

## CHAPTER VII.

### TRADE.

#### § 1. Introductory.

**Constitutional Powers.**—By the Commonwealth of Australia Constitution Act, Section 51 (i.), the power to make laws with respect to trade and commerce with other countries was conferred on the Commonwealth Parliament. Under Section 86 of the Constitution the collection and control of duties of customs and excise passed to the Executive Government of the Commonwealth on 1st January, 1901. Other references to trade and commerce are contained in Sections 87 to 95 of the Constitution (*see* Official Year Book No. 39, pp. 15 and 21–22).

#### § 2. Commonwealth Legislation affecting Oversea Trade.

1. **General.**—The Acts affecting overseas trade at present in force are :—The Customs Act 1901–1953; Customs Tariff 1933–1954; Customs Tariff (Canadian Preference) 1931 and Customs Tariff (Canadian Preference) 1934–1954; Customs Tariff (Industries Preservation) Act 1921–1936; Customs Tariff (New Zealand Preference) 1933–1954; Customs Tariff (Papua and New Guinea Preference) 1936–1950; Customs Tariff (Southern Rhodesian Preference) 1941–1948; Customs Tariff (Primage Duties) 1934–1950; Trading with the Enemy Act 1939–1952.

The Customs Acts represent the administrative or machinery Acts under which the Department of Trade and Customs operates, while the Customs Tariff provides the statutory authority for imposing the actual rates of duties operative from time to time.

2. **The Customs Tariff.**—(i) *General.* The first Commonwealth Customs Tariff was introduced by Resolution on 8th October, 1901, from which date uniform duties came into effect throughout Australia. The tariff has since been extensively amended. The Act at present in operation is the Customs Tariff 1933–1954.

The Australian Customs Tariff has been developed in conformity with the policy of protecting economic and efficient Australian industries and of granting preferential treatment to imports from certain countries of the British Commonwealth. Duties are also imposed on some goods, generally of a luxury nature, for revenue purposes. Customs collections are a major source of revenue, but in its protective character the tariff has an important influence on the Australian economy.

Australia has three classes of tariff—the British Preferential Tariff, the Intermediate Tariff and the General Tariff.

(ii) *British Preference.* British Preferential Tariff rates of duty apply to goods the produce or manufacture of the United Kingdom, provided such goods comply with the laws and statutory regulations for the time being in force affecting the grant of

preference, and that the goods have been shipped in the United Kingdom to Australia and have not been transhipped, or, if transhipped, it is proved to the satisfaction of the Collector of Customs that the intended destination of the goods, when originally shipped from the United Kingdom, was Australia. For the purpose of the preferential tariff the following goods are deemed by Section 151A of the Customs Act 1901-1953 to be the produce or manufacture of the United Kingdom, provided the final process of their production or manufacture was performed in that country :—

- (a) Goods which are wholly produced or wholly manufactured in the United Kingdom from materials in one or more of the following classes—
  - (i) Materials wholly produced or wholly manufactured in the United Kingdom or in Australia ;
  - (ii) Imported unmanufactured raw materials ;
  - (iii) Imported manufactured raw materials as determined by the Minister.
- (b) Goods, of the factory or works cost of which not less than seventy-five per cent. is represented—
  - (i) by labour or material of the United Kingdom ; or
  - (ii) by labour or material of the United Kingdom and labour or material of Australia.
- (c) Goods of a class or kind not commercially produced or manufactured in Australia and of the factory or works cost of which not less than twenty-five per cent. (or fifty per cent. if the Minister so determines) is represented—
  - (i) by labour or material of the United Kingdom ; or
  - (ii) by labour or material of the United Kingdom and labour or material of Australia.

The British Preferential Tariff has also been extended by separate Trade Agreements to Canada and New Zealand and by tariff legislation to the Territory of Papua-New Guinea and the above-mentioned preference conditions apply *mutatis mutandis* to each of those countries. In relation to specified goods, the British Preferential Tariff also applies to Ceylon and to most of the British non-self-governing colonies, protectorates and trust territories.

