of wool was the joint result of the war and the drought, for although the clip was much reduced by the latter cause, the dislocation of the sales by the war was responsible for a considerable quantity being held over for shipment till the next year. The influence of the war in restricting exports was most pronounced with regard to metals and coal, which, together, were nearly £6,000,000 below 1913, while skins and tallow declined by £2,500,000. On the other hand, the war was responsible for *increased* exports of meats, leather, and horses, amounting to over £4,500,000.

The increased value of the trade of 1915-16 over that of the previous year was due mainly to deferred shipments and to increased prices. The vagaries of the seasons, too, led to a large increase in both imports and exports during this year, inasmuch as the failure of the 1914-15 crops necessitated large imports of grain in the earlier part of the trade year, whereas in the latter part of the same year large exports were provided from the bountiful harvest of 1915-16. The exports of meat were much diminished by the unfavourable weather conditions of the previous season.

Notwithstanding that large quantities of wheat already sold to the Imperial Government could not be sent away because of the shortage of shipping tonnage, the value of exports was much greater than for any previous year. This result, however, was due to increased prices. On the basis of uniform prices, the value of exports during 1916-17 would have been much below that of the years immediately preceding the war.

The variations in the composition of the trade will be seen from the tables in § 8 following.

2. **Alteration of Trade Year.**—The desirability had long been felt of bringing the trade year into conformity with the seasons for the export of agricultural and pastoral products, but a disinclination to break the continuity of records had, hitherto, prevented the change. As it was obvious that trade itself, and not merely the records, would be seriously disturbed by the war, the time appeared to be peculiarly opportune for making the alteration. The trade returns were, therefore, closed as on the 30th June, 1914, and the new year started from the 1st July. The year 1914-15 thus includes nearly eleven months under war conditions.

3. **Ratio between Exports and Imports.**—The foregoing table shews the percentage of exports on imports for each year.† From this it will be seen that, with few exceptions, due to temporary dislocations of trade, prior to 1892 the balance of trade has been on the side of imports, but from 1891 to 1912 the reverse has been the case. The excess of imports in the earlier years represents the introduction of capital in the form of Government loans and 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 also freight on trade, which is 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 change in the balance of trade, which is in the direction of that of twenty years ago, is a striking feature of the trade returns for 1912. The decline in the ratio of exports to imports has been due, mainly, to loans raised in London by the Governments of the various States of the Commonwealth. The proceeds of these loans, of course, swell the import returns, but, as no immediate payment beyond an instalment of interest has to be made in return, the export figures are affected to a very minor degree, until such time as the principal of the debt is repaid. The larger number of immigrants had, also, to some extent affected the balance of trade by the introduction of capital. The following table presents the balance of trade of the Commonwealth as shewn by the records of imports and exports for each year from 1902, and, also, the modification of these figures as affected by loans raised in London by the Governments of the States and the Commonwealth:—

EFFECT OF LOANS ON THE RECORDED BALANCE OF TRADE, 1902-17.

Year.	Excess of Exports as Recorded.		Net Amount of Debt Raised or Redeemed(—) in London.	Excess of Exports Modified by Elimination of 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	*	*	1,847	*
1914-15	3,839	119	19,301	15,462	187
1915-16	2,743	85	24,912	22,169	269
1916-17	21,726	670	22,961	44,687	541

* 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.

† For individual years 1826 to 1860 see Official Year Book, No. 7, and previous issues.

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. In regard to the importation of private capital, it may not be without significance that the tariff of 1908 was followed by a pronounced diminution in the excess of exports, the suggestion being that industrial enterprise had been augmented by imported capital in consequence of the increased protection to local industries.

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

BALANCE OF TRADE AND PUBLIC DEBT, 1867-1917.

Period.	Annual Average.					
	Imports.	Exports.	Recorded Excess of		New Debt.	Excess of Exports modified by elimination of 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	16.6
1912-1915-16 (4½ years)	75.5	73.5	2.0	...	19.0	17.0
1916-1917 ...	76.2	97.9	...	21.7	23.0	44.7

* Subsequent to 1897 these figures relate to moneys raised outside of Australia only. Prior to 1893 the amounts raised locally were insignificant, but it is probable that the amount of new debt raised during 1892-5 is somewhat overstated. Loans raised by Local Government Bodies are not included.

The maintenance of military forces abroad and the financial arrangements in connection with the war generally, have obscured the balance of trade for the last period shewn in the table, but it is evident from the 1916-17 figures that abnormal obligations have been dealt with.

It would appear, however, that immediately prior to the war, a sum of about 16 million pounds was required annually to meet the "invisible" obligations of the Commonwealth.

§ 6. Direction of Trade.

1. **Country of Shipment and Country of Origin.**—The following table shews, for the years 1908 and 1916-17, the value of imports recorded as direct from the principal countries, and also the disposition of the value of imports against the countries where they were produced or manufactured. A similar comparison for the years 1905 to 1915-16 will be found in the previous issue of this work.

COMMONWEALTH IMPORTS FROM COUNTRIES OF SHIPMENT AND COUNTRIES OF ORIGIN, 1908 and 1916-17.

Country.	Imports according to—							
	Country of Shipment.				Country of Origin.			
	1908.		1916-17.		1908.		1916-17.	
	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.
	£		£		£		£	
United Kingdom ...	29,930,157	60.10	39,996,204	52.47	25,274,661	50.75	36,253,864	47.56
BRITISH POSSESSIONS—								
Canada ...	321,041	0.64	1,599,951	2.10	532,752	1.07	1,408,091	1.85
Ceylon ...	683,813	1.37	1,285,294	1.69	681,950	1.37	1,191,248	1.56
Hong Kong ...	247,689	0.50	395,096	0.52	7,321	0.01	11,310	0.02
India ...	1,630,246	3.28	3,810,287	5.00	1,658,140	3.33	3,896,463	5.11
New Zealand ...	2,276,597	4.57	2,177,466	2.86	2,196,433	4.41	1,985,776	2.61
Straits Settlements	384,567	0.77	864,358	1.13	158,603	0.32	201,132	0.26
Other British Possessions	845,671	1.70	2,086,102	2.73	994,755	2.00	2,312,578	3.03
Total British Possessions	6,389,624	12.83	12,218,554	16.03	6,229,954	12.51	11,006,598	14.44
Total British Countries	36,319,781	72.93	52,214,758	68.50	31,504,615	63.26	47,260,462	62.00
FOREIGN COUNTRIES—								
Austria-Hungary*	16,947	0.03	86	0.00	265,345	0.53	1,370	0.00
Belgium ...	970,187	1.95	18,159	0.02	636,450	1.28	58,001	0.08
China ...	69,362	0.14	178,734	0.23	315,887	0.63	580,920	0.76
France ...	479,642	0.97	159,019	0.21	1,775,389	3.56	1,492,553	1.96
Germany*	3,509,120	7.05	47,675	0.07	4,482,394	9.00	97,512	0.13
Japan ...	543,789	1.09	3,382,828	4.44	574,906	1.15	3,373,684	4.43
Netherlands ...	173,528	0.35	42,452	0.06	311,832	0.63	334,496	0.44
Norway ...	314,685	0.63	959,302	1.26	420,470	0.85	1,049,913	1.37
Spain ...	12,131	0.02	6,492	0.01	108,104	0.22	95,707	0.12
Sweden ...	206,614	0.41	743,609	0.97	348,666	0.70	705,796	0.92
Switzerland ...	38,498	0.08	123,237	0.16	754,110	1.51	1,423,790	1.87
United States ...	6,039,753	12.13	15,528,311	20.37	6,581,846	13.22	15,876,010	20.83
Other Foreign Countries	1,105,236	2.22	2,824,017	3.70	1,719,259	3.46	3,878,465	5.09
Total Foreign Countries	13,479,492	27.07	24,013,921	31.50	18,294,658	36.74	28,968,217	38.00
Total Imports from all Countries	49,799,273	100	76,228,679	100	49,799,273	100	76,228,679	100

* The imports shewn as from enemy countries during 1916-17 were on board German ships interned in South Africa and elsewhere and were subsequently forwarded to Australia. (See also page 600.)

The only country from which the value of direct imports exceeds by any large amount the value of the imports of goods which were manufactured or produced therein, that is to say, the only country which shews a balance of any magnitude as a distributor of the goods of other countries to Australia, is the United Kingdom. The records of imports therefrom during the year 1916-17 shew that while the total direct imports from that country amounted to £39,996,204, the value of the manufactures or produce of the United Kingdom itself, imported from all countries whatsoever during the same year, was £36,253,864. From the foregoing figures it appears that goods to the value of at least £3,742,340 were received from other countries through the United Kingdom.

Other countries which prior to the war shewed balances as distributors to Australia, though absolutely of much less amount, were Belgium, Canada, Hong Kong, New Zealand, Straits Settlements, and Ceylon. The countries mentioned were, of course, not the only countries through which goods were indirectly imported into Australia, for the direct imports from other countries included considerable values which were not the produce of those countries. Prior to the war large quantities of goods not manufactured in France or Germany were shipped to Australia from those countries. Such transactions, were, however, more than balanced by French and German goods received through the United Kingdom and other countries.

2. *Direct Imports according to Country of Shipment.*—The following table shews the average yearly value of imports from each of the principal countries during each succeeding quinquennial period from 1894 to 1913, and for the year 1916-17. The countries mentioned in this table are those in which the goods were shipped or whence they were directly consigned to Australia.

IMPORTS INTO THE COMMONWEALTH FROM VARIOUS COUNTRIES, 1894 to 1916-17.

Country.	Yearly Average of Quinquennial Periods.				Year 1916-17.
	1894-8.	1899-1903.	1904-8.	1909-13.	
	£	£	£	£	£
United Kingdom ...	18,957,688	23,107,178	26,789,801	40,171,599	39,996,204
British Possessions—					
Canada ...	145,655	285,312	292,801	857,133	1,599,951
Ceylon ...	292,653	481,627	679,572	816,220	1,285,294
Fiji ...	110,167	91,918	89,425	389,276	1,112,446
Hong Kong ...	374,974	299,872	279,030	297,127	395,096
India ...	655,090	998,326	1,563,604	2,350,599	3,810,287
Mauritius ...	225,459	156,485	51,239	69,533	255
New Zealand ...	1,030,079	2,096,004	2,441,722	2,647,942	2,177,466
Papua ...	25,010	67,655	63,746	80,179	100,008
Union of South Africa ...	3,944	5,626	50,232	137,911	279,833
Straits Settlements	184,628	234,001	270,550	625,079	864,358
Other British Possessions	8,548	49,334	168,318	298,640	593,560
Total British Possessions ...	3,056,207	4,766,160	5,950,239	8,569,639	12,218,554
Total British Countries ...	22,013,895	27,873,338	32,740,040	48,741,238	52,214,758
Foreign Countries—					
Belgium ...	264,743	428,305	815,228	1,724,846	18,159
Bismarck Archipelago, Hawaiian Islands, New Caledonia, New Hebrides and other South Sea Islands ...	114,816	149,889	167,665	230,838	319,031
Chile and Peru...	3,894	32,956	22,611	47,818	254,757
China ...	271,799	249,940	70,887	83,628	178,734
France ...	324,368	504,558	455,301	545,071	159,019
Germany ...	1,423,498	2,521,486	3,112,897	4,329,681	47,675
Italy ...	93,774	157,502	197,464	343,894	363,709
Japan...	116,716	290,835	460,514	804,346	3,382,828
Java ...	310,423	648,729	314,745	848,213	1,290,994
Netherlands ...	18,548	59,576	133,191	234,650	42,452
Norway ...	*207,296	*425,664	312,357	599,801	959,302
Philippine Islands	22,807	84,660	79,056	113,156	142,731
Sweden ...	*	*	105,828	489,113	743,609
United States of America	2,368,737	5,342,307	5,124,191	7,643,641	15,528,311
Other Foreign Countries	84,253	553,542	232,183	432,463	582,610
Total Foreign Countries ...	5,625,672	11,449,949	11,604,118	18,471,159	24,013,921
Total ...	27,639,567	39,323,287	44,344,158	67,212,397	76,228,679

* Norway and Sweden combined in these years.

Expressing each item as percentage on the total of the imports, the following results are obtained :—

**COMMONWEALTH IMPORTS.—PERCENTAGES OF IMPORTS FROM EACH COUNTRY
ON THE TOTAL IMPORTS, 1894 to 1916-17.**

Country.	1894-8.	1899-1903.	1904-8.	1909-13.	1916-17.
	per cent.	per cent.	per cent.	per cent.	per cent.
United Kingdom	68.59	58.76	60.41	59.77	52.47
BRITISH POSSESSIONS—					
Canada	0.53	0.73	0.66	1.28	2.10
Ceylon	1.06	1.22	1.53	1.21	1.69
Fiji	0.40	0.23	0.20	0.58	1.46
Hong Kong	1.36	0.76	0.63	0.44	0.52
India	2.37	2.54	3.53	3.50	5.00
Mauritius	0.81	0.40	0.12	0.10	0.00
New Zealand	3.73	5.33	5.51	3.94	2.86
Papua	0.09	0.17	0.14	0.12	0.13
Union of South Africa	0.01	0.01	0.11	0.21	0.37
Straits Settlements	0.67	0.60	0.61	0.93	1.13
Other British Possessions	0.03	0.13	0.38	0.44	0.77
Total British Possessions	11.06	12.12	13.42	12.75	16.03
Total British Countries	79.65	70.88	73.83	72.52	68.50
FOREIGN COUNTRIES—					
Belgium	0.96	1.09	1.84	2.57	0.02
Bismarck Archipelago, Hawaiian Islands, New Caledonia, New Hebrides and other South Sea Islands	0.42	0.38	0.38	0.34	0.42
Chile and Peru	0.01	0.08	0.05	0.07	0.33
China	0.98	0.64	0.16	0.12	0.23
France	1.18	1.28	1.02	0.81	0.21
Germany	5.15	6.41	7.02	6.44	0.07
Italy	0.34	0.40	0.45	0.52	0.48
Japan	0.42	0.74	1.04	1.20	4.44
Java	1.12	1.65	0.71	1.26	1.69
Netherlands	0.07	0.15	0.30	0.35	0.06
Norway	0.75*	1.08*	0.70	0.89	1.26
Philippine Islands	0.08	0.22	0.18	0.17	0.19
Sweden	*	*	0.25	0.73	0.97
United States of America	8.57	13.59	11.55	11.37	20.37
Other Foreign Countries	0.30	1.41	0.52	0.64	0.76
Total Foreign Countries... ..	20.35	29.12	26.17	27.48	31.50
Total	100	100	100	100	100

* Norway and Sweden combined in these years.

3. Imports from the United Kingdom.—The foregoing tables shew that notwithstanding the smaller imports from the United Kingdom during 1916-17 as compared with the average of the quinquennial period immediately preceding the war, the figures were

more than double the average of the period 1894-8. It will be noticed, however, that the development of the import trade from the United Kingdom has not kept pace with the total trade, inasmuch as the *proportion* of imports shipped from the United Kingdom has, during the period under review, declined from 68.59 per cent. during the years 1894-8 to 52.47 per cent. for the year 1916-17. The apparent diversion of Australian trade from Great Britain is more fully dealt with in paragraph 12 of this section. The values of the principal imports of United Kingdom origin during the year 1916-17 are as follows :—

Ale and beer, £166,654 ; apparel and textiles—apparel, £2,733,095, textiles, £12,391,018 ; arms, ammunition and explosives, £451,187 ; books and periodicals, £199,694 ; brushware, £66,424 ; earthenware, etc., £247,730 ; clocks and watches, £13,766 ; cocoa and chocolate, £121,748 ; confectionery, £254,627 ; cordage, metal, £102,589 ; cordage, other, £153,502 ; cutlery, £232,360 ; drugs and chemicals—alkalies (soda), £122,783, fertilizers, £930, medicines, £204,731, other drugs and chemicals, £840,416 ; electrical and gas appliances, £250,771 ; electrical materials, £467,098 ; fancy goods, £112,065 ; fish, fresh and preserved, £140,046 ; furniture, £29,377 ; glass and glassware, £179,466 ; indiarubber and manufactures, £256,269 ; instruments, musical, £114,720 ; instruments, surgical and dental, £63,899 ; iron and steel—pig iron, £17,841, bar, hoop, ingot, etc., £597,420, scrap, £245, girders, beams, etc., £17,699, plate and sheet, galvanized or corrugated, £649,430, not galvanized or corrugated, £138,609, pipes and tubes, £450,403, rails, fishplates, etc., £24,086, tinned plates, plain, £1,137,303 ; wire, £44,410 ; wire netting, £15,532 ; jewellery and precious stones, £172,912 ; kinematographs and films, £51,495 ; leather and leather manufactures, £170,277 ; machines and machinery, £1,220,065 ; metals, manufactures of, £1,859,309 ; milk, preserved, £4050 ; oils (not essential), £115,649 ; paints and colours, £457,610 ; paper, £1,269,119 ; pickles, sauces, etc., £73,730 ; soap, £39,789 ; specie, £16,968 ; spirits, £1,349,845 ; stationery, £281,707 ; tobacco, £86,682 ; tools of trade, £249,972 ; varnishes, £58,009 ; vehicles—bicycles, etc., £130,143, motors, £96,463, other vehicles, £190,054 ; vessels (ships), £2,258,361 ; yarns, £1,061,423.

4. **Imports Shipped from British Possessions.**—The growth of the value of imports from other British possessions during the past twenty years has been such as to increase the proportion to total imports from 11.06 per cent. in the years 1894-8 to 16.03 per cent. in 1916-17, the actual values being respectively £3,056,207 in the earlier period and £12,218,554 in 1916-17. Of the total imports from British possessions during 1915-16, 17.82 per cent., or 2.86 per cent. of all imports, was from New Zealand ; 31.18 per cent., or 5.00 per cent. of all imports, from India ; 13.09 per cent., or 2.10 per cent. of all imports, from Canada ; and 10.52 per cent., or 1.69 per cent. of all imports, from Ceylon. The imports from Canada shew an increase of £441,118, or 38.07 per cent. over those of 1913, and an increase of £742,818, or 86.66 per cent., over the average of the period 1909-13.

5. **Principal Imports, the Produce of British Possessions, 1916-17.**—These are as follows :—

(i.) *Canada.* Apparel and textiles—corsets, £52,942, other, £33,504, boots and shoes, £10,912 ; carbide of calcium, £13,717 ; fish, £123,857 ; fruit—apples, £18,499 ; furniture, £273 ; indiarubber and manufactures, £39,227 ; agricultural implements and machinery, £245,310 ; other machines and machinery, £12,665 ; metal manufactures, £134,343 ; paper, £302,380 ; timber, £14,557 ; motor chassis, £203,201, motor bodies, £34,647, other vehicles, £58,404.

(ii.) *Ceylon.* Coir fibre, £3529 ; nuts, £41,441 ; rubber and manufactures, £99,643 ; tea, £1,010,545. The large increase in the imports from Ceylon—from an average of £292,653 per year during the years 1894-8, to £1,285,294 in 1916-17—is due to the displacement of China teas in the Australian markets by those of India and Ceylon. Of

the total imports of tea during the year 1916-17, 57.80 per cent. was the produce of Ceylon.

(iii.) *Fiji*. Bananas, £198,323; copra, £43,619; sugar—produce of cane, £830,704; molasses, £16,345.

(iv.) *India*. Bags and sacks, £2,330,871; hessians, £416,298; cameos, precious stones, unset, £5875; carpets, mats, etc., £29,060; coffee and chicory, £53,686; cotton, raw, £2205; other unmanufactured fibres, £26,426; dyes, £1242; grain—beans and peas, £5171; iron, pig, £74,013; linseed, £162,268; oils—castor, £15,746, linseed, £8597; rice, £162,404; shellac, £5316; skins and hides, £106,018; spices, £19,553; tea, £264,591; timber, £6618; wax, paraffin, £42,266; yarns, £20,005.

(v.) *New Zealand*. Apparel and textiles, £16,461; animals—horses, £15,142, sheep, £21,086; beans and peas, £7950; butter, £35,004; cement, £8699; cheese, £3020; coal, £27,726; flax and hemp fibre, £203,332; fish, £39,168; gold, bullion and ore, £203,435; implements and machinery (agricultural), £3300; machines and machinery, £7573; meats, £37,710; milk and cream, £14,122; potatoes, £226; seeds, £16,131; skins and hides, £166,944; timber, £537,683; twine, reaper and binder, £25,250; wool, £468,085.

(vi.) *Papua*. Copra, £15,650; fibres, flax and hemp, £11,283; gold bullion and ore, £27,459; ores, other than gold, £15,718; india rubber, £18,084.

(vii.) *Union of South Africa*. Bark, tanning, £48,575; explosives, £117,839; feathers, £6911; grain—maize, £2828; precious stones, £123,092; skins, £15,326; tobacco, etc., £4701.

(viii.) *Straits Settlements*. Canes and rattans, etc., unmanufactured, £9741; fodder—oil cake, £814; rubber and rubber manufactures, £50,714; spices, £41,410; sago and tapioca, £73,088.

6. Imports Shipped from Foreign Countries.—The imports direct from foreign countries during the year 1916-17 represented 31.50 per cent. of the total imports, as compared with 20.35 per cent. during the years 1894-8. Of the total imports into Australia shipped from foreign countries during 1916-17, 64.71 per cent.—20.37 per cent. of all imports—was from the United States. The small imports from Germany were, of course, due to the war, and consisted of goods in transit on board German ships on the outbreak of war, and of goods received from the captured German possessions in the Pacific.

7. Principal Imports the Produce of Foreign Countries, 1916-17.—(i.) *Austria-Hungary*. Apparel and textiles, £474; furniture, £150; chinaware, £375; glassware, £138; fancy goods, £38; jewellery and precious stones, £4; manufactures of metals, including machinery, £28; paper and stationery, £14; pipes, smoking, etc., £31.

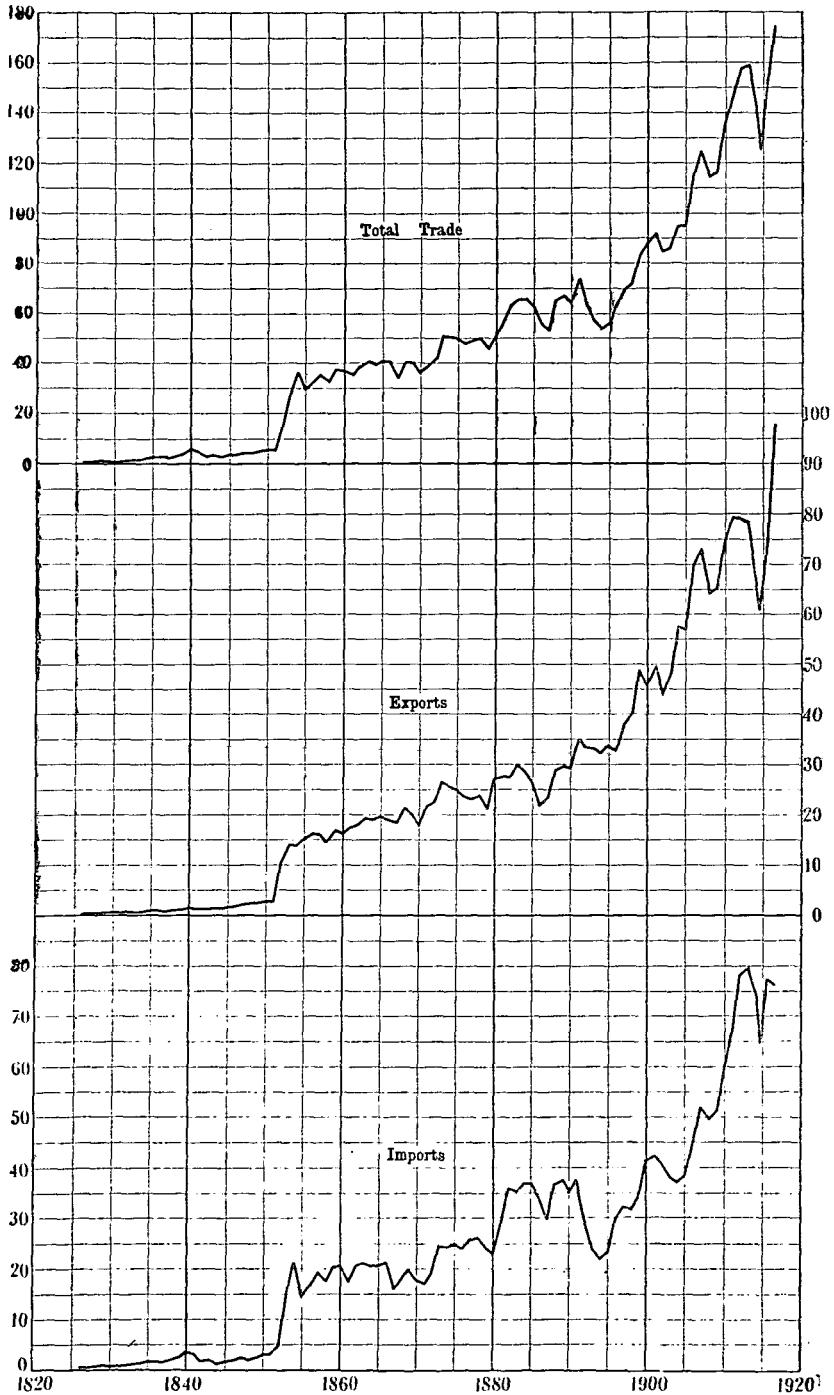
(ii.) *Belgium*. Apparel, £7305; textiles, £4428; cement, £172; drugs, chemicals, and fertilizers, £135; glass and glassware, £21,740; iron and steel—partly manufactured, £1683; plate and sheet, £602; machines and machinery, £2028; metal manufactures, £3494; motors and parts, £55; paper, £9262; zinc manufactures, £1295.