(iii) *Intermediate Tariff.* The Intermediate Tariff has been a feature of the Australian Tariff for a considerable number of years, although its effective application dates only from 1st January, 1937, consequent upon the conclusion of trade agreements with Belgium, Czechoslovakia and France in 1936. The countries to which the Intermediate Tariff applies include those countries with which Australia has concluded trade agreements (including tariff negotiations pursuant to the General Agreement on Tariffs and Trade). The Intermediate Tariff has also been extended to some countries to which Australia has no formal obligation to accord most-favoured-nation tariff treatment. The countries to which the Intermediate Tariff applies are specified by Customs Proclamation.

(iv) *General Tariff.* The General Tariff applies to goods other than those to which the British Preferential Tariff or Intermediate Tariff or special rates under trade agreements apply.

3. **Primage Duties.**—In addition to the duties imposed by the Customs Tariff, ad valorem primage duties at rates of 4 per cent., 5 per cent. or 10 per cent. are charged on specified goods under the Customs Tariff (Primage Duties) 1934-1950. Goods the produce or manufacture of New Zealand, Norfolk Island, Fiji and the Territory of Papua-New Guinea are exempt from primage duty.

4. **Tariff Board.**—The Tariff Board Act 1921-1953 provides for the appointment of a Tariff Board consisting of seven members, two of whom shall be administrative officers of the Department of Trade and Customs. Members of the Board are appointed for terms of not less than one year nor more than five years. The purpose of the Tariff

Board is to assist the Minister in the administration of matters relating to trade and customs. The more important matters which the Minister shall refer to the Board for inquiry and report include disputes arising out of the interpretation of any Customs or Excise Tariff; the necessity for new, increased or reduced duties; the necessity for granting bounties; any proposal for the application of the British Preferential Tariff to any part of the British Dominions or any foreign country; and any complaint that a manufacturer is taking undue advantage of the protection afforded him by the Tariff by charging unnecessarily high prices for his goods or acting in restraint of trade. The Minister may refer to the Board for inquiry and report the following matters:—the classification of goods under items of the Tariff that provide for admission under By-laws; the determination of the value of goods for duty; the general effect of the working of the Customs Tariff and the Excise Tariff; the fiscal and industrial effects of the Customs laws of the Commonwealth; the incidence between the rates of duty on raw materials and on finished or partly finished products; and any other matter affecting the encouragement of primary and secondary industries in relation to the Tariff.

Inquiries conducted by the Board relating to any revision of the Tariff, any proposal for a bounty, or any complaint that a manufacturer is taking undue advantage of the protection afforded him by the Tariff shall be held in public, and evidence in such inquiries shall be taken in public on oath, unless any witness objects to giving any evidence in public which the Board is satisfied is of a confidential nature, when the Board may take such evidence in private. Evidence taken by the Board in connexion with any inquiry under the Customs Tariff (Industries Preservation) Act 1921–1936 shall be taken in public on oath.

5. *Industries Preservation.*—The Customs Tariff (Industries Preservation) Act 1921–1936 provides that, after inquiry and report by the Tariff Board, special duties shall be collected in the following cases when the importation of the goods referred to might be detrimental to an Australian industry. In the case of goods sold for export to Australia at a price less than the fair market value for home consumption or at a price which is less than a reasonable price, a special dumping duty shall be collected equal to the difference between the price at which the goods were sold and the fair market value, or the difference between the price at which the goods were sold and a reasonable price. Similar provision is made for goods consigned to Australia for sale. With regard to goods exported to Australia at rates of freight less than the normal rate of freight the dumping freight duty shall be—on goods carried free—the amount payable as freight at the normal rate; and in the case of any other goods—an amount equal to the difference between the freight paid and the freight which would have been payable at the normal rate.

The Act provides that the Minister for Trade and Customs, after inquiry and report by the Tariff Board, may publish a notice in the *Commonwealth Gazette* specifying the goods upon which the special rates of duty under this Act shall thereupon be charged and collected.

6. *Trade Descriptions.*—The Commerce (Trade Descriptions) Act 1905–1950 gives power to require the application of a proper trade description on certain prescribed goods imported into or exported from the Commonwealth. Goods which must bear a prescribed trade description upon importation into Australia are specified in the Commerce (Imports) Regulations. As regards exports from Australia, marking requirements are prescribed in regulations issued under the Act and relating to specified export commodities.