(iii.) *Brazil*. Coffee, £2265; india-rubber, £125,425.

(iv.) *Chile*. Soda nitrate, £107,931.

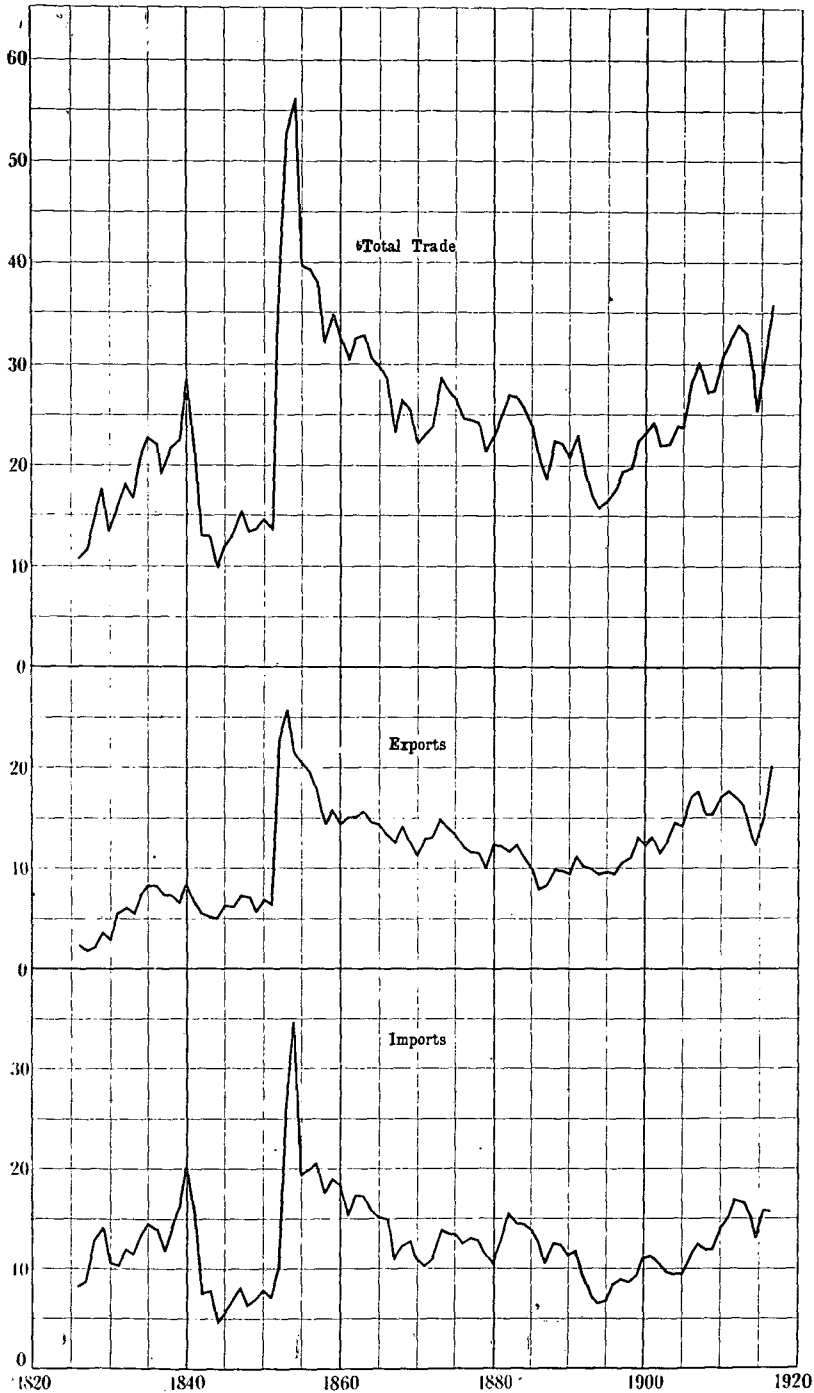
(v.) *China*. Apparel and textiles, £245,512; cotton, raw, £21,549; fish, £16,572; fruit, £15,959; ginger, £24,545; rice, £53,204; nuts, £40,809; oils, £16,363; tea, £50,420.

GRAPH SHEWING VALUES OF TOTAL TRADE, EXPORTS, AND IMPORTS OF
COMMONWEALTH, 1826 to 1916-17.



EXPLANATION OF GRAPH.—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.

GRAPH SHEWING THE VALUES PER HEAD OF POPULATION OF TOTAL TRADE, EXPORTS, AND IMPORTS OF COMMONWEALTH, 1826 to 1916-17.



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

The decline of the value of imports from China during the past twenty years is due to the loss of the tea trade, which now draws its supplies mainly from India and Ceylon.

(vi.) *Denmark*.—Ale and beer, £7586; cement, portland, £2976; matches, £2194.

(vii.) *France*. Apparel and textiles, £795,957; cream of tartar, £140,056; tartaric acid, £2741; other drugs and chemicals, £65,230; fruits, £1788; fancy goods, £33,471; gelatine, £5507; jewellery, £13,682; kinematographs, films, etc., £3718; pipes, smoking, etc., £40,928; motor vehicles and parts, £15,877; paper and stationery, £25,474; perfumery, £36,991; resin, £4729; rubber manufactures, £16,017; leather, £4211; machinery and manufactures of metal, £21,263; spirits, £162,655; tiles, £2316; wine, £42,606.

(viii.) *Germany*. Ale and beer, £122; apparel and textiles, £11,240; arms, ammunition, and explosives, £52; brushware, £232; cement, £625; chinaware, etc., £682; copper wire and cable, covered, £180; earthenware, £165; dyes, £143; fertilizers, £1177; other drugs, etc., £5000; fancy goods, £4073; furniture, £81; glass and glassware, £1689; indiarubber manufactures, £272; metals and manufactures of metals—iron and steel: bar, hoop, ingot, etc., £2179, plate and sheet, £759, pipes and tubes, £194, railway iron, £300, tools of trade, £320; wire, £1708; wire netting, £146; machines and machinery, £3273; lamps and lamp-ware, £1314; electrical and gas appliances, £1000; other manufactures of metals, £8306; jewellery, cameos, etc., £100; leather and leather manufactures (excluding boots and shoes), £18; musical instruments, £7382; paper, £1690; specie, £27,116; spirits, £597; stationery, £980; tobacco, £2147; paints and varnishes, £253; yarns, £224.

(ix.) *Italy*. Apparel and textiles, £302,326; flax and hemp, £24,229; fruits, £8193; matches and vestas, £3119; marble and stone, £19,057; oils—olive, £11,828, essential, £12,807; nuts, £11,178; sulphur, £116,151; motors and parts, £17,682; rubber manufactures, £29,414; cream of tartar, £13,837; tartaric acid, £13,501.

(x.) *Japan*. Apparel and textiles, £1,602,188; bags, baskets, etc., £74,132; brushware, £55,173; cement, £1082; chinaware, £90,866; earthenware, £34,207; fancy goods, £113,841; fibres—cotton waste, £22,046; fish, £11,617; furniture, £11,722; glass and glassware, £136,413; grass straw for hats, £35,905; machinery and metal manufactures, £171,935; matches, £21,231; oils and waxes, £82,827; paper and stationery, £52,680; rice, £4070; spices, £8695; sugar, £127,179; sulphur, £300,111; tea, £4004; timber, £142,354.

Further reference is made in a later page to the imports from Japan.

(xi.) *Java*. Coffee, raw, £16,466; hats and caps, £265; rice, £155; kapok, £102,399; rubber, £5314; sugar, £536,361; tobacco, £6352; tea, £419,487.

(xii.) *Netherlands*. Apparel and textiles, £72,492; cocoa and chocolate, £35,751; cameos and precious stones, £15,090; metal manufactures, £51,980; paper, £25,073; spirits, £87,050; timber, £3236; vessels (ships), £382.

(xiii.) *Norway*. Calcium carbide, £30,642; cement, £385; fish, £193,903; machinery and manufactures of metals, £4463; matches, £4970; milk, preserved, £14,863; paper, £707,170; timber, etc., £33,395.

(xiv.) *Peru*. Rubber, £12,988; sugar, £144,408.

- (xv.) *Philippine Islands*. Flax and hemp, £116,798; cigars, £14,306.
- (xvi.) *Russia*. Flax, £1236; furs, £11,017; oils, £697; timber, £1032.
- (xvii.) *Spain*. Brandy (bulk), £10,387; corks, etc., £35,373; liquorice, £1033; nuts, £11,952; ores, £4237; wine, £4936.
- (xviii.) *Sweden*. Calcium carbide, £8366; earthenware, glassware, etc., £11,545; electrical machinery and fittings, £6377; cream separators, £88,529; other machinery, £34,969; manufactures of metals, £51,951; matches and vestas, £33,471; paper, £411,185; telephones, £4,226; timber, £2966.
- (xix.) *Switzerland*. Apparel and textiles, £1,009,407; chassis for motor cars, £1016; cigars, £2192; cocoa and chocolate, for potable use, £1645; confectionery, £109,224; drugs and chemicals, £17,347; fibro-cement, £2358; grass straw for hats, £20,936; machinery and metal manufactures, £27,565; milk, £26,967; watches, £167,398.
- (xx.) *United States of America*. Apparel and textiles—boots, shoes, etc., £135,854, corsets, £135,445, gloves, £31,000, hats and caps, £27,997, socks and stockings, £355,280, other apparel, £248,000, textiles, £756,118; arms, £31,658; ammunition and explosives, £108,075; bags, baskets, etc., £52,529; brushware, £28,445; butter, £2618; cameras, kinematographs and films, talking machines, £321,278; clocks and watches, £81,201; confectionery, £48,967; drugs and chemicals—cream of tartar, £24,729, medicines, £145,237, other, £301,277; electrical articles and materials, £74,710; fancy goods, £52,468; fish, £263,760; fruit, £118,356; furniture, £32,018; glass and glassware, £230,745; glucose, £2356; hops, £20,690; indiarubber manufactures, £417,212; leather, £561,376; meats, £71,530; metal manufactures—iron and steel: bars, ingots, hoops, etc., £500,667, girders, beams, etc., £130,432, pipes and tubes, £119,978, plate and sheet, £257,544, railway iron, £48,931; tools of trade, £254,568; wire, £236,134; machines and machinery, agricultural, £226,904; other machines and machinery, £1,442,303; other metal manufactures, £1,157,976; milk, £3617; musical instruments, £210,093; oils, fats, and waxes—benzine and gasoline, £780,059, cotton seed, £8331, kerosene, £615,973, lubricating oils and greases, £348,992, paraffin wax, £39,694; turpentine, £94,327; paints and varnishes, £134,804; paper, £681,719; perfumery, £68,405; resin, £74,802; soap, £26,027; soda—acetate, £4345, caustic, £46,628, salicylate, £6307; stationery, £164,061; surgical and dental instruments, £62,458; timber, £725,218; tobacco, cigars, etc., £870,868; vehicles, motors and parts, £1,088,679; other vehicles and parts, £212,897; wood and wicker manufactures, £83,720.

The imports from America are again referred to in a later page.

8. *Direction of Exports*.—The following tables shew that, prior to the war, a constantly decreasing proportion of Australian exports was being consigned 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 as formerly. The figures given below, however, do not, even for the later pre-war years, denote the total purchases by European countries of Australian produce, as large quantities were still distributed from London. It should be noted, too, that the exports to India and Ceylon consisted largely of gold shipped on London account, and which was, therefore, virtually an export to the United Kingdom. The feature of the figures for 1916-1917 is the larger proportions of exports to the United Kingdom, Canada, Italy, Japan, and the United States of America. The larger proportion sent to the United Kingdom was mainly due to increased exports of wheat, meat, wool, minerals, and metals. Italy received larger shipments of wheat and wool, Japan of wool, wheat, and metals, while the larger proportion of exports to the United States and to Canada was mainly due to shipments of gold.

TRADE OF THE COMMONWEALTH WITH VARIOUS COUNTRIES, 1894 to 1916-17.

EXPORTS (INCLUDING BULLION AND SPECIE).

Country.	Yearly Average of Quinquennial Periods.				Year 1916-17.
	1894-8.	1899-1903.	1904-8.	1909-13.	
	£	£	£	£	£
United Kingdom ...	23,610,267	23,432,513	30,114,565	34,028,258	57,843,684
British Possessions—					
Canada ...	32,362	67,776	201,832	125,942	6,892,579
Ceylon ...	635,626	2,223,487	4,050,826	3,194,757	167,828
Fiji ...	124,453	205,731	284,636	402,877	425,456
Hong Kong ...	414,326	403,776	747,025	741,365	303,965
India ...	440,062	2,348,420	2,828,280	2,231,306	2,852,582
Mauritius ...	43,158	40,425	46,378	32,424	3,466
New Zealand ...	961,817	1,432,227	2,060,900	2,385,078	2,996,313
Papua ...	27,609	48,720	50,174	120,401	152,547
Union of South Africa ...	217,047	4,276,976	2,065,014	1,799,435	1,338,479
Straits Settlements ...	92,663	105,824	391,409	834,156	744,800
Other British Possessions ...	11,841	41,941	70,843	75,913	1,402,559
Total British Possessions	3,000,964	11,195,303	12,797,317	11,943,654	16,780,574
Total British Countries ...	26,611,231	34,627,816	42,911,882	45,971,912	74,624,258
Foreign Countries—					
Argentine Republic ...	609	25,398	40,094	126,142	26,799
Belgium ...	1,289,242	1,667,396	3,930,612	6,172,958	...
Bismarck Archipelago, Hawaiian Islands, New Caledonia, New Hebrides and other South Sea Isl'ds	383,179	789,966	442,050	631,465	723,894
Chile and Peru ...	159,501	299,097	624,168	616,704	400,516
China ...	25,030	237,376	340,726	161,527	105,993
France ...	2,289,284	2,754,889	5,686,867	8,183,825	4,079,761
Germany ...	1,678,313	2,549,266	5,140,556	6,938,358	...
Italy ...	102,495	159,017	207,218	525,903	4,453,187
Japan ...	91,630	198,434	869,350	1,194,271	3,726,788
Java ...	72,204	153,439	209,310	480,984	730,911
Netherlands ...	24,718	107,914	299,231	298,879	12
Norway ...	*2,765	*1,192	4,624	2,039	165,212
Philippine Islands ...	40,422	229,414	463,283	525,443	224,435
Spain ...	1,698	15,383	59,264	23,540	788
Sweden ...	*	*	4,219	4,888	...
United States of America ...	2,511,255	3,270,940	2,483,637	2,067,313	6,783,033
Other Foreign Countries ...	52,912	194,127	522,911	1,456,269	1,909,893
Total Foreign Countries	8,725,257	12,653,248	21,328,120	29,410,508	23,331,224
Total ...	35,336,488	47,281,064	64,240,002	75,382,420	97,955,482

* Norway and Sweden combined for these years.

If each item be expressed as a percentage on the total export, the results will be as follows:—

COMMONWEALTH EXPORTS.—PERCENTAGES OF THE EXPORTS TO EACH COUNTRY ON THE TOTAL EXPORTS, 1894 to 1916-17.

Country.	1894-8.	1899-1903.	1904-8.	1909-13.	1916-17.
	per cent.	per cent.	per cent.	per cent.	per cent.
United Kingdom ...	66.82	49.56	46.88	45.14	59.04
British Possessions—					
Canada ...	0.09	0.14	0.31	0.17	6.52
Ceylon ...	1.80	4.70	6.32	4.24	0.17
Fiji ...	0.35	0.44	0.44	0.53	0.43
Hong Kong ...	1.17	0.85	1.16	0.98	0.31
India ...	1.25	4.97	4.40	2.96	2.91
Mauritius ...	0.12	0.09	0.07	0.04	0.00
New Zealand ...	2.72	3.03	3.21	3.16	3.07
Papua ...	0.08	0.10	0.08	0.16	0.16
Union of South Africa ...	0.62	9.05	3.21	2.39	1.38
Straits Settlements ...	0.26	0.22	0.61	1.11	0.76
Other British Possessions ...	0.03	0.09	0.11	0.10	1.43
Total British Possessions	8.49	23.68	19.92	15.84	17.14
Total British Countries ...	75.31	73.24	66.80	60.98	76.18
Foreign Countries—					
Argentine Republic ...	0.00	0.05	0.06	0.17	0.03
Belgium ...	3.65	3.53	6.12	8.19	...
Bismarck Archipelago, Hawaiian Islands, New Caledonia, New Hebrides and other South Sea Isl'ds	1.08	1.67	0.69	0.84	0.74
Chile and Peru ...	0.45	0.63	0.97	0.82	0.41
China ...	0.07	0.50	0.53	0.20	0.10
France ...	6.49	5.83	8.85	10.86	4.16
Germany ...	4.75	5.39	8.00	9.21	...
Italy ...	0.29	0.34	0.32	0.70	4.55
Japan ...	0.26	0.42	1.35	1.58	3.80
Java ...	0.20	0.32	0.33	0.64	0.74
Netherlands ...	0.07	0.23	0.47	0.40	0.00
Norway ...	0.01*	0.00*	0.01	0.00	0.17
Philippine Islands ...	0.11	0.49	0.72	0.70	0.23
Spain ...	0.00	0.03	0.09	0.03	0.00
Sweden ...	*	*	0.01	0.01	...
United States of America ...	7.11	6.92	3.87	2.74	6.93
Other Foreign Countries ...	0.15	0.41	0.81	1.93	1.96
Total Foreign Countries...	24.69	26.76	33.20	39.02	23.82
Total ...	100	100	100	100	100

* Norway and Sweden combined for these years.

9. Exports to the United Kingdom.—The principal exports to the United Kingdom during the year 1916-17 were as follows:—Butter, £4,959,643; cheese, £364,474; copra, £29,289; fibres—rags, £26,610; fruit—apples, £82,015, other, including pulp, £255,170; grain and pulse—barley, £30,850, oats, £33,468, wheat, £6,257,098, flour, £1,472,469, other, £45,615; hair, £14,756; jams and jellies, £734,159; jewellery and precious stones, £19,086; leather, £731,606; meat—frozen beef, £4,890,927, mutton, £968,725, lamb

£527,933, rabbits and hares, £911,247, other frozen meat, £195,398, potted meat, £127,202, meat preserved in tins, £553,515; minerals and metals—copper—ingots, £2,914,289, in matte, £57,022; gold—specie, £3438, bullion, £1479, in matte, £128,088, ore, £967; silver—bullion, £861, in matte, £325,399; silver and silver-lead—concentrates, £17; lead—pig, £2,798,526, in matte, £637,256; tin—ingots and ore, £220,625; zinc, concentrates, £270,904; ores, other, £383,078; metals, scrap—exclusive of iron and steel, £26,029; zinc, bars, blocks, etc., £60,187; oil—cocoanut, £24,426, whale, £31,822; pearlshell, £62,948; skins—hides, £270,848, rabbit and hare, £45,217, sheep, £750,502, other skins, £136,095; tallow, £829,041; timber, £10,267; wine, £70,097; wool—greasy, £18,608,395; scoured, £4,823,547.

10. **Principal Exports to British Possessions, 1916-17.**—(i.) *Canada.* Meats, £5005; oil—cocoanut, £19,573; specie—gold, £6,000,000; hides and skins, £78,757; vegetables—onions, £13,361; wool, £77,267; zinc concentrates, £86,664.

(ii.) *Ceylon.* Butter, £10,919; fodder, £1878; grain, flour, £284; lard, £3513; lead, pig, £19,520; meats, £12,385; silver, bullion, £47,475; soap, £4063; sugar, £3705; timber, £36,041.

(iii.) *Egypt.* Apparel and attire, £1,927; butter, £9; grain and pulse—wheat, £719,235; flour, £112,999; meats—preserved in tins, £2169; tobacco, cigars, etc., £5472.

(iv.) *Fiji.* Apparel and textiles—apparel, including boots and shoes, £23,124, textiles, £28,539; bags, sacks, and cordage, £11,770; biscuits, £30,679; coal, £30,913; drugs and chemicals—fertilizers, £9213, other, £6024; grain, prepared—bran, pollard, and sharps, £37,135, flour, £25,621, rice, cleaned, £7778; machines and machinery, £12,921; metal manufactures, £48,412; oils, fats and waxes, £7221; specie, £200; timber, undressed, £8455; vehicles, £7407.

(v.) *Hong Kong.* Butter, £23,333; fish, £41,714; flour, £7971; lead, pig, £45,414; leather, £22,055; meats, £12,573; sandalwood, £71,460; soap, £3665.

(vi.) *India.* Biscuits, £30,732; bran, pollard, etc., £1514; coal, £22,421; copper, ingots, £279,520; horses, £312,271; hay and chaff, £12,011; jams and jellies, £166,089; lead, pig, £72,500; leather, £18,217; meats, £380,248; sandalwood, £4429; silver, bullion, £443,685; soap, £3591; tallow, £6647; tobacco, etc., £579; wool, £87,860.

(vii.) *New Zealand.* Apparel and textiles, etc.:—apparel—boots and shoes, £29,850, other apparel, £34,381, textiles, £86,644; bags and sacks, £3403; bark, tanning, £20,703; books and periodicals, £52,423; cameras, kinematographs and films, talking machines, etc., £53,137; photographic goods, £11,693; coal, £205,895; copper, ingots, £500; drugs and chemicals—fertilizers, £144,692, medicines, £50,893, other drugs, etc., £96,386; electrical materials, £12,521; fodders, £323; fruit—fresh, £39,369, dried, £52,824; glass and glassware, £32,229; grain—barley, £21,990, flour, £109,179, oats, £58,171, rice, £40,986; wheat, £61,166; hides and skins, £26,181; horses, £11,190; indiarubber manufactures, £136,415; iron, pig, £11,334; jewellery and precious stones, £12,394; lead, pig, £18,201; leather and leather manufactures, £82,563; metals, manufactures of—agricultural implements and machinery, £9584, other machines and machinery, £95,191, other manufactures of metals, £152,459; motor vehicles and parts, £18,117; oils, etc., £61,289; onions, £23,042; plants, trees and bulbs, £8983; paper, £16,868; salt, £26,001; seeds, £19,425; soap, £45,736; specie—gold, £222,000; spirits, £34,130; stationery, £65,992; sugar, £6641; tea, £131,640; timber, £115,491; tin, ingots, £21,928; tobacco, £107,162; wine, £29,232; vessels transferred, £2750.

(viii.) *Papua.* Ale and beer, £2144; apparel and textiles, £16,290; biscuits, £3267; butter, £3080; coal, £2536; fish, £6607; flour, £2713; machinery and manufactures of metal, £21,694; meats, £8698; oils, etc., £9154; rice, £14,982; timber, £6928; tobacco, £10,879.

(ix.) *Union of South Africa.* Animals, living—sheep, £25,442; butter, £1400; fruits—fresh, £250, other, £20,624; grain—wheat, £646,551; flour £335,695; jams and jellies, £11,198; leather, £56,995; fruit juices, £4216; machinery and manufactures of metal, £14,257; meats, preserved, in tins, £16,546; oils, etc., £17,242; seeds, £1537; soap, £10,562; tallow, unrefined, £17,231; timber, £84,245.

(x.) *Straits Settlements.* Butter, £30,700; coal, £28,035; grain, flour, £128,420; horses, £6427; leather, £22,003; machines and machinery, £32,851; meats, £76,533; tin ore, £222,281; sandalwood, £6504; soap, £14,598.

11. **Exports to Foreign Countries.**—The foregoing table shews that, prior to the war, an increasingly large proportion of the exports from the Commonwealth was being shipped to foreign countries. Apart from the large export of gold which was shipped to the United States of America, on London account, during 1915-16, the proportion of exports to foreign countries during the war has been much below that of recent pre-war years. This, of course, has been due mainly to the elimination of German and Belgian trade, and to reduced exports to France. Some further slight effect in the same direction may be due to the restrictions placed upon exports to China, the Netherlands and Siam from January, 1916.

12. **Principal Exports to Foreign Countries, 1916-17.**—These are as follow:—

(i.) *Argentine Republic.* Agricultural implements and machinery, £4698; wheat, £22,099.

(ii.) *Chile.* Coal, £50,068; coke, £3004.

(iii.) *China.* Butter, £35,096; flour, £3463; lead, £19,941; leather, £13,549; sandalwood, £5554; stearine, £9237.

(iv.) *Dutch East Indies: Java.* Butter, £217,093; biscuits, £10,405; cattle, £10,311; coal, £16,355; fertilizers, £87,866; flour, £184,397; fruits, fresh, £9607; horses, £3578; meats, £17,661; leather and manufactures, £51,296; soap, £2851.

(v.) *Other East Indies.* Butter, £17,906; biscuits, £8428; flour, £82,528; meats, £1815; soap, £9486.

(vi.) *France.* Copper—ingots, £13,574, copper in matte, £8342; flour, £369,093; hides and skins, £258,236; wheat, £239,468; wool, £963,097; zinc—bars, £32,429.

(vii.) *Italy.* Flour, £283,619; skins, £3772; tallow, £16,546; wheat, £2,273,032; wool, £1,845,861.

(viii.) *Japan.* Bones, £22,031; butter, £2868; concentrates—silver and silver lead, £30,850; zinc, £419,282; glue pieces and sinews, £10,253; hides, £1192; lead, pig, £435,248; manures, £14,573; oils, £13,585; tallow, £157,510; wool, £2,470,414.

(ix.) *Peru.* Coal, £10,879; wheat, £336,378.

(x.) *Philippine Islands.* Butter, £18,499; cattle, £4664; flour, £129,015; fodder, £3861; machines and machinery, £426; meats—bacon and hams, £14,510, beef, £11,139, mutton, £965, other meats, £1174; milk, concentrated, £20,577; onions, £4179.

(xi.) *United States of America.* Coal, £2390; concentrates—zinc, £307,658; copra, £76,982; hair, £7587; leather, £157,330; sausage casings, £63,106; oils—cocoanut, £34,927, eucalyptus, £25,093; pearlshell, £245,791; skins, £702,844; specie—gold, £4,500,000; timber, £21,562; tin—ingots, £314,409; wheat, £93,417; wool, £13,513.

§ 7. Development of Export Trade to Eastern Countries.

1. Trade with Eastern Countries.—The following tables shew the value of exports from the Commonwealth to Eastern countries during the last five years in comparison with the year 1901. The principal countries concerned in this trade are China, India, Ceylon, Japan, East Indies, Philippine Islands, Straits Settlements, and Hong Kong, and the particulars given in the tables apply to these countries only:—

VALUE OF PRINCIPAL ITEMS OF MERCHANDISE EXPORTED FROM THE COMMONWEALTH TO EASTERN COUNTRIES, 1901 and 1912 to 1916-17.

Article.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
Antimony ... ..	...	...	194	...	25,161	19
Butter	64,838	242,561	230,640	198,782	219,058	356,760
Coal	155,120	291,182	285,853	225,221	121,997	66,811
Concentrates—						
Silver and silver-lead ... ..	...	...	...	...	82,544	30,850
Zinc ... ..	...	345	...	...	186,703	419,282
Copper	39,375	91,580	84,758	127,959	230,879	279,520
Grain and Pulse—						
Wheat	46,685	8,605	226,641	43,169	1,373	399
Flour	135,092	690,403	825,112	162,262	316,931	540,757
Other (prepd. & unprepd.)	4,806	13,973	15,937	16,531	10,202	11,753
Hay, chaff, and comp. fodder	13,081	50,210	45,679	56,556	28,678	20,227
Horses	101,866	166,134	146,741	389,719	262,917	323,676
Lead	10,454	407,475	445,294	440,999	448,892	592,623
Leather	13,197	61,266	55,497	45,365	111,695	122,530
Meats	194,071	308,935	354,557	368,208	286,265	531,509
Pearl shell	20,440	908	735	1,612	25,064	48,124
Sandalwood	77,237	32,675	57,560	92,400	71,493	88,049
Skins, hoofs, horns, bones, sinews, tallow	16,419	126,289	108,479	134,443	64,912	205,372
Sulphate of ammonia ... ..	...	20,531	12,142	26,361	80,059	104,991
Tin ore	4,096	387,524	447,875	179,962	239,561	222,281
Timber, undressed	79,915	221,144	180,329	143,157	427	37,047
Wool	56,618	722,133	765,604	1,533,525	2,619,533	2,558,274
Other merchandise	192,903	466,064	566,342	543,807	573,899	1,190,961*
Total merchandise	1,226,213	4,309,937	4,862,959	4,729,038	6,008,243	7,752,015
Specie & gold & silver bullion	3,339,953	10,678,501	2,425,024	1,217,174	1,322,096	1,241,460
Total exports	4,566,166	14,988,438	7,287,983	5,946,212	7,330,339	8,993,475

* The unusually large amount of other merchandise is due to shipments of jams, biscuits, cheese, fruits, milk, etc. to the order of the Imperial Government for military purposes.

The following tables shew the value of the principal articles exported to each of the undermentioned Eastern countries during each of the years 1901 and 1912 to 1916-17:—

VALUE OF COMMONWEALTH EXPORTS OF MERCHANDISE TO PRINCIPAL EASTERN COUNTRIES, 1901 and 1912 to 1916-17.

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
China	33,906	163,891	147,056	117,098	124,337	105,993
East Indies	204,315	658,430	817,987	433,481	567,863	866,781
Hong Kong	31,853	239,886	277,941	251,842	374,728	303,965
India and Ceylon	417,291	723,007	686,924	1,042,412	927,516	1,779,250
Japan	123,355	1,169,335	1,429,310	1,966,944	3,287,979	3,726,788
Philippine Islands	302,086	565,345	545,080	375,547	189,480	224,435
Straits Settlements	113,407	790,043	958,661	541,714	536,340	744,800
Total	1,226,213	4,309,937	4,862,959	4,729,038	6,008,243	7,752,015

BUTTER.

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
China ...	1,987	35,789	30,993	21,227	25,532	35,096
East Indies ...	12,172	87,439	91,365	102,894	133,596	234,999
Hong Kong ...	8,555	25,570	21,711	19,489	13,632	23,333
India and Ceylon ...	9,696	12,381	13,830	10,730	10,990	11,265
Japan ...	1,504	5,713	4,864	1,986	2,076	2,868
Philippine Islands ...	21,061	40,296	34,091	17,319	6,998	18,499
Straits Settlements...	9,863	35,863	33,786	25,137	26,234	30,700
Total...	64,838	243,051	230,640	198,782	219,058	356,760

The exports of butter given above for the year 1916-17 were shipped from the several States as follows:—New South Wales, £79,058; Victoria, £245,137; Queensland, £32,565.

COAL.

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
China ...	...	510	940	...	...	...
East Indies ...	43,280	106,844	144,185	90,453	50,727	16,355
Hong Kong ...	7,653	192	...	635	...	...
India and Ceylon ...	17,639	66,699	33,018	40,446	40,703	22,421
Japan ...	1	...	...	...	...	...
Philippine Islands...	59,936	54,932	25,939	48,936	5,361	...
Straits Settlements...	26,611	62,005	81,771	44,751	25,206	28,035
Total ...	155,120	291,182	285,853	225,321	121,997	66,811

These exports of coal are chiefly from New South Wales.

COPPER.

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
China ...	...	28,406	8,275	...	...	...
Hong Kong ...	...	12,293	1,638	...	14,794	...
India and Ceylon ...	39,375	45,403	71,097	127,959	216,085	279,520
Japan ...	...	5,478	3,748	...	...	...
Total ...	39,375	91,580	84,758	127,959	230,879	279,520

All the copper exported to the East during 1916-17 was shipped from New South Wales.

GRAIN AND PULSE.—WHEAT.

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
East Indies ...	9	22	6	14	7	5
India and Ceylon ...	35,660	316	316	201	91	377
Japan ...	11,016	7,844	226,287	42,933	...	...
Philippine Islands ...	...	418	28	12	1	17
Straits Settlements...	...	5	4	9	1,274	...
Total ...	46,685	8,605	226,641	43,169	1,373	399

The exports of wheat given on previous page for the year 1916-17 were shipped from the following States :—New South Wales, £20 ; Victoria, £377 ; Western Australia, £2.

GRAIN AND PULSE.—FLOUR.

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
China ...	1,147	15,918	19,780	5,244	5,142	3,463
East Indies ...	82,566	326,093	416,302	67,560	183,466	266,925
Hong Kong ...	4,489	17,133	20,440	1,233	17,162	7,971
India and Ceylon ...	22,275	44,715	47,534	21,632	4,579	1,248
Japan ...	7,206	3,990	5,246	17	633	3,715
Philippine Islands ...	4,046	149,500	128,311	33,528	42,169	129,015
Straits Settlements...	13,363	133,054	187,499	32,998	63,780	128,420
Total ...	135,092	690,403	825,112	162,262	316,931	540,757

The flour exported during 1916-17, as above, was shipped from the several States as follows :—New South Wales, £320,017 ; Victoria, £164,431 ; Queensland, £29 ; South Australia, £133 ; Western Australia, £56,147.

GRAIN AND PULSE, OTHER THAN WHEAT AND FLOUR.

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916 17.
	£	£	£	£	£	£
China ...	43	66	677	3	...	1,946
East Indies ...	...	1,617	1,623	1,117	1,319	3,173
Hong Kong ...	777	129	3	20	3	21
India and Ceylon ...	3,033	6,061	10,448	14,010	7,128	4,404
Japan ...	7	61	67	18	130	...
Philippine Islands ...	946	4,942	2,167	573	1,211	1,280
Straits Settlements...	...	1,097	942	790	411	929
Total ...	4,806	13,973	15,927	16,531	10,202	11,753

The exports given above for 1915-16 were shipped from the following States :—New South Wales, £3254 ; Victoria, £8402 ; Queensland, £6 ; South Australia, £51 ; Western Australia, £40.

HAY AND CHAFF, AND COMPRESSED FODDER.

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
China ...	2,934	33	69	...	...	...
East Indies ...	14	1,634	920	920	702	613
Hong Kong ...	28	230	1,350	373	642	164
India and Ceylon ...	5,848	18,621	15,077	44,277	17,267	14,037
Japan ...	57	58	79	24	87	10
Philippine Islands ...	2,582	23,695	24,254	7,644	8,251	3,861
Straits Settlements	1,618	5,939	3,930	3,318	1,729	1,444
Total ...	13,081	50,210	45,679	56,556	28,678	20,129

The exports given above for the year 1916-17 were shipped from the several States as follows :—New South Wales, £151 ; Victoria, £19,924 ; Western Australia, £54.

HORSES.

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
China ...	4,460	625	...	...	...	...
East Indies ...	2,105	13,459	21,465	1,243	5,352	3,818
Hong Kong ...	775	40	...	...	...	...
India and Ceylon ...	78,723	132,589	108,765	387,046	250,710	312,721
Japan ...	100	2,650	2,836	875	1,900	850
Philippine Islands ...	190	5,449	2,061	...	1,200	60
Straits Settlements...	15,513	11,322	11,614	555	3,755	6,427
Total ...	101,866	166,134	146,741	389,719	262,917	323,876

The horses exported to the above countries during 1916-17 were shipped from the following States:—New South Wales, £61,057; Victoria, £61,097; Queensland, £184,182; South Australia, £16,740; Western Australia, £800.

LEAD, FIG.

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
China ...	6,102	33,481	50,902	30,695	18,564	19,941
East Indies ...	18	232	1,381	...	...	...
Hong Kong ...	1,257	92,199	101,280	105,140	165,643	45,414
India and Ceylon ...	315	41,408	39,156	72,317	56,658	92,020
Japan ...	2,750	233,154	250,978	232,637	206,261	435,248
Philippine Islands ...	12	1,212	547	77	61	...
Straits Settlements...	...	789	1,050	133	1,705	...
Total... ..	10,454	407,475	445,294	440,999	448,892	592,623

The above lead is almost entirely from the Broken Hill mines of New South Wales.

MEATS.—PRESERVED BY COLD PROCESS.

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
China ...	...	...	...	354	6	...
East Indies ...	98	950	6,118	8,875	18	...
Hong Kong ...	3,195	9,109	10,347	7,502	5,715	9,481
India and Ceylon ...	5,907	6,864	9,072	9,570	8,102	10,483
Japan ...	19	15	433	4	1	...
Philippine Islands ...	153,250	182,724	199,199	177,696	89,408	13,143
Straits Settlements...	...	43,453	45,845	58,753	52,123	66,983
Total... ..	162,469	243,115	271,014	262,754	155,373	100,090

The exports to the above-mentioned Eastern countries during 1916-17 of meats preserved by cold process were shipped from the following States:—New South Wales, £46,077; Queensland, £54,013.

MEATS.—OTHER THAN MEATS PRESERVED BY COLD PROCESS.

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
China ...	491	5,902	7,138	2,885	1,075	1,646
East Indies ...	15,035	16,449	20,272	16,679	9,263	19,476
Hong Kong ...	571	3,220	4,633	5,655	1,859	3,096
India and Ceylon ...	11,464	3,143	8,279	50,159	100,901	382,150
Japan ...	893	1,778	1,292	656	975	853
Philippine Islands ...	2,617	29,043	28,758	18,395	10,590	14,645
Straits Settlements	531	6,285	13,171	11,015	6,229	9,553
Total ...	31,602	65,820	83,543	105,454	130,892	431,419

The exports given above for the year 1916-17 were shipped from the following States:—New South Wales, £80,484; Victoria, £15,087; Queensland, £305,996; South Australia, £29,848; Northern Territory, £4.

SANDALWOOD.

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
China ...	7,905	16,619	5,593	27,544	9,316	5,554
Hong Kong ...	53,991	11,567	41,476	48,338	51,087	71,460
India and Ceylon ...	...	3,455	4,560	6,424	4,602	4,429
Japan ...	...	...	...	240	78	102
Straits Settlements	15,341	1,034	5,931	9,854	6,410	6,504
Total ...	77,237	32,675	57,560	92,400	71,493	88,049

The exports of sandalwood in 1916-17 were shipped from New South Wales, £319; Queensland, £15,259; and Western Australia, £72,471.

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

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
China ...	...	661	6	...	128	...
East Indies ...	...	920	1,149	2,048	318	2
Hong Kong ...	1,234	403	333	150	8	427
India and Ceylon ...	2,761	13,538	17,523	17,369	6,736	6,647
Japan ...	11,829	109,562	88,193	113,169	57,015	198,040
Philippine Islands ...	165	397	562	987	312	91
Straits Settlements	430	808	713	720	395	165
Total ...	16,419	126,289	108,479	134,443	64,912	205,372

The above exports of skins, etc., in 1916-17 were shipped from the several States as follows:—New South Wales, £133,107; Victoria, £15,738; Queensland, £56,527.

TIN ORE.

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
Japan ...	...	...	...	...	104	...
Straits Settlements	4,096	387,524	447,875	179,962	239,457	222,281
Total ...	4,096	387,524	447,875	179,962	239,561	222,281

The export of tin ore to the Straits Settlements—the centre of the world's tin production—was for the purpose of treatment, and was shipped from the several States during 1916-17 as follows:—New South Wales, £147,165; Queensland, £63,669; Northern Territory, £11,447.

TIMBER, UNDRESSED.

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
China ...	4,090	2	2	17,869	...	2
East Indies ...	22	1,691	554	252	31	3
Hong Kong ...	...	3	2,155	142	...	...
India and Ceylon ...	61,246	217,556	175,757	123,692	233	36,041
Japan ...	418	972	959	73	63	967
Philippine Islands ...	9,278	414	449	...	...	...
Straits Settlements...	4,861	506	453	129	100	34
Total ...	79,915	221,144	180,329	142,157	427	37,047

The above exports of timber during 1916-17 from the several States were shipped as follows:—New South Wales, £741; Queensland, £265; Western Australia, £36,041.

WOOL.

Country.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
East Indies ...	112	...	...	...	...	...
Hong Kong ...	...	23	...	...	...	...
India and Ceylon ...	7,853	18,739	30,586	30,739	32,442	87,860
Japan ...	48,653	703,371	735,018	1,502,576	2,587,091	2,470,414
Philippine Islands ...	...	...	...	210	...	...
Total... ..	56,618	722,133	765,604	1,533,525	2,619,533	2,558,274

The wool exported to the East by the several States during 1916-17 was shipped as follows:—New South Wales, £2,022,730; Victoria, £87,860; Queensland, £447,684.

§ 8. Trade of Commonwealth since Federation.

1. **Classified Summary of Australian Trade.**—The following tables present the trade of the Commonwealth during each of the years 1901 and 1912 to 1916-17, arranged in classes according to the nature of the goods:—

STATISTICAL CLASSIFICATION OF IMPORTS AND EXPORTS.

Class.	Articles.
I.	FOODSTUFFS of animal origin, excluding, however, living animals.
II.	FOODSTUFFS of vegetable origin, and common salt.
III.	BEVERAGES, non-alcoholic only, and the substances used in making them.
IV.	SPIRITS AND ALCOHOLIC LIQUORS, including spirits for industrial purposes, and such pharmaceutical preparations as are dutiable as spirits.
V.	TOBACCO, and all preparations thereof.
VI.	LIVE ANIMALS.
VII.	ANIMAL SUBSTANCES, mainly unmanufactured, which are not foodstuffs.
VIII.	VEGETABLE SUBSTANCES and non-manufactured fibres.
IX.	APPAREL, TEXTILES, and various manufactured fibres.
X.	OILS, FATS, AND WAXES.
XI.	PAINTS AND VARNISHES.
XII.	STONES and MINERALS, used industrially.
XIII.	SPECIE—gold, silver, and bronze.
XIV.	METALS, UNMANUFACTURED, and ORES.
XV.	METALS, PARTLY MANUFACTURED.
XVI.	METALS, MANUFACTURED, including machinery.
XVII.	LEATHER AND MANUFACTURES of leather, together with all substitutes therefor, and also INDIARUBBER AND INDIARUBBER MANUFACTURES.
XVIII.	WOOD AND WICKER, both raw and manufactured.
XIX.	EARTHENWARE, CEMENTS, CHINA, GLASS AND STONEWARE.
XX.	PAPER AND STATIONERY.
XXI.	JEWELLERY, TIMEPIECES, AND FANCY GOODS.
XXII.	OPTICAL, SURGICAL, AND SCIENTIFIC INSTRUMENTS.
XXIII.	DRUGS, CHEMICALS, AND FERTILIZERS.
XXIV.	MISCELLANEOUS.

COMMONWEALTH IMPORTS ARRANGED IN CLASSES, 1901 and 1912 to 1916-17.

Classes.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
	£	£	£	£	£	£
I. Animal foodstuffs, etc. ...	793,365	1,037,693	947,697	1,265,068	1,797,407	1,156,816
II. Vegetable ...	2,925,985	4,455,662	3,315,825	3,686,926	7,984,132	3,655,149
III. Beverages (non-alcoholic), etc. ...	1,054,324	1,863,712	1,833,335	1,987,878	2,669,042	2,170,450
IV. Alcoholic liquors, etc. ...	1,845,438	2,022,986	2,095,896	1,780,927	1,488,937	1,985,895
V. Tobacco, etc. ...	717,915	1,045,841	1,114,949	902,471	969,043	1,115,010
VI. Live animals ...	40,306	243,489	145,215	135,259	158,588	81,765
VII. Animal substances, etc. ...	124,017	337,652	417,039	309,859	684,479	925,112
VIII. Vegetable " " ...	459,361	1,493,532	1,344,204	1,386,802	2,295,608	2,579,789
IX. Apparel, etc. ...	12,065,367	19,495,762	19,705,768	17,577,422	21,272,545	24,134,756
X. Oils, etc. ...	1,230,252	2,192,317	1,969,628	2,100,177	2,796,560	3,123,710
XI. Paints, etc. ...	385,049	676,861	609,859	610,113	595,905	666,983
XII. Stones, etc. ...	131,095	201,317	218,332	162,071	155,383	172,633
XIII. Specie ...	172,395	542,937	377,220	433,301	235,244	74,303
XIV. Metals, unmanufd., ores, etc. ...	984,327	1,488,167	1,575,734	788,872	846,918	466,848
XV. Metals, partly manufactured ...	1,062,309	1,424,261	1,500,436	955,791	1,123,726	1,210,872
XVI. Metals, manufactured ...	7,491,636	16,985,089	16,623,135	13,455,001	13,013,699	11,084,538
XVII. Leather, etc. ...	523,565	1,788,272	1,749,046	1,234,057	1,692,940	1,867,696
XVIII. Wood, etc. ...	1,814,382	3,565,445	3,673,753	2,565,473	2,107,949	1,819,227
XIX. Earthenware, etc. ...	925,101	1,445,090	1,580,615	1,208,186	1,355,299	1,112,887
XX. Paper, etc. ...	1,731,330	3,116,215	3,134,750	2,745,827	2,961,310	4,462,040
XXI. Jewellery, etc. ...	1,065,343	1,873,917	1,410,555	1,102,462	1,125,101	1,126,320
XXII. Instruments, etc. ...	218,437	517,677	754,589	543,463	607,530	720,263
XXIII. Drugs, etc. ...	1,472,162	2,394,162	2,493,192	2,425,689	3,000,984	3,130,397
XXIV. Miscellaneous ...	3,140,345	7,951,095	11,258,981	5,068,642	6,382,763	7,377,215
Grand total ...	42,433,811	78,158,600	79,749,653	64,431,837	77,521,142	76,228,679

* Includes warships. £2,495,000.

The exports are shewn according to the same classification, and the usual distinction is made between exports of Australian produce and re-exports. It will be seen what a small proportion of the total exports is made up by re-exports.

**COMMONWEALTH EXPORTS ARRANGED IN CLASSES, AND DISTINGUISHING
AUSTRALIAN PRODUCE AND THE PRODUCE OF OTHER COUNTRIES,
1901 and 1912 to 1916-17.**

Classes.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
AUSTRALIAN PRODUCE.						
	£	£	£	£	£	£
I. Animal foodstuffs, etc.	4,104,196	7,991,038	11,459,049	14,491,163	5,531,331	15,265,677
II. Vegetable foodstuffs, etc.	4,633,926	8,741,065	10,648,506	2,022,397	11,247,704	19,073,950
III. Beverages (non-alcoholic), etc.	2,598	4,895	5,742	16,635	17,415	18,514
IV. Alcoholic liquors, etc.	134,630	131,850	114,973	125,938	152,450	158,539
V. Tobacco, etc.	5,030	78,901	72,374	79,796	162,140	115,376
VI. Live animals	473,601	327,524	297,812	536,613	326,251	392,161
VII. Animal substances, etc.	16,754,006	31,283,280	32,332,945	25,903,510	29,358,579	31,248,788
VIII. Vegetable substances, etc.	142,060	173,685	194,982	193,457	183,819	197,558
IX. Apparel, etc.	42,142	76,912	72,307	104,260	194,578	330,886
X. Oils, etc.	843,755	1,845,916	2,512,265	2,052,692	835,015	1,549,259
XI. Paints, etc.	620	6,799	6,188	2,735	3,069	6,933
XII. Stones, etc.	1,041,974	1,160,962	1,133,528	741,996	541,855	470,845
XIII. Specie	8,884,816	9,057,444	710,180	1,485,736	8,938,742	11,255,271
XIV. Metals, unmanufact., ores, etc.	8,916,269	12,364,321	12,689,990	7,238,886	11,251,174	11,760,190
XV. Metals, partly manufactured	3,802	18,907	43,262	142,657	218,878	317,682
XVI. Metals, manufactured	117,662	303,219	380,299	176,344	287,135	262,823
XVII. Leather, etc.	660,692	715,961	688,373	1,267,985	1,244,062	1,291,349
XVIII. Wood, etc.	666,024	903,049	1,014,973	808,816	395,754	314,078
XIX. Earthenware, etc.	6,600	18,915	12,481	15,539	47,839	46,381
XX. Paper, etc.	22,171	71,905	66,806	55,597	60,178	61,202
XXI. Jewellery, etc.	67,978	170,962	170,147	34,708	31,247	41,337
XXII. Instruments, etc.	507	6,347	5,929	9,179	15,257	13,994
XXIII. Drugs, etc.	86,299	267,946	269,387	313,860	477,832	436,413
XXIV. Miscellaneous	130,418	234,760	235,649	302,074	270,221	410,467
Total	47,741,776	75,961,563	75,138,147	58,122,573	71,792,525	95,039,973

OTHER PRODUCE.

	£	£	£	£	£	£
I. Animal foodstuffs, etc.	35,291	23,486	19,642	27,675	129,112	£115,744
II. Vegetable foodstuffs, etc.	80,371	170,060	161,886	476,367	217,415	189,456
III. Beverages (non-alcoholic), etc.	43,308	78,329	65,080	104,968	117,493	181,766
IV. Alcoholic liquors, etc.	55,732	42,407	39,066	71,255	83,905	68,318
V. Tobacco, etc.	61,753	52,501	55,155	61,895	70,010	86,243
VI. Live animals	105	5,433	2,806	4,687	1,749	6,906
VII. Animal substances, etc.	10,070	5,709	6,892	1,315	191,228	448,815
VIII. Vegetable substances, etc.	17,625	65,955	28,262	17,733	85,300	121,278
IX. Apparel, etc.	171,014	204,565	197,971	240,351	288,323	344,569
X. Oils, etc.	42,292	52,019	62,687	57,914	75,017	103,990
XI. Paints, etc.	15,186	8,263	7,818	6,222	7,897	9,259
XII. Stones, etc.	2,043	1,846	1,296	1,125	1,816	1,514
XIII. Specie	816,921	1,420,151	1,481,765	508,664	611,219	265,065
XIV. Metals, ores, etc.	9,744	23,414	34,136	40,481	5,941	9,608
XV. Metals, partly manufactured	13,806	25,404	7,748	10,831	22,694	16,894
XVI. Metals, manufactured	196,334	268,603	269,001	248,497	260,743	292,246
XVII. Leather, etc.	13,074	55,210	71,532	42,146	45,863	74,514
XVIII. Wood, etc.	33,135	33,627	34,305	33,266	38,891	25,861
XIX. Earthenware, etc.	22,337	15,702	16,846	16,172	19,946	20,342
XX. Paper, etc.	52,171	111,817	79,512	71,276	70,555	62,501
XXI. Jewellery, etc.	54,431	87,186	89,845	30,331	39,073	28,976
XXII. Instruments, etc.	13,555	93,072	65,944	67,941	72,791	82,547
XXIII. Drugs, etc.	42,976	55,367	60,026	66,014	101,269	101,854
XXIV. Miscellaneous	121,122	234,401	574,431	272,922	428,146	257,243
Total	1,954,396	3,134,527	3,433,622	2,470,003	2,985,796	2,915,509

EXPORTS ARRANGED IN CLASSES, AND DISTINGUISHING AUSTRALIAN PRODUCE
AND THE PRODUCE OF OTHER COUNTRIES, 1901 and 1912 to 1916-17.—Continued.

Classes.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
TOTAL EXPORTS.						
I. Animal foodstuffs, etc. ...	£ 4,139,487	£ 8,014,524	£ 11,478,691	£ 14,518,838	£ 5,660,443	£ 15,381,421
II. Vegetable foodstuffs, etc. ...	4,714,297	8,911,125	10,810,392	2,498,764	11,465,119	19,263,406
III. Beverages (non-alcoholic), etc. ...	45,906	83,224	70,772	121,628	134,908	200,540
IV. Alcoholic liquors, etc. ...	190,362	174,257	154,059	197,193	236,355	226,857
V. Tobacco, etc. ...	66,783	131,402	127,529	141,621	232,150	201,619
VI. Live animals ...	473,706	332,957	300,618	541,300	328,000	399,067
VII. Animal substances, etc. ...	16,764,076	31,288,989	32,339,837	25,904,825	29,549,807	31,697,603
VIII. Vegetable substances, etc. ...	159,685	239,640	223,244	211,190	269,019	318,836
IX. Apparel, etc. ...	213,156	281,477	270,278	344,611	482,901	675,455
X. Oils, etc. ...	886,047	1,897,935	2,574,952	2,110,606	910,032	1,653,249
XI. Paints, etc. ...	15,806	15,062	14,006	8,957	10,966	16,192
XII. Stones, etc. ...	1,044,017	1,162,808	1,134,824	743,121	543,171	472,359
XIII. Specie ...	9,731,737	10,477,586	2,191,945	1,994,400	9,549,961	11,520,336
XIV. Metals, unmanufactd., ores, etc. ...	8,926,013	12,387,735	12,724,126	7,279,367	11,257,115	11,769,798
XV. Metals, partly manufactured ...	17,609	44,311	51,010	153,488	241,572	334,576
XVI. Metals, manufactured ...	313,996	571,822	649,300	424,841	547,878	555,069
XVII. Leather, etc. ...	673,766	771,171	759,905	1,310,131	1,289,925	1,365,863
XVIII. Wood, etc. ...	698,159	941,676	1,049,278	832,082	434,645	339,939
XIX. Earthenware, etc. ...	29,937	34,617	29,327	31,711	67,785	66,723
XX. Paper, etc. ...	74,342	183,723	146,318	126,873	130,733	123,703
XXI. Jewellery, etc. ...	122,409	258,148	259,992	65,039	70,320	70,313
XXII. Instruments, etc. ...	14,062	99,419	71,873	77,120	88,048	96,541
XXIII. Drugs, etc. ...	129,275	323,313	329,413	379,874	579,101	538,267
XXIV. Miscellaneous ...	251,540	469,161	810,080	574,996	698,367	667,710
Total ...	49,696,172	79,096,090	78,571,769	60,592,576	74,778,321	97,955,482

§ 9. Movement of Specie and Bullion.

1. *Specie and Bullion.*—The following tables shew the value of gold and silver bullion and specie, including bronze specie, imported and exported during the years 1901 and 1912 to 1916-17 :—

COMMONWEALTH IMPORTS AND EXPORTS OF SPECIE AND BULLION, 1901 and 1912 to 1916-17.

Items.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
IMPORTS.						
Gold—Specie ...	£ 3,710	£ 244,737	£ 187,025	£ 3,447	£ 6,613	£ ...
Bullion ...	762,415	1,125,807	1,171,382	432,680	544,338	197,755
Total ...	766,125	1,370,544	1,358,407	436,127	550,951	197,755
Silver—Specie ...	158,656	277,614	177,045	423,836	217,630	44,968
Bullion ...	54	6,496	4,942	2,075	661	316
Total ...	158,710	284,110	181,987	425,911	218,291	45,284
Bronze—Specie ...	10,029	20,586	13,150	6,018	11,001	29,235
Grand total ...	934,864	1,675,240	1,553,544	868,056	780,243	272,274

COMMONWEALTH IMPORTS AND EXPORTS OF SPECIE AND BULLION, 1901 AND 1912 TO 1916-17.—Continued.

Items.	1901.	1912.	1913.	1914-15.	1915-16.	1916-17.
EXPORTS.						
Gold—Specie	£ 9,708,037	£ 10,440,058	£ 2,092,891	£ 1,941,447	£ 9,516,731	£ 11,481,108
Bullion	4,616,039*	1,403,621	972,160	479,797	841,058	1,479
Total	14,324,076	11,843,679	3,065,051	2,421,244	10,357,789	11,482,587
Silver—Specie	23,370	37,537	99,034	52,238	32,935	39,200
Bullion	922,443†	580,384	634,630	433,469	367,069	493,690
Total	945,813	617,921	733,664	485,707	400,004	532,890
Bronze—Specie	330	...	20	715	295	28
Total { Australian produce	14,423,298	11,039,919	2,300,955	2,366,346	10,146,869	11,750,440
{ Other produce	846,921	1,421,681	1,497,780	541,320	611,219	265,065
Grand total	15,270,219	12,461,600	3,798,735	2,907,666	10,758,088	12,015,505

* Includes gold contained in matte. The value of gold contained in matte exported during 1912 was £473,791; 1913, £403,869, 1914-15, £203,606, 1915-16, £197,469, and 1916-17, £129,710. † Includes silver contained in matte. The value of silver contained in matte exported during 1912 was £255,728; 1913, £266,444; 1914-15, £247,012; 1915-16, £336,220; and 1916-17, £325,668.

COMMONWEALTH IMPORTS AND EXPORTS OF SPECIE AND GOLD AND SILVER BULLION FROM AND TO PRINCIPAL COUNTRIES, 1916-17.

Country.	Imports.			Exports.		
	Specie.	Bullion.	Total.	Specie.	Bullion.	Total.
United Kingdom	£ 12,464	£ 494	£ 12,958	£ 3,438	£ 2,340	£ 5,778
Canada ... ..	...	8	8	6,000,000	...	6,000,000
Ceylon ... ..	...	...	...	...	47,475	47,475
Fiji ... ..	...	...	...	200	1,567	1,767
Gilbert and Ellice Islands Colony ... ..	...	...	...	1,077	...	1,077
Hong Kong	1	...	1	125	...	125
India... ..	29,002	...	29,002	750,000	443,685	1,193,685
New Zealand ... ..	...	173,488	173,488	224,983	102	225,085
Papua ... ..	...	22,768	22,768	911	...	911
Solomon Islands ... ..	...	...	...	4,341	...	4,341
Union of South Africa	5,620	...	5,620	...	...	...
Total British Countries	47,087	196,758	243,845	6,985,075	495,169	7,480,244
Bismarck Archipelago	25,616	...	25,616	25,131	...	25,131
Marshall Islands ... ..	...	...	...	4,100	...	4,100
Molucca Islands ... ..	...	...	...	300	...	300
New Caledonia ... ..	...	...	...	200	...	200
New Hebrides ... ..	...	...	...	3,129	...	3,129
Pleasant Island	1,500	...	1,500	1,500	...	1,500
Samoa (German) ... ..	...	...	...	901	...	901
United States of America ... ..	...	1,313	1,313	4,500,000	...	4,500,000
Total Foreign Countries	27,116	1,313	28,429	4,535,261	...	4,535,261
Grand total	74,203	198,071	272,274	11,520,336	495,169	12,015,505

2. Imports of Bullion and Specie.—Of the total imports of bullion and specie into the Commonwealth during 1916-17, 72.63 per cent. was in the form of gold bullion, and was received almost entirely from New Zealand for the purpose of minting.

3. Exports of Bullion and Specie.—Of the total exports of bullion and specie during 1916-17, gold represented 95.58 per cent., practically the whole of which was in the form of specie.

The countries which have appeared as the largest recipients of gold from Australia in normal times are New Zealand, India, Union of South Africa, Hong Kong, Ceylon and United Kingdom, but as large amounts of gold recorded as exported to Ceylon, are shipped *under option*, and may be despatched thence to any other country, the actual amount received by each country cannot be stated. Moreover, the dimensions of the gold shipments from Australia to particular countries are without any significance regarding the business transactions between Australia and those countries. Shipments of gold merely represent a contribution towards the liquidation of liabilities or the establishment of credit abroad; and Great Britain being the principal creditor and banker, shipments of gold from the Commonwealth are for the most part directed by London bankers to suit their requirements. The large shipments of gold to the United States of America and to Canada during the last two years were due to the exigencies of the war.

§ 10. Effects of Prices on the Values of Exports.

1. Significance of Price in Totals.—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 only in value—the only possible method when the commodities differ—the two sources of variation are confused.

The scheme of comparison followed is to select all such articles of export as are recorded by units of quantity, and to apply to the quantities exported during each year the average price per unit ruling in some year, arbitrarily taken for the purposes of comparison as the basic year. The ratio which the total actually recorded for the year under review bears to the total obtained by applying to the quantities of the year under review the average prices ruling during the basic year, may be called the “price-level” of the latter—as compared with the former—for the group of commodities considered, and may be taken as a measure of the effect of the change of price in the intervening period. Since the value of the articles used in the calculations represents as much as 88 per cent. of all exports during 1916-17—after excluding specie and gold bullion, which are not subject to price changes—a fairly extensive basis is afforded on which to found an estimate of the effect of prices over the full range of exports.

2. Effect of Prices.—The following table shows the values of exports as actually recorded in each year, together with the values 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 of 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 1916-17 for example, would have been £45,732,099 only, instead of £86,433,667—the value actually recorded. The difference between these amounts (£40,701,568) results from a rise of 89.0 per cent. (i.e., from 1000 to 1890) in the price of commodities for the period intervening between 1901 and 1916-17.

It will be seen from the column of "Price-Levels" that prices as indicated by the Commonwealth exports rose steadily from the beginning of the decade to the year 1907. The financial crisis in the United States of America caused a pronounced fall in the prices of 1908. 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.

EFFECT OF PRICES ON THE VALUE OF COMMONWEALTH EXPORTS, AND EXPORT PRICE LEVELS FOR THE PERIOD 1901 to 1916-17.

(BASIC YEAR, 1901.)

Year.	Exports of Specie and Gold Bullion.	Other Exports.		Total Exports (including Specie and Gold Bullion).		Price-Levels.* Year 1901 = 1000.
		Values as Recorded.	Values Computed on 1901 Prices.	Values as Recorded.	Values Computed on 1901 Prices.	
I.	II. £	III. £	IV. £	V. £	VI. £	VII.
1901 ...	14,347,776	35,348,396	35,348,396	49,696,172	49,696,172	1000
1902 ...	14,568,640	29,346,447	27,375,976	43,915,087	41,944,616	1072
1903 ...	18,408,702	29,841,410	26,697,120	48,250,112	45,105,822	1118
1904 ...	16,914,691	40,571,224	36,139,840	57,485,915	53,054,531	1123
1905 ...	10,977,111	45,863,924	38,465,210	56,841,035	49,442,321	1192
1906 ...	16,895,059	52,842,704	42,295,310	69,737,763	59,190,369	1249
1907 ...	10,571,263	62,252,984	47,557,141	72,824,247	58,128,404	1309
1908 ...	13,608,531	50,702,527	43,072,809	64,311,058	56,681,340	1177
1909 ...	8,390,376	56,928,460	46,973,200	65,318,836	55,363,576	1212
1910 ...	4,178,097	70,313,053	56,571,308	74,491,150	60,749,405	1243
1911 ...	11,561,639	67,920,619	58,104,744	79,482,258	69,666,383	1169
1912 ...	11,881,216	67,214,874	53,175,536	79,096,090	65,056,752	1264
1913 ...	3,164,105	75,407,664	58,683,007	78,571,769	61,847,112	1285
1914-15 ...	2,474,197	58,118,379	44,678,912	60,592,576	47,153,109	1301
1915-16 ...	10,391,019	64,387,302	40,056,884	74,778,321	50,447,903	1607
1916-17 ...	11,521,815	86,433,667	45,732,099	97,955,482	57,253,914	1890

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

3. *Influence of Quantity and Price on Total Increased Value of Exports.*—The estimated actual and relative effects of the influence of—(i.) increase or decrease in the exports of specie and gold bullion, (ii.) increase or decrease of *quantities* of other exports, (iii.) variation of prices on the value of the exports of each year since 1905 compared with 1901, are shewn on the next page.

From the following figures it will be seen that exports of 1916-17, for example, of specie and gold bullion compared with 1901, shew a decrease of 19.70 per cent., other exports (merchandise) shew an increase of 29.37 per cent. in quantities, and an increase of 89.01 per cent. in the group-prices. These several influences effect an aggregate increase of £48,259,310, or 97.11 per cent. over 1901 as follows:—By increased quantities of merchandise, £10,383,703 (21.51 per cent.); by increased prices, £40,701,568 (84.34 per cent.); accompanied by a decrease of £2,825,961 (5.85 per cent.) in the exports of specie and

gold. Of the greater value of merchandise exported during 1916-17 as compared with 1901, 20.33 per cent. represented increased production, and 79.67 per cent. was due to higher prices.

ANALYSIS OF INFLUENCE OF QUANTITY AND PRICE ON INCREASE OR DECREASE IN COMMONWEALTH EXPORTS, 1905 to 1916-17 COMPARED WITH 1901.

Year.	Particulars.	Variation above (+) or below (—) 1901 Exports due to change in:—			Total Variation above (+) or below (—) Value of 1901 Exports.
		Export of Specie and Gold.	Quantity of Export other than Specie and Gold.	Prices of Export other than Specie and Gold.	
1905.	Variation, actual £	—3,370,665	+3,116,814	+7,398,714	+7,144,863
	Relative magnitude of variation. Total	—47.18	+43.62	+103.56	+100
	variation taken as 100	—23.48	+ 8.82	+ 19.24	+14.37
	Variation, per cent.				
1906.	Variation, actual £	+2,547,283	+6,946,914	+10,547,394	+20,041,591
	Relative magnitude of variation. Total	+12.71	+34.66	+52.63	+100
	variation taken as 100	+17.76	+19.65	+24.94	+40.32
	Variation, per cent.				
1907.	Variation, actual £	—3,776,513	+12,206,745	+14,695,843	+23,128,075
	Relative magnitude of variation. Total	—16.32	+52.78	+63.54	+100
	variation taken as 100	—26.32	+34.55	+30.90	+46.56
	Variation, per cent.				
1908.	Variation, actual £	—739,245	+7,724,413	+7,629,718	+14,614,886
	Relative magnitude of variation. Total	— 5.06	+52.85	+52.21	+100
	variation taken as 100	— 5.15	+21.85	+17.72	+29.43
	Variation, per cent.				
1909.	Variation, actual £	—5,957,400	+11,624,804	+9,955,260	+15,622,664
	Relative magnitude of variation. Total	—38.13	+74.40	+63.73	+100
	variation taken as 100	—41.52	+32.89	+21.19	+31.43
	Variation, per cent.				
1910.	Variation, actual £	—10,169,679	+21,222,912	+13,741,745	+24,794,978
	Relative magnitude of variation. Total	—41.01	+85.59	+55.42	+100
	variation taken as 100	—70.88	+60.04	+24.32	+49.90
	Variation, per cent.				
1911.	Variation, actual £	—2,786,137	+22,756,348	+9,815,875	+29,786,086
	Relative magnitude of variation. Total	— 9.35	+76.40	+39.95	+100
	variation taken as 100	—19.42	+64.37	+16.89	+59.95
	Variation, per cent.				
1912.	Variation, actual £	—2,466,560	+17,827,140	+14,039,338	+29,399,918
	Relative magnitude of variation. Total	— 8.39	+60.64	+47.75	+100
	variation taken as 100	—17.19	+50.43	+26.40	+59.16
	Variation, per cent.				
1913.	Variation, actual £	—11,183,671	+23,334,611	+16,724,657	+28,875,597
	Relative magnitude of variation. Total	—38.73	+80.81	+57.92	+100
	variation taken as 100	—77.95	+66.01	+28.50	+58.10
	Variation, per cent.				
1914	Variation, actual £	—11,873,579	+9,330,516	+13,439,467	+10,896,404
-15.	Relative magnitude of variation. Total	—108.98	+85.63	+123.35	+100
	variation taken as 100	— 82.76	+26.40	+ 30.08	+21.92
	Variation, per cent.				
1915	Variation, actual £	—3,956,757	+4,708,488	+24,330,418	+25,082,149
-16.	Relative magnitude of variation. Total	—15.77	+18.77	+97.00	+100
	variation taken as 100	—27.58	+13.32	+60.74	+50.47
	Variation, per cent.				
1916	Variation, actual £	—2,825,961	+10,383,703	+40,701,568	+48,259,310
-17.	Relative magnitude of variation. Total	— 5.85	+21.51	+84.34	+100
	variation taken as 100	—19.70	+29.37	+89.01	+97.11
	Variation, per cent.				

The following table of index-numbers shews the variations in price of the different classes of goods exported grouped according to their industrial origin :—

PRICE-LEVELS OF EXPORTS, 1901-17.

(BASIC YEAR, 1901.)

Year.	Agricultural Produce.	Pastoral Produce.	Dairy Produce.	Mineral Produce.	Miscellaneous.
1901	1,000	1,000	1,000	1,000	1,000
1902	1,127	1,115	1,155	844	1,114
1903	1,118	1,223	943	818	1,196
1904	1,109	1,243	906	863	946
1905	1,186	1,302	994	924	920
1906	1,161	1,356	1,020	1,115	976
1907	1,174	1,426	1,042	1,149	1,022
1908	1,414	1,231	1,113	910	995
1909	1,490	1,234	1,030	895	1,040
1910	1,472	1,270	1,071	894	907
1911	1,260	1,196	1,085	930	1,220
1912	1,415	1,271	1,196	1,123	1,237
1913	1,347	1,324	1,126	1,109	1,203
1914-15	1,410	1,340	1,183	1,114	1,179
1915-16	1,929	1,572	1,493	1,543	1,079
1916-17	1,756	2,050	1,669	1,868	1,187

The high index-numbers for mineral produce during 1906 and 1907 reflect the world's prices for that period, when prices registered for all the principal industrial metals touched a point higher than any previously recorded for many years.

The lower index 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.

The movements in the miscellaneous group during the last three years are practically a reflection of the variations in the price of pearl-shell, which is by far the most important item in the group.

§ 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 sensibly 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. Or 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. 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 only 4 per cent., and in New Zealand even less.

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

TRADE OF VARIOUS COUNTRIES (IMPORTS FOR HOME CONSUMPTION AND EXPORTS OF DOMESTIC PRODUCTS, INCLUDING BULLION AND SPECIE) FOR LATEST AVAILABLE YEAR.

Country.	Year ended.	Trade.			Trade per Inhabitant.		
		Imports.	Exports.	Total.	Im-ports.	Ex-ports.	Total.
		£	£	£	£ s. d.	£ s. d.	£ s. d.
C'WEALTH OF AUSTRALIA	30/6/17	74,466,000	95,040,000	169,506,000	15 5 6	19 9 11	34 15 5
	31/12/13	76,323,000	75,113,000	151,436,000	15 17 11	15 12 10	31 10 9
United Kingdom ...	31/12/16	851,544,000	506,546,000	1,358,090,000	19 2 10	11 7 10	30 10 8
	31/12/13	671,265,000	525,461,000	1,196,726,000	14 11 8	11 8 4	26 0 0
Canada ...	31/3/16	105,765,000	154,502,000	260,297,000	12 3 5	17 15 3	29 18 8
	31/3/14	132,019,000	89,915,000	221,934,000	16 13 6	11 7 2	28 0 8
New Zealand ...	31/12/16	26,028,000	32,976,000	59,004,000	23 13 6	29 19 10	53 13 4
	31/12/13	21,879,000	22,578,000	44,457,000	20 10 7	21 3 8	41 14 3
United States of America	30/6/16	532,741,000	913,876,000	1,446,617,000	5 3 1	8 16 10	13 19 11
	30/6/14	391,780,000	493,182,000	884,962,000	4 0 0	5 0 8	9 0 8
Argentine Republic ...	31/12/12	84,187,000	96,195,000	180,382,000	11 9 2	13 1 8	24 10 10
Austria-Hungary ...	"	149,026,000	121,345,000	270,371,000	2 19 4	2 8 4	5 7 8
Belgium ...	"	210,211,000	160,054,000	370,265,000	27 15 3	21 2 10	48 18 1
Brazil ...	"	63,425,000	74,649,000	138,074,000	2 12 1	3 1 2	5 13 3
Denmark ...	"	41,954,000	33,940,000	75,894,000	14 19 8	12 2 5	27 2 1
France ...	"	350,482,000	281,495,000	631,977,000	8 16 9	7 1 11	15 18 8
German Empire ...	"	541,675,000	447,392,000	989,067,000	8 3 9	6 15 3	14 19 0
Italy ...	"	149,113,000	97,536,000	246,649,000	4 5 2	2 15 8	7 0 10
Japan ...	"	66,007,000	57,972,000	123,979,000	1 5 3	1 2 2	2 7 5
Norway ...	"	28,756,000	18,147,000	46,903,000	11 15 9	7 8 10	19 4 7
Portugal ...	"	17,035,000	7,867,000	24,902,000	3 0 10	1 8 2	4 9 0
Spain ...	"	42,089,000	41,826,000	83,915,000	2 2 9	2 2 6	4 5 3
Sweden ...	"	44,095,000	42,257,000	86,352,000	7 17 4	7 10 10	15 8 2
Switzerland ...	"	81,577,000	55,629,000	137,206,000	21 6 7	14 10 11	35 17 6
Uruguay ...	31/12/11	9,333,000	8,840,000	18,173,000	7 18 6	7 10 1	15 8 7

In the above table the figures relate, as nearly as is possible, to imports entered for consumption in the various countries quoted, 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, and 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.

3. External Trade as a Measure of Prosperity.—External trade is not necessarily a measure of the prosperity of a country. It is, for example, obvious that the external trade of a community depends not only upon the aggregate of its requirements, but also upon the extent to which it fails to supply requirements from its own resources. A community largely self-contained, for example, may have but a small external trade per head, and yet, by virtue of its capacity to produce and manufacture its own raw material, may actually enjoy greater prosperity and a higher standard of living than another country whose external trade per head is much greater. The same observation applies equally

to comparisons of the trade of the same country at different periods. A young country, the industries and export trade of which are mainly connected with raw or natural products, may, for example, through internal development, find the growth of its external trade diminishing per head of population without necessarily suffering any real diminution in the well-being of its people. In this regard it is interesting to contrast the trade per head of say, Belgium, New Zealand, and the United States of America. Of all the countries mentioned in the foregoing table, the trade per unit of population for any year was greatest in New Zealand (£53 13s 4d.), with Belgium next, (£48 18s. 1d. in 1912), whereas for the United States the trade was only £13 9s. 11d. per inhabitant. Belgium and New Zealand represent conditions almost directly opposite to one another in the scheme of industrial development, yet the trade per head of each is abnormally high in comparison with that of most other countries. The large trade of Belgium was attained by the export of the products of highly organised manufacturing industries, based on the supplies of coal and iron within the country, in exchange for the raw materials for those industries and for food. In New Zealand the circumstances are reversed, inasmuch as in that country the energies of the people are mainly applied to primary industries, the produce of which, being largely in excess of local requirements, is exported in exchange for manufactured goods. The relatively small trade per head of population of the United States, as compared with Belgium or New Zealand, does not indicate that the people of the United States are in an inferior condition, but rather that their industries are more nearly balanced, with the result that a large proportion of the requirements of the nation is supplied from within its own territory, and consequently a smaller foreign trade is sufficient to supply the fewer remaining wants of the people, or, in other words, it indicates that as a nation the United States is more nearly self-contained.

The small foreign trade per inhabitant of Japan, Spain, and Portugal is, undoubtedly, due in some measure to a lower standard of living, but to what extent this factor is responsible, and how much is due to the capacity to supply all kinds of material wants from its own resources, could be ascertained only from a consideration of the general social and industrial conditions prevailing in each country. It is further obvious that circumstances may arise when enlargement of both imports and exports is actually a consequence of temporary economic difficulties. For example, in 1903, owing to shortage in the local supply, it became necessary to *import* wheat and flour into Australia to the value of £2,556,968, and to meet the charges for this by equivalent *exports*, the effect, considered *per se*, being to enlarge both. In this case the increase is not an evidence of prosperity, nor can the increase of imports into the United Kingdom during 1915, due to purchases of war material, be considered as an advantage to that country.

§ 12. Trade of the United Kingdom with Australia, compared with 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. The percentages given in the following table shew the proportions of the imports into Australia from the United Kingdom, and from other countries mentioned, during each of the years 1886 to 1916-17:—

**PROPORTION OF COMMONWEALTH IMPORT TRADE FROM VARIOUS COUNTRIES,
1886 to 1916-17.**

Year.	Percentage Proportions from—					Year.	Percentage Proportions from—				
	United K'dom	British Poss'ns	Germ'y.	United States.	Total Foreign C'tries.		United K'dom.	British Poss'ns.	Germ'y.	United States.	Total Foreign C'tries.
1886	73.37	11.23	2.05	6.11	15.40	1902	58.64	13.22	6.53	12.37	28.14
1887	73.26	12.50	2.28	5.37	15.24	1903	52.51	13.17	6.24	16.84	34.32
1888	71.62	12.03	2.71	6.48	16.35	1904	60.68	12.22	7.17	12.40	27.10
1889	68.98	13.45	3.65	6.67	17.57	1905	60.17	14.04	6.42	11.70	25.79
1890	68.08	12.66	4.77	6.54	19.26	1906	59.39	15.09	7.16	10.36	25.52
1891	70.15	11.40	4.53	6.79	18.45	1907	61.59	12.93	6.85	11.33	25.48
1892	70.74	11.37	4.32	6.04	17.89	1908	60.10	12.83	7.05	12.13	27.07
1893	72.78	12.14	3.40	4.98	15.08	1909	60.92	13.45	6.51	9.78	25.63
1894	71.92	11.96	3.78	5.39	16.13	1910	61.06	13.11	6.30	10.82	25.83
1895	71.62	11.46	4.42	5.95	16.92	1911	58.98	12.86	6.63	11.57	28.16
1896	68.28	10.74	5.31	8.59	20.98	1912	58.76	12.26	6.68	13.09	28.98
1897	66.22	10.72	5.75	10.10	23.06	1913	59.70	12.42	6.22	11.94	27.88
1898	66.62	10.88	5.86	10.16	22.50	1914-15	58.83	14.64	2.02	14.89	26.54
1899	61.85	11.75	6.07	13.00	26.40	1915-16	51.26	16.39	0.05	19.81	32.35
1900	61.28	11.28	6.54	12.16	27.44	1916-17	52.47	16.03	0.06	20.37	31.50
1901	59.47	11.22	6.59	13.80	29.31						

In order to draw accurate conclusions from the above table, however, special attention must be given to the nature of imports from the United States, since the imports from that country have in some years been increased by imports of breadstuffs, a trade in which the United Kingdom could not participate. The years affected by the imports of breadstuffs were 1886, 1889, 1896, 1897, 1903 and 1914-15. Increased imports of such items as kerosene oil and timber also tend to increase the proportion of imports from the United States without any prejudicial effect on the trade of the United Kingdom. Similar modification is not necessary in regard to Germany, as the nature of the imports from that country was substantially the same as from the United Kingdom.

It has already been pointed out in this chapter that, prior to the year 1905, imports into the Commonwealth were recorded only against the country whence they were directly imported. Although the values of direct imports do not afford satisfactory data, it is necessary for any comparison extending further back than 1905 to use such figures. These figures are unsatisfactory on account of the varying proportions of indirect trade.

In order to furnish a comparison free from such trade as, from its nature, is not open to the United Kingdom, the following table, shewing the direct imports during the years 1886, 1906, 1913, and 1916-17 of the principal classes of goods which enter largely into the trade of the countries named, has been prepared. It may be mentioned that the imports for the year 1886 were extracted from the "Statistical Registers" of the several States for a comparison—published in a previous issue—with the year 1906, and as their compilation involved a large amount of labour they are again utilised for comparison with the later years.

PRINCIPAL DIRECT IMPORTS INTO THE COMMONWEALTH FROM THE UNITED KINGDOM, GERMANY, AND THE UNITED STATES, 1886, 1906, 1913 AND 1916-17.

Nature of Imports.	Year.	United Kingdom.	Germany.	United States.	All Countries.
		£	£	£	£
Foodstuffs of animal origin ...	1886	348,950	5,603	70,959	674,296
	1906	293,950	24,319	146,781	697,830
	1913	385,307	61,096	269,826	947,697
	1916-17	247,450	956	319,027	1,156,816
Alcoholic liquors ...	1886	1,801,200	82,185	82,730	2,126,877
	1906	1,053,154	109,426	24,367	1,388,671
	1913	1,571,425	228,028	15,965	2,095,896
	1916-17	1,818,179	780	36,176	1,985,895
Apparel, textiles, etc. (incl. boots)	1886	9,845,182	54,350	15,336	10,316,989
	1906	11,066,201	418,776	221,362	13,505,844
	1913	15,494,151	578,096	394,783	19,705,768
	1916-17	17,439,818	6,166	1,648,524	24,134,766
Metals unmanufactured and partly manufactured* ...	1886	403,809	2,241	...	430,950
	1906	696,331	62,945	34,927	927,785
	1913	1,191,583	113,152	106,731	1,899,846
	1916-17	728,181	780	542,486	1,479,649
Manufactures of metal (including machinery) ...	1886	4,616,924	94,832	311,342	5,190,901
	1906	5,144,912	926,314	1,379,662	7,932,675
	1913	11,281,207	1,235,493	2,849,083	16,623,135
	1916-17	6,377,960	8,813	3,955,328	11,084,538
Paper and stationery ...	1886	1,260,531	21,038	39,700	1,340,627
	1906	1,207,729	261,684	288,509	1,838,474
	1913	2,083,736	255,234	230,803	3,134,750
	1916-17	2,157,165	2,184	860,322	4,462,040
Jewellery, timepieces, fancy goods	1886	659,833	24,206	57,477	789,127
	1906	740,850	140,950	59,151	1,045,164
	1913	964,966	182,040	90,508	1,410,555
	1916-17	625,847	4,160	182,492	1,126,320
Earthenware, cements, etc. ...	1886	755,907	78,762	24,711	938,476
	1906	316,252	227,390	37,344	688,510
	1913	700,561	459,090	60,203	1,580,615
	1916-17	533,076	3,583	244,271	1,112,937
Drugs, chemicals, fertilizers, etc.	1886	511,216	8,660	33,382	766,243
	1906	887,325	193,615	82,789	1,732,543
	1913	941,113	233,792	103,308	2,493,192
	1916-17	1,409,710	2,063	373,987	3,130,397
Leather, and mfs. thereof (excluding boots) and substitutes therefor, including indiarubber ...	1886	285,601	6,357	53,588	363,332
	1906	682,238	70,028	116,356	924,968
	1913	889,870	243,471	289,285	1,749,046
	1916-17	595,294	259	753,340	1,867,696
Total above-mentioned imports ...	1886	20,489,153	378,234	689,225	22,937,818
	1906	22,088,942	2,435,447	2,391,248	30,685,464
	1911	32,038,457	3,282,974	4,103,528	45,826,196
	1912	36,450,681	3,736,567	4,790,930	51,939,310
	1913	35,503,919	3,589,492	4,410,495	51,640,500
	1914-15	30,826,905	931,983	5,156,535	44,104,547
	1915-16	32,445,939	27,823	7,652,931	49,333,917
	1916-17	31,932,680	29,744	8,915,953	51,541,094
Total imports (less bullion and specie) ...	1886	24,974,939	699,075	2,087,213	33,885,234
	1906	26,437,768	3,202,990	4,633,331	42,413,995
	1911	39,145,829	4,427,153	7,747,470	64,934,538
	1912	45,630,869	5,194,594	9,448,643	76,483,360
	1913	47,422,225	4,956,828	9,522,502	78,196,109
	1914-15	37,466,500	1,296,861	9,584,665	63,563,781
	1915-16	39,508,832	1,296,917	15,358,433	76,740,899
	1916-17	39,983,227	47,675	15,526,998	75,956,405

* Mainly pig iron and bar and rod iron. Gold and silver bullion is not included.

PERCENTAGE OF TOTAL COMMONWEALTH IMPORTS OF PRINCIPAL DIRECT IMPORTS FROM UNITED KINGDOM, GERMANY, AND UNITED STATES, 1886, 1906, 1913, AND 1916-17.

Nature of Imports.	Year.	United Kingdom.	Germany.	United States.	All Countries
Foodstuffs of animal origin ...	1886	51.75	0.83	10.52	100
	1906	42.12	3.48	21.02	100
	1913	40.66	6.45	28.47	100
	1916-17	21.39	0.08	27.58	100
Alcoholic liquors ...	1886	84.69	3.86	3.89	100
	1906	75.84	7.88	1.75	100
	1913	74.98	10.88	0.76	100
	1916-17	91.56	0.04	1.82	100
Apparel, textiles, etc. (including boots)	1886	95.44	0.53	0.15	100
	1906	81.93	3.10	1.64	100
	1913	78.62	2.93	2.00	100
	1916-17	72.25	0.03	6.83	100
Metals unmanufactured and partly manufactured ...	1886	93.72	0.52	—	100
	1906	75.06	6.78	3.76	100
	1913	62.73	5.96	5.62	100
	1916-17	49.22	0.05	36.67	100
Manufactures of metals ...	1886	88.93	1.83	6.00	100
	1906	64.85	11.68	17.39	100
	1913	67.86	7.43	17.14	100
	1916-17	57.54	0.08	35.68	100
Paper and stationery ...	1886	94.03	1.57	2.96	100
	1906	65.69	14.23	15.69	100
	1913	66.47	8.14	7.36	100
	1916-17	48.34	0.05	19.28	100
Jewellery, timepieces, and fancy goods	1886	83.62	3.07	7.28	100
	1906	70.89	13.48	5.66	100
	1913	68.42	12.91	6.42	100
	1916-17	55.57	0.37	16.20	100
Earthenware, cements, etc. ...	1886	80.55	8.39	2.63	100
	1906	45.93	33.03	5.42	100
	1913	44.32	29.05	3.81	100
	1916-17	47.90	0.32	21.95	100
Drugs, chemicals, fertilizers, etc. ...	1886	66.71	1.13	4.36	100
	1906	51.22	11.18	4.78	100
	1913	37.75	9.38	4.14	100
	1916-17	45.03	0.07	11.95	100
Leather and mfs. thereof, and substitutes therefor, including indiarubber	1886	78.60	1.75	15.30	100
	1906	73.75	7.60	12.58	100
	1913	50.88	13.92	16.54	100
	1916-17	31.87	0.01	40.34	100
Total above-mentioned imports ...	1886	89.31	1.65	3.01	100
	1906	71.98	7.94	7.79	100
	1911	69.91	7.16	8.95	100
	1912	70.14	7.19	9.22	100
	1913	68.73	6.95	8.54	100
	1914-15	69.89	2.11	11.69	100
	1915-16	65.76	0.06	15.51	100
Total imports (less bullion and specie)	1916-17	61.96	0.06	17.30	100
	1886	73.71	2.06	6.16	100
	1906	62.34	7.55	10.92	100
	1911	60.28	6.82	11.93	100
	1912	59.66	6.71	12.35	100
	1913	60.66	6.34	12.18	100
	1914-15	58.95	2.04	15.08	100
	1915-16	51.47	1.69	20.01	100
	1916-17	52.34	0.06	20.38	100

The foregoing table shews that the share of the United Kingdom, as indicated by the records according to "Country of Shipment," in the trade of those classes of goods enumerated—representing about 80 per cent. of the total imports from that country—has declined from 89.31 per cent. of the whole in 1886 to 61.96 per cent. in 1916-17. The value of these imports from the United Kingdom has increased from £20,489,153 in 1886 to

only £31,932,680 in 1916-17, or by 55.85 per cent., while the total value of similar imports has increased from £22,937,818 to £51,541,094, or by 124.72 per cent. Had the same proportion of the total trade in these goods been shipped from the United Kingdom during 1916-17 as in 1886, it would have represented £46,031,351 instead of £31,932,680.

The following table gives an analysis of the imports during the quinquennium 1908-12, and the years 1913 to 1916-17 according to the countries of origin of the goods, and has been extended to include the products of Japan.

IMPORTS INTO THE COMMONWEALTH OF PRODUCTS OR MANUFACTURES OF THE UNITED KINGDOM, FRANCE, GERMANY, JAPAN, AND THE UNITED STATES OF AMERICA, DURING THE YEARS 1908-12 to 1916-17.

Nature of Imports.	Year.	United Kingdom.	France.	Germany.	Japan.	U.S. of America.	All Countries
		£	£	£	£	£	£
Foodstuffs of animal origin	1908-12	269,073	4,269	8,253	5,747	242,640	862,778
	1913	301,025	3,093	12,071	6,988	289,229	947,697
	1914-15	297,767	3,940	1,333	8,330	288,639	1,265,068
	1915-16	239,196	2,925	315	17,214	668,726	1,797,407
	1916-17	208,010	2,024	189	16,262	344,306	1,156,816
Alcoholic liquors, etc. ...	1908-12	1,095,700	310,485	104,655	931	18,573	1,731,020
	1913	1,988,717	361,734	171,055	1,755	22,313	2,085,896
	1914-15	1,351,151	271,758	35,852	1,736	45,460	1,780,927
	1915-16	1,113,030	166,394	896	2,599	38,479	1,488,987
	1916-17	1,528,027	205,261	816	2,074	47,818	1,985,895
Apparel (including boots), textiles, etc. ...	1908-12	10,579,504	820,626	1,505,804	396,687	454,184	16,677,058
	1913	12,057,643	960,479	1,702,145	475,954	624,682	19,705,768
	1914-15	11,149,935	887,141	594,096	733,101	709,110	17,577,422
	1915-16	13,784,546	851,066	28,289	1,132,222	1,266,449	21,272,545
	1916-17	15,382,173	796,051	11,289	1,612,232	1,703,481	24,134,756
Metals unmanufactured* partly manufactured, excluding gold and silver bullion ...	1908-12	859,907	2,550	185,496	239	56,685	1,309,458
	1913	1,202,514	3,674	302,466	...	108,000	1,699,846
	1914-15	898,390	906	51,110	108	156,951	1,309,908
	1915-16	800,089	19,364	771	4,551	438,639	1,425,645
	1916-17	708,697	2,725	2,285	22,819	553,185	1,479,649
Manufactures of metals ...	1908-12	8,029,953	53,397	1,447,043	3,324	2,500,239	12,763,023
	1913	10,874,005	44,713	1,735,452	7,601	3,078,610	16,623,135
	1914-15	8,777,732	30,806	547,165	11,464	3,210,904	13,455,001
	1915-16	8,424,701	31,801	28,141	75,292	3,731,020	13,013,699
	1916-17	6,286,665	21,263	17,420	171,935	3,872,923	11,084,538
Paper and stationery ...	1908-12	1,463,233	18,665	279,868	7,902	293,820	2,547,761
	1913	1,789,577	21,930	266,483	10,656	403,679	3,134,750
	1914-15	1,602,290	25,473	77,913	10,709	445,166	2,745,827
	1915-16	1,664,894	30,313	4,705	20,892	401,390	2,961,310
	1916-17	2,050,520	25,474	2,670	52,680	845,780	4,462,040
Jewellery, timepieces and fancy goods ...	1908-12	532,749	133,828	263,726	17,129	152,454	1,472,740
	1913	506,608	85,430	250,846	19,192	136,965	1,410,555
	1914-15	453,166	68,418	97,352	35,193	131,696	1,102,462
	1915-16	395,097	93,720	4,512	87,213	193,044	1,125,101
	1916-17	368,712	90,418	5,512	128,658	193,378	1,126,320
Earthenware, cements, glass, etc. ...	1908-12	490,818	31,081	271,406	16,220	55,039	1,067,217
	1913	655,778	40,504	453,007	21,493	64,482	1,580,615
	1914-15	740,002	36,899	104,936	44,659	126,287	1,208,186
	1915-16	674,576	12,205	7,048	230,222	220,424	1,355,299
	1916-17	501,243	8,024	3,410	263,056	248,796	1,112,987
Drugs, chemicals, fertilizers	1908-12	864,243	212,344	192,785	106,997	146,088	2,083,895
	1913	902,343	226,917	266,811	129,188	178,501	2,493,192
	1914-15	928,736	180,035	76,729	170,852	303,530	2,425,689
	1915-16	1,151,039	285,676	11,557	189,357	414,288	3,000,984
	1916-17	1,168,860	208,027	6,320	366,405	471,255	3,130,397
Leather and manufactures thereof, including india-rubber (excluding boots)	1908-12	472,166	59,356	221,768	1,581	324,991	1,338,033
	1913	515,169	68,746	347,550	692	435,071	1,749,046
	1914-15	359,178	40,515	76,907	844	443,314	1,234,057
	1915-16	496,747	52,272	2,492	5,040	782,272	1,892,940
	1916-17	426,546	20,228	290	16,243	978,588	1,867,696
Total above-mentioned imports ...	1908-12	24,657,246	1,646,501	4,480,604	556,757	4,244,713	41,855,993
	1913	30,103,379	1,817,220	5,512,865	673,519	5,341,532	51,604,500
	1914-15	26,458,347	1,544,891	1,663,333	1,016,986	5,871,257	44,104,547
	1915-16	28,743,915	1,545,756	88,726	1,764,569	8,154,731	49,393,917
	1916-17	28,629,453	1,379,496	50,201	2,652,354	9,259,609	51,541,094
Total imports (less bullion and specie) ...	1908-12	30,371,178	2,015,324	5,547,984	760,616	7,987,532	59,777,620
	1913	40,948,803	2,222,631	7,029,235	950,300	10,907,512	78,196,109
	1914-15	32,063,380	1,754,432	2,006,131	1,436,310	19,870,742	63,563,781
	1915-16	34,914,908	1,792,525	113,232	2,909,696	15,863,766	76,740,899
	1916-17	36,236,491	1,492,552	70,396	3,373,682	15,873,483	75,956,405

* Mainly pig iron and bar and rod iron.

NOTE.—Figures for the years 1905-10 will be found in previous issues.

**COMMONWEALTH PERCENTAGE ON TOTAL IMPORTS OF IMPORTS OF PRODUCTS OR
MANUFACTURES OF THE UNITED KINGDOM, FRANCE, GERMANY, JAPAN, AND
THE UNITED STATES OF AMERICA DURING THE YEARS 1908-12 to 1916-17.**

Nature of Imports.	Year.	United Kingdom.	France.	Germany.	Japan.	U.S.A.	All Countries
Foodstuffs of animal origin	1908-12	31.19	0.49	0.96	0.67	28.12	100
	1913	31.77	0.33	12.74	0.74	30.52	100
	1914-15	23.54	0.23	0.10	0.66	23.61	100
	1915-16	13.31	0.16	0.02	0.96	37.20	100
	1916-17	17.98	0.17	0.03	1.40	29.77	100
Alcoholic liquors, etc.	1908-12	63.18	17.90	6.03	0.05	1.07	100
	1913	61.96	17.26	8.16	0.08	1.06	100
	1914-15	70.25	15.26	2.01	0.10	2.55	100
	1915-16	74.75	11.18	0.06	0.17	2.58	100
	1916-17	76.95	10.34	0.04	0.10	2.40	100
Apparel (including boots), textiles, etc.	1908-12	63.45	4.92	9.03	2.38	2.72	100
	1913	61.18	4.87	8.64	2.42	3.17	100
	1914-15	63.43	5.05	3.38	4.17	4.03	100
	1915-16	64.84	4.00	0.13	5.32	5.95	100
	1916-17	63.73	3.30	0.05	6.68	7.06	100
Metals unmanufactured or partly manufactured, ex- cluding gold and silver bullion	1908-12	65.67	0.19	14.16	0.02	4.33	100
	1913	63.29	0.19	15.92	—	5.69	100
	1914-15	68.58	0.07	3.90	0.01	11.98	100
	1915-16	56.13	1.36	0.05	0.32	30.77	100
	1916-17	47.90	0.18	0.15	1.54	37.39	100
Manufactures of metals	1908-12	62.91	0.42	11.34	0.03	19.59	100
	1913	65.41	0.27	10.44	0.05	18.52	100
	1914-15	65.24	0.23	4.07	0.09	23.86	100
	1915-16	64.60	0.24	0.21	0.58	28.60	100
	1916-17	56.71	0.19	0.16	1.55	34.94	100
Paper and stationery	1908-12	57.43	0.73	10.98	0.31	11.53	100
	1913	57.41	0.70	8.50	0.34	12.68	100
	1914-15	58.36	0.93	2.84	0.39	16.21	100
	1915-16	56.62	1.03	0.22	0.80	14.20	100
	1916-17	45.95	0.57	0.06	1.18	18.95	100
Jewellery, timepieces, and fancy goods	1908-12	36.18	9.09	17.90	1.16	10.35	100
	1913	35.92	6.06	17.77	1.36	9.71	100
	1914-15	41.11	6.21	8.83	3.19	11.96	100
	1915-16	35.14	8.34	0.37	7.76	17.18	100
	1916-17	32.74	8.03	0.49	11.41	17.17	100
Earthenware, cements, glass, etc.	1908-12	46.99	2.91	25.43	1.52	5.16	100
	1913	41.49	2.56	28.98	1.36	4.08	100
	1914-15	61.26	3.05	8.69	3.70	10.45	100
	1915-16	49.77	0.90	0.52	16.99	16.27	100
	1916-17	45.05	0.72	0.31	23.64	22.36	100
Drugs, chemicals, and fertilizers	1908-12	41.48	10.19	9.25	5.13	7.01	100
	1913	36.19	9.10	10.70	5.18	7.16	100
	1914-15	38.29	7.42	3.16	7.04	18.28	100
	1915-16	38.36	9.52	0.39	6.32	13.83	100
	1916-17	37.33	6.64	0.20	11.71	15.05	100
Leather and manufactures thereof and substitutes therefor, including india- rubber (excluding boots)	1908-12	35.29	4.43	16.57	0.12	24.29	100
	1913	29.45	3.93	19.87	0.04	24.88	100
	1914-15	29.10	3.28	6.23	0.07	35.92	100
	1915-16	26.36	2.76	0.13	0.26	41.34	100
	1916-17	22.84	1.08	0.02	0.87	52.40	100
Total above-mentioned articles	1908-12	58.90	3.93	10.71	1.33	10.14	100
	1913	58.30	3.52	10.67	1.30	10.34	100
	1914-15	59.99	3.50	3.77	2.31	13.32	100
	1915-16	58.27	3.13	0.18	3.58	16.53	100
	1916-17	55.54	2.68	0.10	5.15	17.96	100
Total imports (less bullion and specie)	1908-12	50.81	3.37	9.28	1.27	13.36	100
	1913	52.37	2.84	8.99	1.21	13.95	100
	1914-15	50.45	2.76	3.16	2.26	17.10	100
	1915-16	45.52	2.36	0.15	3.79	20.69	100
	1916-17	47.71	1.96	00.9	4.44	20.90	100

In previous issues this table has included Belgian imports. As it will be some time before Belgian trade will regain its pre-war dimensions, figures relating to the imports from Japan have been substituted.

It is gratifying to find that, notwithstanding the war, the United Kingdom has been able to so well maintain her share of the import trade of the Commonwealth. It will be noticed that, of the total of the groups shewn in the foregoing tables, the United Kingdom supplied 55.54 per cent. during 1916-17, as against 58.30 per cent. during 1913.

Apart from the collapse of the trade with Belgium and Germany in consequence of the war, the most striking feature of the figures given above, perhaps, is the increased proportion of the trade which has fallen to the United States. In the latest pre-war year (1913), the share of the United States in the "competitive" groups was £5,341,532, or 10.34 per cent., whereas in 1916-17 it was £9,259,509, or 17.96 per cent. The following are some of the principal lines in which United States' sales to Australia during 1916-17 were increased over those of 1913; and the amount of such increases:—Fish, £62,345; cocoa and chocolate, and confectionery, £27,070; potable spirits, £21,643; tobacco, £68,458; apparel and textiles, £1,075,432; mixed metals—aluminium, bronze, etc., £44,346; iron and steel unmanufactured or partly manufactured, £395,180; manufactured metals and machinery, £794,312; glass and glassware, £197,099; indiarubber and manufactures thereof, £291,673; leather and manufactures of, £254,711; paper and stationery, £442,101; fancy goods, £24,949; jewellery, £40,484; drugs and chemicals, £292,754; ammunition and explosives, £57,356; brushware, £16,064; electrical materials, £42,921; pianos and parts thereof, £150,564; motor vehicles and parts thereof, £652,365; bicycles, tricycles, and parts, £33,974; paints and varnishes, £53,818.

The more prominent position taken by Japan in the supply of these competitive goods is also a noticeable development of the past three years. Although the value of the imports of competitive goods from Japan is much less than from America, the rate of increase has been far greater—from £673,519 in 1913 to £2,652,354 in 1916-17, equal to 294 per cent. The classes of goods chiefly responsible for this increase were—Apparel and textiles, £1,136,268; metal manufactures and machinery, £187,153; china and porcelain ware, £80,965; earthenware, £30,981; glass and glassware, £128,148; paper, £23,778; stationery, £182,461; fancy goods, £100,291; optical, surgical, and scientific instruments, £11,878; sulphur, £219,498; bags, baskets, trunks, etc, £38,542; brushware, £36,795; matches, £20,873.

It may, perhaps, be necessary to explain the magnitude of imports of German goods during the year 1914-15, of which nearly eleven months were under war conditions. In the first place, a number of German ships *en route* to Australia, were, on the outbreak of war, interned in neutral ports and in South Africa. Subsequently the cargoes of these vessels were released and forwarded to Australia. British ships on the water on the 4th August, 1914, also, subsequently delivered their cargoes, which included German goods. Further, the earlier proclamations relating to trading with the enemy did not prohibit the importation of goods of enemy origin, provided they had not been purchased from an enemy country by a resident in Australia since the outbreak of war. Proclamation of the 12th September, 1914, provided that "where an enemy has a branch locally situated in British, allied or neutral territory, not being neutral territory in Europe, transactions by or with such branch shall not be treated as transactions by or with an enemy." It was not until the 11th December, 1915, that the importation, except with the consent in writing of the Minister of State for Trade and Customs, was prohibited of goods manufactured or produced in or bought directly or indirectly from an enemy country. Some goods of German origin, and also some German specie have been sent down from the captured German colonies in the Pacific.

2. Preferential Tariff.—The 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 operation of preferential rates has been very material, and has been accompanied in many instances by an increase of the margin in favour of the United Kingdom. On the introduction of the preferential treatment of British goods, 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 in 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.

Recent editions of this Year Book have contained exhaustive analyses of the imports into the Commonwealth, for the purpose of measuring the effect of the preferential treatment of British goods. The method adopted was to contrast the relative proportion of the trade supplied by the United Kingdom in respect to goods subject to preferential tariff rates with the proportion of goods of the same class supplied in unrestricted competition under the general tariff. The most satisfactory data for the purpose was furnished by two classes of goods, viz., "Apparel and Textiles" and "Machinery and Manufactures of Metals." Under the existing tariff, preferential treatment has been so extended as to cover practically all goods of these classes, and consequently the basis of comparison no longer exists. Prior to the existing tariff, just about one-half of all imports and about 60 per cent. of imports from the United Kingdom were affected by the preferential tariff, whereas, under the tariff now in operation, nearly 80 per cent. of all imports and about 90 per cent. of imports of United Kingdom origin during 1915-7 were affected by the preferential tariff.

3. Preferential Tariffs of the British Empire.—The second report of a Special Committee of the London Chamber of Commerce on Trade During and After the War gives the following outline of the systems of preferential tariffs within the British Empire and the tariff arrangements between British Dominions or Colonies and Foreign Countries, together with a list of countries with whom Great Britain had concluded commercial treaties for "Most-Favoured-Nation" treatment.

PREFERENCE TARIFFS OF THE BRITISH DOMINIONS AND COLONIES IN FAVOUR OF IMPORTS FROM THE UNITED KINGDOM.

1. *Commonwealth of Australia.*—The Tariff Act No. 7 of 1908, as amended by Acts No. 39 of 1910, and 19 of 1911, and by resolution of the Commonwealth Parliament on 3rd December, 1914, since confirmed by the Customs Tariff Validation Act of 1917, provides for preferential rates of duty on goods 5 to 10 per cent. *ad valorem* lower than the general rates of duty.
2. *Dominion of New Zealand.*—Preferential treatment is accorded produce and manufactures of the British Empire under the Tariff Act No. 35 of 1908 as amended in 1915 by the imposition of *additional* duties of 10 per cent. *ad valorem* on certain goods which are *not* the produce or manufacture of some part of the British Dominions.
3. *Union of South Africa.*—Preferential treatment is accorded under the Tariff Act No. 26 of 1914, as amended by Act 22 of 1915, by means of a rebate of import duty on certain British goods to the extent of 3 per cent. *ad valorem*, and in some instances rebates equivalent to one-fifth of the duty.
4. *Rhodesia.*—Provision is made in the Customs Tariffs of Southern and Northern Rhodesia for the preferential treatment of British goods, by according a rebate of duty upon certain articles the produce or manufacture of the United Kingdom.

5. *Dominion of Canada*.—The Customs Act No. 11 of 1907 contains a British Preferential Tariff providing for special rates of duty for British goods, 5, 7½, and 10 per cent. *ad valorem* lower than the general rates of duty.
6. *St. Lucia, St. Vincent, Barbadoes, Grenada, Leeward Isles, Trinidad and Tobago, British Guiana*.—Under the Canadian-West Indian Reciprocity Agreement of 1912, certain goods, the growth, produce or manufacture of the United Kingdom, the Dominion of Canada and Newfoundland, are accorded preferential rates of duty when imported into the countries indicated, equivalent to a rebate of one-fifth of the general rates of duty.

TARIFF ARRANGEMENTS BETWEEN BRITISH DOMINIONS OR COLONIES AND FOREIGN COUNTRIES.

- Canada*.—1. The French Convention Act of 1908 provides that certain articles of French produce or manufacture on importation into Canada are entitled to enjoy the benefit of the Intermediate Tariff, or the benefits of a special tariff provided for in that convention, affecting a limited number of goods of special interest to French manufacturers and producers.
2. Certain commercial agreements have also been made with Belgium, the Netherlands and Italy, extending the advantages of the intermediate tariff to certain products of those countries.
 3. In addition, in view of treaties or conventions with His Majesty, certain products of the following countries are accorded the terms and conditions granted in respect of similar French products :—

Argentine Republic	Denmark	Norway	Spain	Switzerland
Colombia	Japan	Russia	Sweden	Venezuela

INTER-COLONIAL RECIPROCAL AGREEMENTS.

1. There exist reciprocal tariff agreements between Australia and South Africa, New Zealand and South Africa, Canada and New Zealand, and the West Indies and Canada.
2. In addition Canada grants the preferential tariff rates to India, Ceylon, Straits Settlements and other British Colonies and Southern Rhodesia; and New Zealand gives the preferential tariff to produce or manufactures of any part of the British Dominions.
3. Rhodesia grants preferential treatment to products of Canada, Australia and New Zealand.

MOST-FAVOURED-NATION TREATMENT.

In commercial treaties concluded between Great Britain and the *foreign (neutral) countries* named in the appended list there are "most-favoured-nation" clauses.

Argentine Republic	Denmark	Netherlands	Portugal*	Switzerland
Bolivia	Greece*	Nicaragua	Roumania*	United States*
China	Honduras	Norway	Salvador	Uruguay
Colombia	Liberia	Paraguay	Siam	Venezuela
Corea	Mexico	Persia	Spain	
Costa Rica	Morocco	Peru	Sweden	

* Since joined the Allies.

Similar clauses exist in commercial treaties with the undermentioned *allied countries* :—

Belgium France Italy Japan Montenegro Russia Serbia.

Most-favoured-nation treatment was also granted by the undermentioned *enemy countries* :—

Austria-Hungary Bulgaria Germany Turkey.

No commercial treaties have been concluded between Great Britain and Brazil, Chile, Cuba, or Guatemala.

§ 13. Customs Tariff, 1914.

The following tables shew as nearly as possible the results which would be obtained by applying to the imports of 1913 the rates of duty imposed under the tariffs of 1908-11 and 1914 respectively. The figures for 1913 have been selected in preference to those for 1914-15, because it was considered that the trade of the earlier year would represent normal conditions more approximately :—

TOTAL IMPORTS.—COMPARISONS OF TARIFFS FOR 1908-11 and 1914 APPLIED TO TOTAL IMPORTS DURING 1913.

Class*	Value of Imports, 1913.	Under Tariff of 1908-11.					Under Tariff of 1914.				
		Dutiable Imports.		Equivalent <i>ad val.</i> rate of duty.			Dutiable Imports.		Equivalent <i>ad val.</i> rate of duty.		
		Value.	Per cent. on Total Imports.	On Dutiable Goods.	On all Goods.		Value.	Per cent. on Total Imports.	On Dutiable Goods.	On all Goods.	
	£	£	%	%	%		£	%	%	%	
I.	947,697	848,910	89.58	17.23	15.43		848,910	89.58	20.30	18.19	
II.	3,315,825	3,127,278	94.32	35.79	33.76		3,126,811	94.30	36.68	34.59	
III.	1,833,235	471,777	25.73	20.74	5.34		471,777	25.73	22.02	5.67	
IV.	2,095,896	2,095,896	100.00	136.94	136.94		2,095,896	100.00	195.86	195.86	
V.	1,114,949	1,114,949	100.00	159.03	159.03		1,114,949	100.00	202.20	202.20	
VI.	145,215	17,842	12.29	0.59	0.07		17,842	12.29	0.59	0.07	
VII.	417,039	109,022	26.14	17.77	4.54		109,022	26.14	17.78	4.65	
VIII.	1,344,204	231,746	17.24	18.78	3.24		265,263	19.73	20.42	4.03	
IX.	19,705,768	11,498,498	58.35	22.44	13.09		12,210,357	61.95	24.79	15.36	
X.	1,969,628	1,326,051	67.32	16.44	11.07		1,426,339	72.41	17.74	12.85	
XI.	609,859	583,096	95.60	17.01	16.25		583,096	95.60	21.36	20.42	
XII.	218,332	182,219	83.46	23.11	19.28		200,869	91.99	24.38	22.43	
XIII.	377,220	...	...	...	...		...	...	...	...
XIV.	1,575,734	18,002	1.14	15.28	0.17		84,717	5.38	7.59	0.41	
XV.	1,500,436	...	...	...	...		542,283	36.14	5.23	1.89	
XVI.	16,623,135	10,281,812	61.85	15.98	9.88		13,120,157	78.92	17.07	13.48	
XVII.	1,749,046	1,296,278	74.11	21.59	16.00		1,299,603	74.30	29.14	21.65	
XVIII.	3,573,753	3,300,002	92.34	16.91	15.64		3,487,323	97.59	22.33	21.79	
XIX.	1,580,615	1,468,735	92.91	27.58	25.63		1,542,984	97.61	32.98	32.19	
XX.	3,134,750	934,636	29.82	22.99	6.85		1,759,097	56.12	30.30	11.39	
XXI.	1,410,555	1,121,742	79.51	25.64	20.39		1,131,742	79.51	28.05	22.31	
XXII.	754,589	186,175	24.67	14.26	3.52		593,580	78.15	25.62	13.36	
XXIII.	2,493,192	565,569	22.69	20.08	4.56		1,196,301	47.98	12.85	6.17	
XXIV.	11,258,981	3,853,022	34.22	21.23	7.97		3,937,906	34.98	24.30	8.50	
Total	79,749,653	44,633,257	55.97	29.93	16.75		50,956,824	63.89	33.63	21.48	
Total†	78,196,109	44,633,257	57.07	29.93	17.08		50,956,824	65.16	33.63	21.91	

* For description of the Classes of imports see page 585.

† Less bullion and specie.

COMPARISON OF TARIFFS OF 1908-11 and 1914 APPLIED TO IMPORTS OF UNITED KINGDOM ORIGIN DURING 1913.

Class.*	Total Imports of U.K. Origin.	Under Tariff of 1908-11.							Under Tariff of 1914.						
		Dutiable Imports.			Per cent. of Dutiable Imports on Total Imports.	Equivalent a.v. Rate of Duty.	On Dutiable Goods.	On all Goods.	Dutiable Imports.			Per cent. of Dutiable Imports on Total Imports.	Equivalent a.v. Rate of Duty.	On Dutiable Goods.	On all Goods.
		Under General Tariff.	Under Preference Tariff.	Total.					Under General Tariff.	Under Preference Tariff.	Total.				
I.	£ 301,025	£ 235,623	£ 9,925	£ 295,548	98.18	23.08	22.66	£ 101,110	£ 194,438	£ 295,548	98.18	23.08	22.66		
II.	789,600	177,299	518,788	696,087	88.16	23.58	19.90	63,776	631,910	693,686	88.10	24.87	21.91		
III.	173,775	36,878	136,897	173,775	100.00	18.92	18.92	34,322	139,453	173,775	100.00	19.55	19.55		
IV.	1,298,717	1,298,717	...	1,298,717	100.00	145.44	145.44	887,846	410,871	1,298,717	100.00	206.43	206.43		
V.	81,665	81,665	...	81,665	100.00	103.59	103.59	24,010	57,655	81,665	100.00	126.50	126.50		
VI.	46,189	5,265	...	5,265	11.40	0.30	0.03	5,265	...	5,265	11.40	0.30	0.03		
VII.	73,746	2,105	60,814	62,919	85.30	14.93	12.74	544	62,375	62,919	85.30	14.93	12.74		
VIII.	372,170	25,237	42,058	67,295	18.08	23.36	4.04	5,367	61,939	67,306	18.09	23.71	4.11		
IX.	12,057,643	182,107	6,534,701	6,716,808	55.71	23.38	13.03	26,759	6,690,049	6,716,808	55.71	27.08	15.09		
X.	301,078	250,216	40,645	290,861	96.61	19.44	18.78	19,210	271,651	290,861	96.61	19.44	18.78		
XI.	494,268	41,729	425,776	467,505	94.59	16.34	15.46	...	467,505	467,505	94.59	20.79	19.66		
XII.	74,556	12,332	57,269	69,601	93.37	22.28	20.80	...	69,601	69,601	93.37	23.08	21.55		
XIII.	377,020	...	...	...	...	...	...	...	...	...	...	...	...
XIV.	246,240	...	16,969	16,969	6.89	15.00	1.03	...	16,969	16,969	6.89	15.00	1.03		
XV.	958,153	...	...	...	...	...	...	...	...	...	...	...	...
XVI.	10,855,417	617,754	6,630,316	7,248,070	66.78	14.21	9.49	1,994	7,350,667	7,352,661	67.74	16.70	11.31		
XVII.	515,169	49,925	342,991	392,916	76.28	20.26	15.45	...	392,916	392,916	76.28	24.79	18.91		
XVIII.	230,941	9,473	167,735	167,208	72.40	28.48	20.62	9,052	158,272	167,324	72.45	31.26	22.65		
XIX.	655,778	53,434	564,713	618,147	94.27	23.35	22.02	47,794	570,353	618,147	94.27	26.94	25.40		
XX.	1,789,577	98,312	310,161	408,473	22.82	23.37	5.33	...	494,894	494,894	27.65	24.76	6.85		
XXI.	506,608	2,837	478,577	481,594	95.05	22.62	21.51	...	481,594	481,594	95.05	24.18	22.98		
XXII.	333,179	...	60,861	60,861	18.27	19.63	3.59	...	103,340	103,340	31.02	25.95	8.05		
XXIII.	902,343	218,489	92,346	310,835	34.45	18.07	6.23	...	310,835	310,835	34.45	18.30	6.30		
XXIV.	7,892,845	103,448	1,019,219	1,122,667	14.22	23.43	3.32	15,453	1,107,214	1,122,667	14.22	25.37	3.61		
Total ...	41,327,702	3,552,845	17,500,941	21,053,786	50.94	27.62	14.07	1,242,502	20,044,501	21,287,003	51.50	33.95	17.49		
Total†...	40,948,803	3,552,845	17,500,941	21,053,786	51.41	27.62	14.20	1,242,502	20,044,501	21,287,003	51.98	33.95	17.65		

* For description of classes of imports see page 568.

† Less bullion and specie.

COMPARISON OF TARIFFS OF 1908-11 and 1914 APPLIED TO IMPORTS OF THE PRODUCE OR MANUFACTURE OF COUNTRIES OTHER THAN THE UNITED KINGDOM.

Class.‡	Imports of Foreign Origin.†	Under 1908-11 Tariff.						Under 1914 Tariff.					
		Dutiable Imports.				Equivalent a.v. Rate.		Dutiable Imports.				Equivalent a.v. Rate.	
		Opposed by Pre-ference Rates.‡	Common Rates.‡	Total.	Per cent. on Total Imports.	On Dutiable Imports.	On all Imports.	Opposed by Pre-ference Rates.‡	Common Rates.‡	Total.	Per cent. on Total Imports.	On Dutiable Imports.	On all Imports.
I.	£ 646,672	£ 16,673	536,689	553,362	85.57	14.09	12.06	£ 464,674	£ 88,688	553,362	85.57	18.82	16.10
II.	2,526,225	203,883	2,227,308	2,431,191	96.24	39.58	38.09	208,669	2,222,456	2,431,125	96.24	40.05	38.56
III.	1,659,460	166,957	131,045	298,002	17.96	21.81	3.92	178,553	119,449	298,002	17.96	23.46	4.21
IV.	797,179	...	797,179	797,179	100.00	123.10	123.10	136,995	660,184	797,179	100.00	178.65	178.65
V.	1,033,284	...	1,033,284	1,033,284	100.00	163.40	163.40	190,720	842,564	1,033,284	100.00	208.17	208.17
VI.	98,026	...	12,577	12,577	12.70	0.71	0.09	...	12,577	12,577	12.70	0.71	0.09
VII.	343,293	35,697	10,406	46,103	13.43	21.64	2.91	36,165	9,938	46,103	13.43	21.67	2.91
VIII.	972,034	26,303	138,248	164,451	16.92	17.31	2.93	50,030	143,927	197,957	20.37	19.64	4.00
IX.	7,648,125	4,702,225	79,465	4,781,690	62.52	21.08	13.18	5,461,055	32,494	5,493,549	71.82	21.99	15.60
X.	1,668,550	743,616	291,574	1,035,190	62.04	15.59	9.67	1,056,400	79,078	1,135,478	68.06	17.29	11.77
XI.	115,591	83,748	31,843	115,591	100.00	19.66	19.66	115,591	...	115,591	100.00	23.69	23.69
XII.	143,776	48,426	64,192	112,618	78.33	23.60	18.49	131,268	...	131,268	91.31	25.06	22.88
XIII.	200	...	...	...	...	...	...	...	...	...	...	...	...
XIV.	1,329,494	1,033	...	1,033	0.08	19.94	0.02	67,748	...	67,748	5.10	5.74	0.29
XV.	542,283	...	...	...	...	...	...	542,283	...	542,283	100.00	5.23	5.23
XVI.	5,767,718	2,408,495	625,247	3,033,742	52.59	20.21	10.63	5,659,720	107,776	5,767,496	99.98	17.52	17.53
XVII.	1,233,877	531,201	372,161	903,362	73.21	22.17	16.23	906,687	...	906,687	73.50	31.03	22.81
XVIII.	3,342,812	355,125	2,777,669	3,132,794	93.72	16.30	15.27	3,095,894	2,924,105	3,319,999	99.32	21.88	21.73
XIX.	924,837	827,998	22,590	850,588	91.96	30.65	28.13	911,495	13,342	924,837	100.00	36.96	36.96
XX.	1,345,173	449,394	76,769	526,163	39.12	22.69	8.88	1,264,203	...	1,264,203	93.98	18.55	17.44
XXI.	903,947	637,400	2,748	640,148	70.82	27.91	19.76	640,148	...	640,148	70.82	30.97	21.93
XXII.	421,410	125,314	...	125,314	29.74	11.65	3.47	290,240	...	290,240	68.88	25.51	17.57
XXIII.	1,590,849	118,751	135,983	254,734	16.01	22.54	3.61	885,466	...	885,466	55.67	10.94	6.09
XXIV.	3,366,136	2,552,378	177,977	2,730,355	81.12	20.32	17.11	2,807,524	7,715	2,815,239	83.64	23.87	19.97
Total	38,421,951	14,034,517	9,544,954	23,579,471	61.37	31.99	19.63	22,405,528	7,264,293	29,669,821	77.21	33.39	25.78
Total*	37,247,306	14,034,517	9,544,954	23,579,471	63.30	31.99	20.25	22,405,528	7,264,293	29,669,821	79.66	33.39	26.60

* Less bullion and specie.

† Imports other than the produce of United Kingdom.

‡ Similar imports of United Kingdom origin are admitted free under preference tariff, or at a rate of duty lower than the general rate.

§ Dutiable at rates similar to those on goods of United Kingdom origin.

¶ For description of classes, see page 585.

In order to facilitate the interpretation of the foregoing tables, and also to deal further with the extension of preferential tariff treatment to the United Kingdom, the following synopsis of the changes made in rates of duty on the various classes of goods is appended. On pages 613 to 615 will be found a summary of the tariff changes as they affect the total imports and the imports of United Kingdom origin and the produce of "British Possessions" and "Foreign Countries" respectively.

SYNOPSIS OF THE PRINCIPAL DIFFERENCES BETWEEN THE TARIFF OF 1914 AND THE TARIFF OF 1908-11 AS APPLIED TO THE CLASSES OF COMMODITIES IMPORTED INTO THE COMMONWEALTH DURING 1913.

CLASS I.—FOODSTUFFS OF ANIMAL ORIGIN.

General Comparisons. The total value of imports in this class during 1913 was £947,697, of which the import of fish represented £718,036. The amount of *dutiable* goods would be the same under both tariffs, viz., £848,910, or 89.58 per cent. The average rate of duty on *dutiable* goods has been raised from an equivalent *ad valorem* rate of 17.23 per cent. to 20.30 per cent., thus increasing the average rate of duty on the total imports of the class from 15.43 per cent. to 18.19 per cent.

Imports from the United Kingdom. The value of foodstuffs of animal origin the produce of the United Kingdom imported during 1913 amounted to £301,025, of which 98.18 per cent. would be dutiable under both tariffs at an average *ad valorem* rate of 23.08 per cent.; including the small amount of free goods (sheet isinglass and sausage casings), the average rate of duty would be 22.66 per cent.

Under the earlier tariff, £9925 would have been favoured by preferential rates, whereas under the 1914 tariff, by the raising of the rates on similar imports from other countries, the United Kingdom would receive preferential treatment on goods to the value of £194,438. On these goods (£194,438) the United Kingdom would, under the existing tariff, pay duty to the amount of £46,088 (23.70 per cent.), while the same goods from other countries under the general tariff would pay £65,304 (33.58 per cent.), an advantage to the United Kingdom of £19,216, or 9.88 per cent. *ad valorem*. Under the 1908-11 tariff the margin of preference would have been £547 only, equal to 5.51 per cent. on the smaller value of imports affected.

CLASS II.—FOODSTUFFS OF VEGETABLE ORIGIN AND SALT.

General Comparisons. During 1913 imports of this class amounted to £3,315,825, of which 94.32 per cent. would be dutiable under the 1908-11 tariff. By the removal of the duties on wheat and wheaten flour the proportion of dutiable goods under the tariff of 1914 would be reduced to 94.30 per cent. The average rate of duty on *dutiable* goods has been increased from the average equivalent *ad valorem* rate of 35.79 per cent. to 36.68 per cent., the average rate on all goods within the class rising from 33.76 per cent. to 34.59 per cent.

Imports from United Kingdom. The imports of vegetable foodstuffs of United Kingdom origin amounted to £789,600, of which 88.16 per cent. would have been dutiable under the 1908-11 tariff at an equivalent *ad valorem* rate of 22.58 per cent., while under the 1914 tariff the average rate would be 24.87 per cent., the value of dutiable goods being slightly reduced to 88.10 per cent. Including free goods (chiefly infants' and invalids' foods) the average rate on all goods of United Kingdom origin within the class would be under the respective tariffs 19.90 per cent. and 21.91 per cent.

Under the 1908-11 tariff, preferential treatment would apply to £526,613, or 66.69 per cent. of goods of United Kingdom origin, whereas under the 1914 tariff, £639,735, or 81.02 per cent. of the total imports from the United Kingdom, would be admitted under preferential rates (£7825 being free), the average preferential advantage being equal to 7.5 per cent. of the value of the goods, or £47,981 less than the same goods would have to pay if from other countries. Under the earlier tariff the margin of preference on goods of this class was £32,395, equal to 6.15 per cent. *ad valorem*.

CLASS III.—BEVERAGES (NON-ALCOHOLIC) AND SUBSTANCES USED IN MAKING.

General Comparisons. The value of imports during 1913 in this class was £1,833,235, of which tea was responsible for £1,328,471. The tariff changes in the class were small. The amount of *dutiable* goods represents 25.73 per cent. under both tariffs. The equivalent average *ad valorem* rate on dutiable goods has been increased from 20.74 per cent. to 22.02 per cent., the rates on all goods within the class being raised from 5.34 per cent. to 5.67 per cent. Tea in bulk and cocoa beans are free.

Imports from the United Kingdom. This class contains a small proportion only of produce of the United Kingdom, the amount during 1913 being £173,775, all of which would be dutiable under both tariffs. Preference equal to 10 per cent. *ad valorem* has been extended to mineral waters, while the margin of $\frac{1}{2}$ d. per lb. on cocoa and chocolate in powdered form has been increased to $\frac{3}{4}$ d. per lb. The average rate of duty on produce of the United Kingdom has been raised from 18.92 per cent. to 19.55 per cent., although the goods favoured by preferential rates have been increased from £136,897 to £139,453, and the margin of preference from 1.98 per cent. to 3.25 per cent. *ad valorem*.

CLASS IV.—SPIRITS AND ALCOHOLIC LIQUORS, INCLUDING INDUSTRIAL SPIRITS AND PHARMACEUTICAL PREPARATIONS DUTIABLE AS SPIRITS.

All imports under this class are dutiable. Prior to the 1914 tariff, goods of United Kingdom origin had no preferential tariff treatment. The present tariff has raised the general tariff rate on ale, beer and porter in bottle from 1s. 6d. to 2s. 6d. per gal. with a preferential rate of 2s. per gal.; the duty on ale, etc. in bulk has been raised from 1s. per gal. to 2s. per gal. under the general tariff, and 1s. 6d. per gal. under the preferential tariff; and the rates on cider and perry have been raised from 1s. 6d. per gal. in bottle and 1s. in bulk to 2s. 6d. per gal. under the general tariff, and 2s. per gal. under the preferential tariff, whether in bottle or bulk. The imports of beer and cider from the United Kingdom during 1913 were valued at £410,871. Under the 1914 tariff, this would pay duty to the amount of £257,936, whereas the same goods if from other countries would have to pay £323,984, representing a margin of preference equal to 16.08 per cent. *ad valorem*. It is true that while preference has been extended to British beers, the rates of duty now charged on them are 16 per cent. higher than formerly, but at the same time the excise duties on locally manufactured beers and spirits have also been increased. Duties on imported potable spirits have been increased by 3s. per gal. (14s. to 20s.), on sparkling wine by 8s. per gal. (12s. to 20s.), and on other wines by 4s. per gal. The result of these changes has been to raise the average equivalent *ad valorem* rate over the whole class from 136.94 per cent. to 195.86 per cent.

CLASS V.—TOBACCO, AND PREPARATIONS THEREOF.

General Comparisons. All goods in this class are dutiable. Under the 1914 tariff the duties have been raised on all forms of tobacco except snuff, so that the equivalent *ad valorem* rate on the imports of all tobacco has been raised from 159.03 per cent. to 202.20 per cent. Under the 1914 tariff the preferences of 1s. 3d. per lb. on cut tobacco and 1s. on other manufactured tobacco, formerly given to produce of the South African Union, have been reduced to 9d. per lb.

Imports from United Kingdom. Under the tariff of 1914 cigars manufactured in the United Kingdom have a preference of 1s. per lb. and cigarettes of 6d. per lb. This represents a remission of duty as compared with the general tariff rates of £4302, or 7.46 per cent. on the value of imports affected. Formerly no preference was given to the United Kingdom in this class.

CLASS VI.—ANIMALS, LIVING.

No alterations have been made in regard to this class. Most of the animals imported are for the improvement of stock, and are admitted free of duty. Of the total imports during 1913, 12.29 per cent. would now be dutiable at an equivalent average *ad valorem* rate of 0.59 per cent.

CLASS VII.—ANIMAL SUBSTANCES, MAINLY UNMANUFACTURED, WHICH ARE NOT FOODSTUFFS.

General Comparisons. The only changes in this class have been made by the extension of preference to curled hair for upholstering, and to printers' roller composition. On the former, the duty under the general tariff has been raised 5 per cent. *ad valorem*, and on the latter, by 10 per cent. *ad valorem*, while the rates on produce of the United Kingdom remain as formerly. Of the total imports of this class during 1913, 26.14 per cent. would be dutiable at an average equivalent *ad valorem* rate of 17.78 per cent., while the average rate on all goods (dutiable and free) within the class would be 4.65 per cent.

Imports from the United Kingdom. The imports of the United Kingdom produce amounted to £73,746, of which 85.30 per cent. would be dutiable.

Under the tariff of 1908-11, £60,814 would be favoured by preferential rates, the margin of preference being 5.51 per cent., equal to £3350, whereas by the 1914 tariff, £62,375 would be favoured by a remission of £3484, or 5.58 per cent. of the value of the goods.

CLASS VIII.—VEGETABLE SUBSTANCES AND NON-MANUFACTURED FIBRES.

General Comparisons. In this class the application of duties has been extended to 19.73 per cent. (£265,263) of imports, as compared with 17.24 per cent. dutiable under the former tariff. The equivalent average *ad valorem* rate on dutiable goods has been raised from 18.78 per cent. to 20.42 per cent. Including free goods, the average rate of duty would now be 4.03 per cent. instead of 3.24 per cent.

Imports from the United Kingdom. The imports of United Kingdom origin in this class amounted to £372,170, the principal items being yarns, cotton waste, starch, and seeds.

Under the tariff of 1908-11, goods to the value of £270,439 were favoured by a preference equal to 5.34 per cent. *ad valorem*; under the 1914 tariff, preferential treatment has been extended to embrace £290,868, while the margin of preference has been increased to 5.52 per cent.

CLASS IX.—APPAREL AND TEXTILES, AND MANUFACTURED FIBRES.

General Comparisons. The value of the total imports of this class during 1913 was £19,705,768, representing 25.20 per cent. of the total imports of merchandise. Under the 1908-11 tariff, 58.35 per cent. of these goods would be dutiable at an average equivalent *ad valorem* rate of 22.44 per cent. Under the 1914 tariff, 61.95 per cent. would be dutiable at an average rate of 24.79 per cent. Including free goods, the average rate of duty on all goods within the class has been increased from 13.09 per cent. to 15.36 per cent.

Imports from the United Kingdom. The imports of this class from the United Kingdom during 1913 were valued at £12,057,643, equal to 29.44 per cent. of all imports of United Kingdom merchandise. Of these goods 55.71 per cent. would be dutiable under both tariffs, though the average rate would be increased from 23.38 per cent. under the 1908-11 tariff to 27.08 per cent. under the 1914 tariff, the corresponding rates on all goods within the class (dutiable and free) rising from 13.03 per cent. to 15.09 per cent.

Under the 1908-11 tariff, preferential rates applied to £10,594,158, with a margin of preference equal to 5.12 per cent. *ad valorem*, while under the 1914 tariff, preferential treatment has been extended to embrace £11,985,926 (98.99 per cent. of all goods within the class), on which an average preference equal to 5.36 per cent. of the goods (£639,765) is given.

CLASS X.—OILS, FATS, AND WAXES.

General Comparisons. In this class the imposition of new duties brings 72.41 per cent. (£1,426,339) of the imports into the dutiable class, as compared with 67.37 per cent. under the 1908-11 tariff. The average rate of duty on *dutiable* goods has been raised

from 16.44 per cent. to 17.74 per cent., so raising the average rate on all goods within the class from 11.07 per cent. to 12.85 per cent.

Imports from the United Kingdom. No changes have been made in the duties on goods of United Kingdom origin in this class. The increased rates mentioned in the previous paragraph are due to higher rates on foreign goods. By reason of these higher duties, oils, etc., of United Kingdom manufacture, to the value of £281,864 (93.60 per cent.), have the advantage of preferential duties, as compared with £40,645 (13.50 per cent.) under the former tariff. The margin of preference has also been slightly increased from 5.23 per cent. to 5.37 per cent. on the value of the goods.

CLASS XI.—PAINTS AND VARNISHES.

General Comparisons. In this class the value of *dutiable* goods would be the same under both tariffs, but the average rate of duty on all *dutiable* goods within the class would be raised from 17.01 per cent. to 21.36 per cent., and the rates on all goods within the class would be raised from 16.25 per cent. to 20.42 per cent.

Imports from the United Kingdom. Of the imports of paints and varnish manufactured in the United Kingdom, 94.59 per cent. would be dutiable under both tariffs. The average *ad valorem* rate of duty on dutiable goods has, however, been raised from 16.34 per cent. to 20.79 per cent., so raising the rates on all goods within the class from 15.46 per cent. to 19.66 per cent.

Under the tariff of 1908-11, £452,539, or 91.56 per cent. of all paints and varnishes of United Kingdom origin, was favoured by preferential tariff rates, while under the 1914 tariff all goods within the class have the advantage of preferential rates, but, through this extension, the average margin has been slightly reduced from 5.06 per cent. to 4.93 per cent. of the value of the goods.

CLASS XII.—STONES AND MINERALS USED INDUSTRIALLY.

General Comparisons. Under the 1908-11 tariff, 83.46 per cent. of the imports under this class would be dutiable at an average equivalent *ad valorem* rate of 23.11 per cent. Under the present tariff, dutiable goods comprise 91.99 per cent. of the total, and the average rate has been raised to 24.38 per cent. On all goods within the class (*dutiable* and *free*) the average rate has been increased from 19.28 to 22.43 per cent.

Imports from the United Kingdom. Of the imports from the United Kingdom, 93.37 per cent. would be dutiable under both tariffs. Under the 1914 tariff the average rate is slightly higher than formerly, the rates being respectively :—On *dutiable* goods 22.28 per cent., increased to 23.08 per cent.; and on all goods 20.80 per cent., raised to 21.55 per cent.

Under the 1908-11 tariff, preferential rates affected 76.80 per cent. of the stones, etc., of United Kingdom origin, the margin of preference being 5 per cent.; under the present tariff, 96.84 per cent. is favoured by an average margin of 8.06 per cent.

CLASS XIII.—SPECIE.

All specie is exempt from duty.

CLASS XIV.—METALS (UNMANUFACTURED) AND ORES.

This class includes ore of all kinds and gold and silver bullion. The proportion of *dutiable* goods is small, representing £18,002, or 1.14 per cent. of the total. The average rate on these *dutiable* goods is now 17.59 per cent., as against 15.28 per cent. formerly. Under the 1914 tariff, duties have been imposed on imports of pig iron and steel; mixed metals—aluminium, bronze, britannia metal, etc.; and on platinum bars when not the produce of the United Kingdom. Consequently, under the present tariff, imports of this class to the value of £236,985 would have the advantage of preference equal to 6.21 per cent. *ad valorem*, whereas, under the 1908-11 tariff, the advantage was restricted to 5 per cent. on £16,969.

CLASS XV.—METALS PARTLY MANUFACTURED.

All metals in this class are exempt from duty.

CLASS. XVI.—METALS MANUFACTURED, INCLUDING MACHINERY.

General Comparisons. The imports under this class during 1913 amounted to £16,623,135, representing 21.25 per cent. of the total imports of merchandise. Under the 1908-11 tariff, 61.85 per cent. was dutiable at an equivalent average *ad valorem* rate of 15.98 per cent. Under the 1914 tariff, 78.92 per cent. would be dutiable at an average rate of 17.07 per cent., thus raising the rate on all goods (dutiable and free) within the class from 9.88 per cent. to 13.48 per cent. The greater proportion of dutiable goods under the 1914 tariff is almost entirely due to the imposition of duties on goods not of United Kingdom origin.

Imports from the United Kingdom. The imports from the United Kingdom of metal manufactures and machinery during 1913 amounted to £10,855,417, or 26.51 per cent. of the total imports of merchandise of United Kingdom origin. Under the 1914 tariff a small amount of imports which were formerly free became dutiable, thus increasing the proportion of dutiable goods from 66.78 per cent. to 67.74 per cent. The average rate of duty on *dutiable* goods has been raised from 14.21 per cent. to 16.70 per cent., and the rates on all goods (dutiable and free) from 9.49 per cent. to 11.31 per cent. *ad valorem*.

Under the 1908-11 tariff, imports of metals and machinery of United Kingdom manufacture to the value of £7,645,503 were favoured by preferential tariff treatment equal to 4.50 per cent. *ad valorem*, while under the 1914 tariff, preferential rates apply to £10,818,350, or 99.66 per cent., the margin of preference being raised to 6.14 per cent. *ad valorem*. This represents a remission of £664,000 of duty as compared with what the same goods would have to pay if manufactured outside the United Kingdom.

CLASS XVII.—LEATHER AND MANUFACTURES OF LEATHER AND SUBSTITUTES THEREFOR, ALSO INDIARUBBER AND INDIARUBBER MANUFACTURES.

General Comparisons. The total imports under this class amounted to £1,749,046, of which 74.30 per cent. (£1,299,603) would be dutiable under the 1914 tariff at an average rate equal to 29.14 per cent., as against 74.11 per cent. (£1,296,278) bearing an average rate of 21.59 per cent. under the 1908-11 tariff. The average rate of all goods in the class has been raised from 16 per cent. to 21.65 per cent.

Imports from the United Kingdom. The proportion of dutiable goods of United Kingdom origin would be the same under both tariffs (76.28 per cent.). The average rate on *dutiable* goods in this class has been raised from 20.26 per cent. to 24.79 per cent., and on all goods (dutiable and free) from 15.45 per cent. to 18.91 per cent.

Under the 1908-11 tariff, £342,991 was favoured by a preferential margin of duty equal to 5 per cent. Under the 1914 tariff, preferential treatment has been extended to £458,390 with a margin of 4.98 per cent. of the value of the goods. This slight decrease in the margin of preference is due to a new preference on patent and enamelled leather of $\frac{3}{4}$ d. per lb., which is less than the 5 per cent. otherwise allowed throughout the class.

CLASS XVIII.—WOOD AND WICKER, RAW AND MANUFACTURED.

General Comparisons. The total imports under this class amounted to £3,573,753. Under the 1908-11 tariff, 92.34 per cent. (£3,300,002) of the imports of this class was dutiable at an equivalent average *ad valorem* rate of 16.91 per cent. Under the 1914 tariff, 97.59 per cent. (£3,487,323) would become dutiable at an average rate of 22.33 per cent., thus raising the rate of duty on all goods (dutiable and free) within the class from 15.62 per cent. to 21.79 per cent. of the value of the imports.

Imports from the United Kingdom: The imports of this class from the United Kingdom are relatively small (£230,941), representing, in 1913, slightly more than 6 per cent. of all imports of wood, etc., and comprise chiefly furniture, picture frames, and miscellaneous manufactured articles of wood. Under the 1908-11 tariff, 72.40 per cent. of the imports of United Kingdom origin was dutiable at an average rate of 28.48 per cent., while under the 1914 tariff, 72.45 per cent. would become dutiable at an

average of 31.26 per cent. The average equivalent *ad valorem* rate on all imports of this class of United Kingdom origin was thus raised from 20.62 per cent. to 22.65 per cent.

Under the tariff of 1908-11, 68.34 per cent. of the imports from the United Kingdom was favoured by preferential treatment equal to 5.11 per cent. *ad valorem*, whereas, under the 1914 tariff, 95.93 per cent. would be favoured by a preferential margin of 5.02 per cent.

CLASS XIX.—EARTHENWARE, CEMENTS, CHINA, GLASS AND STONEWARE.

General Comparisons. The total imports under this class amounted to £1,580,615. Under the 1908-11 tariff, 92.91 per cent. was dutiable at an equivalent average *ad valorem* rate of 27.58 per cent. Under the 1914 tariff, 97.61 per cent. would be dutiable at an average of 32.95 per cent., the average rate on all goods within the class being raised from 25.63 per cent. to 32.16 per cent. The increased proportion of dutiable goods is due entirely to the imposition of duties of 5 per cent. on goods not of United Kingdom origin which were formerly free.

Imports from the United Kingdom. The dutiable imports of this class of United Kingdom origin would be the same under both tariffs (£618,147, or 94.27 per cent.), but the average rate of duty would be raised by the 1914 tariff from 23.35 per cent. to 26.94 per cent., so raising the rates on all goods within the class from 22.02 per cent. to 25.40 per cent.

Under the tariff of 1908-11, 86.11 per cent. of the imports from the United Kingdom was favoured by preferential treatment equal to 6.46 per cent. *ad valorem*, whereas, under the 1914 tariff, 92.66 per cent. would be favoured by a preferential margin of 8.98 per cent.

CLASS XX.—PAPER AND STATIONERY.

General Comparisons. The imports of paper and stationery during 1913 amounted to £3,134,750, of which £1,996,894 was paper, and £1,137,856 was stationery. Under the 1908-11 tariff, 29.82 per cent. was dutiable at an average equivalent *ad valorem* rate of 22.99 per cent. Under the 1914 tariff, 56.12 per cent. would be dutiable at an average rate of 20.30 per cent. Over all goods within the class (dutiable and free) the average rate would be raised, under the 1914 tariff, to 11.39 per cent., as against the former average rate of 6.85 per cent.

With regard to the imports of paper—apart from those of stationery—the proportion subject to duty has been raised from 28.26 per cent. to 65.96 per cent. The average rate of duty on dutiable paper has declined from 22.30 per cent. to 18.71 per cent., while the average rate on all imports of paper, dutiable and free, has increased from 6.30 per cent. to 12.34 per cent. The larger proportion of paper imports subject to duty, in conjunction with the lower average rate thereon, is due to the imposition of comparatively low rates on goods (formerly free) produced outside the United Kingdom. For instance, prior to the introduction of the 1914 tariff, printing paper was free, whereas now, when not made in the United Kingdom, it is subject to a duty of 10 per cent.

Of the imports of stationery—as distinct from paper, previously dealt with—the proportion subject to duty has been raised from 32.55 per cent. to 38.92 per cent., the average rate on these dutiable goods rising from 24.03 per cent. to 25.58 per cent., thus increasing the average rate on all imports of stationery from 7.82 per cent. to 9.93 per cent. Nearly 60 per cent. of the imports of stationery consist of printed books, which are entirely free from duty.

Imports from the United Kingdom. The imports of paper and stationery manufactured in the United Kingdom amounted to £1,789,577, of which £901,099 was paper, and £888,478 was stationery. Under the 1908-11 tariff, 22.82 per cent. was dutiable at an average rate of 23.37 per cent. Under the 1914 tariff, 27.65 per cent. would be dutiable at 24.76 per cent., thus increasing the average rate on all paper and stationery from 5.33 per cent. to 6.85 per cent. Under the 1908-11 tariff, preferential rates favoured £652,183 (36.45 per cent. of all imports), with a rebate of duty equal to 4.84 per cent. of

the value of the goods. Under the 1914 tariff, preferential treatment has been extended to embrace goods to the value of £1,192,111 (66.62 per cent.), the margin of preference at the same time being increased to 6.64 per cent. *ad valorem*.

Dealing with the imports of paper and of stationery separately, the tariff alterations affecting the trade of the United Kingdom would be as follows:—*Paper*. Of the imports of paper (£901,099), the proportion subject to duty under the 1908-11 tariff was 19.57 per cent., and under the 1914 tariff 24.60 per cent. The average *ad valorem* rate on these dutiable goods has been increased from 23.44 per cent. to 25.36 per cent., the rate on all paper (dutiable and free) rising from 4.59 per cent. to 6.24 per cent. *Stationery*. The imports of stationery of United Kingdom manufacture amounted to £888,478, of which 26.13 per cent. was dutiable under the 1908-11 tariff at an average rate of 23.33 per cent. Under the 1914 tariff, 30.74 per cent. would be dutiable at 25.13 per cent., so raising the average rate on all stationery (dutiable and free) from 6.09 per cent. to 7.73 per cent. *ad valorem*.

CLASS XXI.—JEWELLERY, TIMEPIECES, AND FANCY GOODS.

General Comparisons. The value of imports of this class during 1913 amounted to £1,410,555, of which £1,121,742, or 79.51 per cent., would be dutiable under both tariffs. Under the 1908-11 tariff, the average equivalent *ad valorem* rate on *dutiable* imports was 25.64 per cent., and under the 1914 tariff 28.05 per cent., the average rates on all imports of the class being raised from 20.39 per cent. to 22.31 per cent. *ad valorem*.

Imports from the United Kingdom. The imports of goods of this class produced in the United Kingdom amounted to £506,608, of which £481,594, or 95.05 per cent., would be dutiable under both tariffs, though the rate of *dutiable* goods has been raised from 22.62 per cent. to 24.18 per cent., and on all goods (dutiable and free) from 21.51 per cent. to 22.98 per cent.

Under the 1908-11 tariff, preferential treatment was given to 94.49 per cent. (£478,757) of imports of United Kingdom origin; the margin of preference being equal to 5.38 per cent. of the value of the goods. Under the 1914 tariff, 95.04 per cent. (£481,594) would be favoured by a margin of 9.12 per cent.

CLASS XXII.—OPTICAL, SURGICAL, AND SCIENTIFIC INSTRUMENTS.

General Comparisons. The imports of this class during 1913 amounted to £754,589. Under the 1908-11 tariff, 24.67 per cent. (£186,175) was dutiable at an average rate of 14.26 per cent., while under the 1914 tariff, 52.15 per cent. (£393,580) would be dutiable at an average rate of 25.62 per cent. The average rate on all goods within the class would thus be raised from 3.52 per cent. to 13.36 per cent.

Imports from the United Kingdom. The imports of goods of this class manufactured in the United Kingdom amounted to £333,179. Under the 1908-11 tariff, 18.27 per cent. (£60,861) was dutiable at an average rate equal to 19.63 per cent.; whereas, under the 1914 tariff, 31.02 per cent. (£103,340) would pay duty at the average rate of 25.95 per cent. The average rate on all goods, including free goods, has been raised from 3.59 per cent. to 8.05 per cent.

Under the 1908-11 tariff, 44.24 per cent. (£147,398) of the imports of United Kingdom manufacture was favoured by a preferential tariff margin equal to 5.09 per cent. *ad valorem*. Under the 1914 tariff, 59.15 per cent. (£197,061) would be favoured by a tariff margin increased to 6.55 per cent.

CLASS XXIII.—DRUGS, CHEMICALS, AND FERTILIZERS.

General Comparisons. The imports of this class during 1913 were valued at £2,493,192. Under the 1908-11 tariff, 22.69 per cent. (£565,569) was dutiable at an average rate of 20.08 per cent. Under the 1914 tariff, 47.98 per cent. (£1,196,301) would pay duty at an average rate of 12.85 per cent., the rate over all imports of the class being raised from 4.56 per cent. to 6.17 per cent. *ad valorem*. The smaller average rate of duty on dutiable imports is due to the imposition of 5 per cent. duties on goods manufactured outside the United Kingdom which were formerly free.

Imports from the United Kingdom. The imports of this class from the United Kingdom during 1913 amounted to £902,343, of which 34.45 per cent. would be dutiable under both tariffs, the average rate being slightly increased from 18.07 per cent. to 18.30 per cent., the average rate on all goods in the class rising from 6.23 per cent. to 6.30 per cent.

Under the 1908-11 tariff, 12.92 per cent. (£116,543) of the imports of drugs, etc., made in the United Kingdom was favoured by a tariff margin of 4.58 per cent. *ad valorem*, whereas, under the 1914 tariff, preferential rates have been extended to 94.94 per cent. of the class, and the margin of preference has been increased to 5.09 per cent.

CLASS XXIV.—MISCELLANEOUS.

General Comparisons.—The total value of imports under this class during 1913 amounted to £11,258,981, of which £2,495,000 was in respect of warships for the Commonwealth Government, and £1,662,300 was for mercantile ships. Under the 1908-11 tariff, £3,853,022 (34.22 per cent.) would be dutiable at an average rate of 21.23 per cent., and under the 1914 tariff, £3,937,906 (34.98 per cent.) would be dutiable at an average rate of 24.30 per cent. The rate of duty on all imports of the class would be raised from 7.27 per cent. to 8.50 per cent. *ad valorem*. If the value of imports for the Commonwealth Government be excluded from the figures, the proportion of dutiable goods in this class under the 1908-11 tariff would be 46.83 per cent., and the average rate of duty on all other goods of the class 9.95 per cent., and under the 1914 tariff, 47.91 per cent. would be dutiable at an average rate for all goods (dutiable and free) of 11.64 per cent.

Imports from the United Kingdom. The imports of manufactures of the United Kingdom of this class amounted to £7,892,845, of which £4,073,452, or 51.60 per cent., was in respect of ships. Dutiable goods would represent, under both tariffs, 14.22 per cent. (£1,122,667) of the total. Under the tariff of 1908-11, the average rate of duty on dutiable goods would be 23.43 per cent., and under the tariff of 1914 it would be 25.37 per cent. The average rate on all imports of the class (dutiable and free) of United Kingdom origin would be raised from 3.32 per cent. to 3.61 per cent. If the value of imports for the Commonwealth Government be eliminated, the proportion of dutiable goods would be 22.20 per cent. under both tariffs, the average rates on all goods being respectively 5.15 per cent. under the tariff of 1908-11 and 5.58 per cent. under the tariff of 1914.

Under the tariff of 1908-11 preferential tariff treatment was given to imports of this class from the United Kingdom to the value of £2,716,217, or 34.41 per cent. of such imports. Under the tariff of 1914, preference favoured £2,883,474, or 36.54 per cent., with an average tariff margin of 8.79 per cent., as against a former margin of 6.76 per cent.

TOTAL IMPORTS.

General Comparisons.—The total imports of merchandise (bullion and specie not included) into the Commonwealth during 1913 amounted to £78,196,109. Under the tariff of 1908-11, the dutiable goods would be £44,633,257, or 57.07 per cent. of the total imports of merchandise. Under the 1914 tariff, the dutiable goods would be increased to £50,956,824, or 65.16 per cent. of the total. Under the 1914 tariff, the average equivalent *ad valorem* rate of duty on dutiable goods would be 33.63 per cent., as compared with 29.93 per cent. under the tariff of 1908-11, the average rate on all imports (dutiable and free) being raised accordingly from 17.08 per cent. to 21.91 per cent. If the value of warships and other goods imported for the Commonwealth Government (£3,039,876) be excluded, the proportion of dutiable goods under the 1914 tariff would be 67.80 per cent., as compared with 59.38 per cent. under the former tariff, while the average rate on all other goods would now be 22.80 per cent., as against 17.77 per cent. under the 1908-11 tariff. The increased rates of duty represent on the basis of the 1913 imports an increase to revenue of £3,775,000.

**SUMMARISED COMPARISON OF THE TARIFFS OF 1908-11 and 1914, BASED UPON
THEIR APPLICATION TO THE IMPORTS OF MERCHANDISE INTO THE
COMMONWEALTH DURING 1913.**

	Tariff of 1908-11.	Tariff of 1914.
Imports of free merchandise—	£	£
Favoured by preferential tariff (United Kingdom) ...	7,485,367	12,405,214
Under tariff common to all countries ...	26,077,485	14,834,071
Total imports of free merchandise ...	38,562,852	27,239,285
Percentage of free imports on total imports ...	42.93	34.83
Imports of dutiable merchandise—		
Favoured by preferential tariff—		
From United Kingdom ...	17,500,941	20,044,501
" South Africa ...	38,569	38,569
Adversely affected by preferential tariffs—		
From British Possessions ...	491,972	1,106,899*
" Foreign countries ...	13,542,545	21,298,629
Under tariff common to all countries ...	13,059,230	8,468,226
Total imports of dutiable merchandise ...	44,633,257	50,956,824
Percentage of dutiable imports on total imports ...	57.07	65.17
Total imports favoured by preferential tariffs ...	25,024,877	32,488,284
" adversely affected by " " ...	14,034,517	22,405,528
" under tariff common to all countries ...	39,136,715	23,302,297
Total imports of merchandise ...	78,196,109	78,196,109
Equivalent <i>ad valorem</i> rates of duty—	Per cent.	Per cent.
On total imports of merchandise ...	17.08	21.91
On imports of merchandise, less drink and tobacco ...	11.62	14.37
On <i>dutiable</i> merchandise ...	29.93	33.63
On <i>dutiable</i> merchandise, less drink and tobacco ...	21.04	22.56

* The surcharge on these imports as compared with similar imports from the United Kingdom would be at the average rate of 9.46 per cent.

Imports from the United Kingdom. The total imports of merchandise from the United Kingdom during 1913 amounted to £40,948,803. Under the tariff of 1908-11, the dutiable goods represented £21,053,786, or 51.41 per cent., the average equivalent *ad valorem* rate thereon being 27.62 per cent. Under the 1914 tariff, dutiable goods are increased slightly to £21,287,003 (51.98 per cent.), while the average rate on dutiable goods has been raised to 33.95 per cent. The average equivalent *ad valorem* rate on all imports from the United Kingdom would, under the 1914 tariff, be 17.65 per cent., compared with 14.20 per cent. under the former tariff. Omitting the value of imports for the Commonwealth Government (£2,786,430), the proportion of dutiable goods would now be 55.78 per cent., as against 55.16 per cent. formerly, and the average *ad valorem* rate on all goods (dutiable and free) would now be 18.14 per cent. instead of 15.24 per cent. The increased rates on imports of United Kingdom origin represent an additional import of £1,412,451 on the same trade. Of this increase £791,593, or 56.05 per cent., is due to increased duties on alcoholic liquors.

Under the tariff of 1908-11, imports of United Kingdom origin to the value of £24,986,308, representing 61.01 per cent. of the total imports of United Kingdom produce, were favoured by preferential tariff rates equal to 5.14 per cent. of the value of the goods. Under the 1914 tariff, preferential treatment is extended to £32,449,715, or 79.23 per

cent. of United Kingdom goods, the margin of preference being extended, at the same time, to 6.30 per cent. *ad valorem*. This means that if the same goods were imported from countries other than the United Kingdom, £2,044,000 additional duty would now be charged, whereas under the 1908-11 tariff the surcharge of duty would have been £1,284,000.

A comparison of the results given in the second and third tables of the series shows that while the average rate of duty on goods produced or manufactured in the United Kingdom has been increased by 3.45 per cent. of the value of the goods (from 14.20 per cent. to 17.65 per cent.), the rates on goods from other countries have been increased by 6.35 per cent. (from 20.25 per cent. to 26.60 per cent.). This is the combined result of an extension of duties to 79.66 per cent. (£29,669,821) of the imports as compared with 63.30 per cent. (£23,579,471) previously dutiable, in conjunction with an increase of the average rate on dutiable goods from 31.99 per cent. to 33.39 per cent.

Not only has the "preference" to the United Kingdom been increased by an extension of the principle to goods which did not formerly come within its scope, but in regard to many items, new duties have been imposed under the general tariff, or previous rates have been raised, while the rates on similar imports from the United Kingdom have not been altered. Thus many items which are still free if produced in the United Kingdom have become dutiable if produced elsewhere. The higher average rate of duty on United Kingdom goods is due to the increase of duties previously in force, rather than to any contraction of the free list. For example, the duty on potable spirits has been increased from 14s. to 20s. per proof gallon.

SUMMARISED COMPARISON OF THE TARIFFS OF 1908-11 and 1914, BASED UPON THEIR APPLICATION TO THE PRODUCE OR MANUFACTURE OF THE UNITED KINGDOM IMPORTED INTO THE COMMONWEALTH DURING 1913.

	Tariff of 1908-11.	Tariff of 1914.
Imports of free merchandise—	£	£
Favoured by preferential tariff	7,485,367	12,405,214
Under tariff common to all countries	12,409,650	7,256,586
Total imports of free merchandise	19,895,017	19,661,800
Percentage of free imports on total imports	48.59	48.02
Imports of dutiable merchandise—		
Favoured by preferential tariff	17,500,941	20,044,501
Under tariff common to all countries	3,552,845*	1,242,502*
Total imports of dutiable merchandise... ..	21,053,786	21,287,003
Percentage of dutiable imports on total imports	51.41	51.98
Total imports of merchandise	40,948,803	40,948,803
Total imports favoured by preferential tariff	24,986,308	32,449,715
Total imports favoured by preferential tariff, per cent. on total imports	61.01	79.24
Margin of preference—Per cent. <i>ad valorem</i>	5.14	6.30
Equivalent <i>ad valorem</i> rates of duty—	Per cent.	Per cent.
On total imports of merchandise	14.20	17.65
On imports of merchandise, less drink and tobacco	9.71	11.23
On <i>dutiable</i> merchandise	27.62	33.95
On <i>dutiable</i> merchandise, less drink and tobacco	19.53	22.33

* Includes tobacco to the value of £23,154 imported in competition with similar imports from South Africa, which is favoured by preferential rates under the South African Preference Act.

Imports from British Countries other than the United Kingdom.—With the exception of some imports from South Africa, which are admitted under special rates by virtue of the South African Preference Act, imports from "British Possessions" are subject to the same tariff as similar goods imported from "Foreign Countries." The rebate of duty on South African goods imported during 1913 amounted to £4296 under the tariff of 1908-11. Under the 1914 tariff the rebate, as compared with similar imports from the United Kingdom, would be £3345, and against similar imports from other countries the rebate would be £3517. The smaller rebate under the 1914 tariff is the effect of the reduction of the margin on cut tobacco from 1s. 3d. to 9d. per lb., and other manufactured tobacco from 1s. to 9d. per lb.

The imports of merchandise from "British Possessions" during 1913 were valued at £7,804,483. Under the tariff of 1908-11, 34.53 per cent. of this was dutiable at an average rate of 32.46 per cent., with the result that all imports from "British Possessions" would pay an average rate of 11.21 per cent. Under the 1914 tariff, £3,085,483 (39.52 per cent.) would become dutiable at an average rate of 34.77 per cent., the effect being to increase the average rate on all imports, dutiable and free, to 13.75 per cent. This means that under the 1914 tariff these imports would be required to pay £1,073,099 duty, whereas, formerly, the duty on the same goods would have been £874,905 only. The lower proportion of dutiable goods from "British Possessions," as compared with "Foreign Countries," is due to the fact that raw materials, and animals for breeding purposes, and tea, all of which are free, enter more largely into the trade of the former than that of the latter.

Of the imports from "British Possessions" (£7,804,483), £1,106,899 would be adversely affected by the preferential tariff in favour of the United Kingdom by a surcharge of £93,161, or 8.42 per cent. *ad valorem*.

A tabular presentation of the changes made by the tariff of 1914 as they affect imports from "British Possessions" and from "Foreign Countries" is appended:—

IMPORTS OF MERCHANDISE FROM BRITISH POSSESSIONS AND FROM FOREIGN COUNTRIES, ANALYSED ACCORDING TO THE TARIFFS OF 1908-11 and 1914.

	Imports from British Possessions.		Imports from Foreign Countries.	
	According to Tariff of—		According to Tariff of—	
	1908-11.	1914.	1908-11.	1914.
	£	£	£	£
Free	5,108,991	4,719,000	8,558,844	2,858,485
Dutiable	2,695,492	3,085,483	20,883,979	26,584,338
Total imports	7,804,483	7,804,483	29,442,823	29,442,823
Duty payable	874,905	1,073,099	6,667,041	8,832,518
Proportion of dutiable goods ...	Per cent. 34.53	Per cent. 39.52	Per cent. 70.91	Per cent. 90.29
Average rate of duty on—				
Dutiable imports	32.46	34.77	31.92	33.22
All imports	11.21	13.75	22.65	30.00

§ 14.—Rates of Duty in Australia and other Countries.

The following table shews the proportion of the total imports of merchandise entered for "home consumption," free of duty, in the undermentioned countries, and also the equivalent *ad valorem* rates of duty charged:—

PROPORTION OF FREE GOODS AND RATES OF IMPORT DUTY.

Particulars.	Australia.			Canada.	New Zealand.	U.S. of America.
	31/12/06	30/6/17	Tariff of 1914 applied to Imports of 1913.	(a) 31/3/16	31/12/16	30/6/17
Year ended ... ..	...	...	...	...	...	...
Percentage of free merchandise ...	35.18	34.50	34.83	43.01	51.06	68.64
Equivalent <i>ad val.</i> rates of duty on	%	%	%	%	%	%
Spirits, wines, and malt liquors	153.23	120.88	169.98	161.26	83.14	94.32
Tobacco, and preparations thereof	168.65	155.00	202.20	13.73b	92.54	87.29d
Other dutiable merchandise ...	17.04	19.90	22.56	34.54	19.61	26.17
Other merchandise dutiable & free	10.75	12.80	14.37	19.01	8.92	7.83
Total dutiable merchandise ...	27.14	25.62	33.63	35.92	29.23	30.67
Total merchandise dutiable & free	17.59	16.78	21.91	20.47	13.60	9.62
Customs duty per head ...	£ s. d. 1 15 10	£ s. d. 2 12 9	£ s. d. —	£ s. d. 2 13 8	£ s. d. 3 5 2c	£ s. d. 0 8 6

(a) The rates of duty given in relation to imports are exclusive of war tax. £565,000, which however, is included in the duty per head of population. (b) Unmanufactured tobacco is admitted to Canada free of duty. (c) Exclusive of Maoris. (d) Tobacco is admitted free of Customs duty from the Philippine Islands.

The figures given for the year ended 30th June, 1906, represent the results of the last full year of operation of the tariff of 1902.

From the results given in the above table, it will be seen that the scheme of taxation, by means of import duties, varies materially between the countries named. In Australia and Canada, taxation is spread much more widely over imported commodities than in New Zealand or the United States of America. In the latter country, 68 per cent. of all imports are free of duty, whereas under the tariff at present in force in the Commonwealth, about 35 per cent. only of the total imports are exempt from taxation. A considerable restriction of the free list in this country was necessary to raise the revenue required by the exigencies of the war, though even prior to the war free goods represented only 42 per cent. of the total imports, while in New Zealand they comprised 52 per cent. The lower average rate of duty charged on imports into the Commonwealth during the year ended 30th June, 1917, as compared with the results obtained from the application of the same tariff to the imports of 1913, is due largely to increased prices reducing the equivalent *ad valorem* rates on goods subject to fixed rates of duty. This is particularly noticeable with regard to spirits, etc., and tobacco. Had the present tariff been in force during 1913 the imports of tobacco, cigars and cigarettes in that year would have paid an average *ad valorem* rate equivalent to 202.20 per cent., whereas on the imports of 1916-17, by reason of increased values, the same fixed rates represented an equivalent *ad valorem* rate of 155 per cent. only.

VALUE OF GOODS (EXCLUDING BULLION AND SPECIE) ENTERED FOR CONSUMPTION IN THE COMMONWEALTH, AND DUTY COLLECTED THEREON, 1916-17.

Classification of Imports.	Value Entered for Consumption.			Duty Collect'd, less Refunds.	Equivalent <i>ad valorem</i> Rate per cent. on—	
	Dutiable.	Free (Net Imports).	Total.		Dutiable Imports.	All Imports.
	£	£	£	£	%	%
I. Foodstuffs of animal origin, excluding living animals ...	1,063,678	70,743	1,134,421	184,285	17.33.	16.24
II. Foodstuffs of vegetable origin and salt ...	3,917,102	214,911	4,132,013	985,485	25.16	23.85
III. Beverages (non-alcoholic) and substances used in making ...	298,103	1,679,933	1,978,036	65,339	21.92	3.30
IV. Spirits and alcoholic liquors including industrial spirits and pharmaceutical preparations dutiable as spirits ...	1,641,200	...	1,641,200	1,983,544	120.88	120.88
V. Tobacco & preparations thereof ...	838,776	...	838,776	1,300,793	155.00	155.00
VI. Live animals ...	14,817	67,596	82,413	68	0.46	0.08
VII. Animal substances (mainly unmanufactured) not foodstuffs ...	112,344	373,440	485,784	13,006	11.58	2.68
VIII. Vegetable substances and fibres ...	255,705	2,317,509	2,573,214	46,002	18.00	1.79
IX. Apparel, textiles, and manufactured fibres ...	15,952,866	8,014,482	23,967,348	3,430,334	21.50	14.31
X. Oils, fats, and waxes ...	2,513,011	610,973	3,123,984	287,473	11.44	9.20
XI. Paints and varnishes ...	597,165	57,411	654,576	80,099	13.41	12.24
XII. Stones and minerals used industrially ...	85,913	86,562	172,475	18,880	21.98	10.95
XIII. Specie (omitted) ...	...	...	...	...	...	...
XIV. Metals (unmanufactured) and ores, including gold and silver bullion ...	115,698	343,824	459,522	9,341	8.07	2.03
XV. Metals partly manufactured ...	574,300	619,678	1,193,978	29,339	5.11	2.46
XVI. Metals manufactured, including machinery ...	7,563,192	3,158,920	10,722,112	1,380,370	18.25	12.87
XVII. Leather and manufactures of leather and substitutes therefor, also indiarubber and indiarubber manufactures ...	1,387,197	386,038	1,773,235	371,332	26.77	20.94
XVIII. Wood and wicker, raw and manufactured ...	1,745,857	33,702	1,779,559	282,942	16.21	15.90
XIX. Earthenware, cements, china, glass, and stoneware ...	1,110,845	22,310	1,133,155	221,942	19.98	19.59
XX. Paper and stationery ...	2,768,826	1,649,918	4,418,744	423,535	15.30	9.58
XXI. Jewellery, timepieces, and fancy goods ...	889,740	236,977	1,126,717	254,399	28.59	22.58
XXII. Optical, surgical, and scientific instruments ...	410,899	196,716	607,615	119,066	28.98	19.59
XXIII. Drugs, chemicals, and fertilizers ...	1,336,847	1,745,950	3,082,797	166,685	12.47	3.73
XXIV. Miscellaneous ...	3,580,076	3,803,994	7,384,070	842,696	23.54	11.41
Total merchandise ...	48,774,157	25,691,587	74,465,744	12,496,955	25.62	16.78
Merchandise, excluding stimulants and narcotics ...	46,294,181	25,691,587	71,985,768	9,212,618	19.90	12.80