7. *Import Controls.*—(i) *Customs (Import Licensing) Regulations.* The Customs (Import Licensing) Regulations were first promulgated in December, 1939, and were made pursuant to the Customs Act 1901–1936, Sections 52 (g) and 56. These regulations provide, *inter alia*, that the importation into the Commonwealth of any goods shall be prohibited, unless:—

- (a) a licence to import the goods is in force and the terms and conditions (if any) to which the licence is subject are complied with; or
- (b) the goods are excepted from the application of the regulations.

The regulations were at first applied only to imports from non-sterling sources with the object of conserving non-sterling exchange and enabling priority in shipping space to be given to essential imports. However, with a subsequent decline in Australia's sterling balances in London and changes in the general war situation the restrictions were extended to cover a wide range of imports from sterling countries in December, 1941. The position remained basically the same during the remainder of the war and in the immediate post-war period.

As Australia's external financial position improved, the restrictions were progressively relaxed until, by November, 1950, imports from most countries had been exempted from the application of the regulations and, with minor exceptions, the restrictions applied only to imports from the Dollar Area and Japan. This position obtained until March, 1952.

During the financial year 1951-52, following a fall in the price of wool and a large increase in the volume of imports (the product, in turn, of the wool boom of 1950-51), Australia incurred a substantial deficit on current account. Oversea reserves fell rapidly in the latter part of 1951 and early 1952, endangering Australia's external financial position to such a degree that it became necessary on 8th March, 1952 to apply the Customs (Import Licensing) Regulations to imports from all sources, with the exception of goods originating in Papua, New Guinea and Norfolk Island. By March, 1953 Australia's balance of payments had shown sufficient improvement to justify a general relaxation in the quantitative restrictions applying to goods from sources other than the Dollar Area and Japan and further progressive relaxations have been made since that date.

Applications for licences for Japanese goods are dealt with on a case by case basis within the general framework of the licensing controls. Restrictions on imports from the Dollar Area have been maintained in varying degrees since their imposition in December, 1939 and, in general, the issue of licences for the importation of goods from the Dollar Area is restricted to goods of a high degree of essentiality, unavailable in adequate quantities from other countries. The goods imported from the Dollar Area are mainly capital goods, raw materials, semi-manufactures and other producer goods. All applications for licences are treated on the merits of each individual case.

(ii) *Customs (Prohibited Imports) Regulations.* In addition to the Import Licensing Regulations which are imposed for balance of payments reasons, Section 52 of the Customs Act provides for the prohibition of the importation of specified types of commodities and also provides for the making of regulations prohibiting the importation of other types of commodities.

Prohibition by regulation may be exercised by—(a) prohibiting the importation of goods completely; (b) prohibiting the importation of goods except with the consent of the Minister; (c) prohibiting the importation of goods except subject to conditions. Lists of products subject to prohibition are set out in the Customs (Prohibited Imports) Regulations. Commodities the importation of which has been prohibited under the regulations include dangerous drugs, firearms, undesirable publications and articles deleterious to public health.

8. *Export Control.*—(i) *Commodity Control.* Section 112 of the Customs Act provides that the Governor-General may by regulation prohibit the exportation of goods from Australia and that this power may be exercised by—(a) prohibiting the exportation of goods absolutely; (b) prohibiting the exportation of goods to a specified place; and (c) prohibiting the exportation of goods unless prescribed conditions or restrictions are complied with. Goods subject to export control are listed in the Customs (Prohibited Exports) Regulations.

(ii) *Monetary Control—Banking Act 1945-1953.* As an integral part of the framework of Exchange Control, a control over goods exported from Australia is maintained under the provisions of Part III. of the Banking (Foreign Exchange) Regulations to ensure that the full proceeds of such goods are received into the Australian banking system and

that these proceeds are received in the currency and in the manner prescribed by the Commonwealth Bank of Australia. This action is complementary to that taken under other parts of the Banking (Foreign Exchange) Regulations to control the movement out of Australia of capital in the form of securities, gold and currency.

Provision is made in the regulations for the grant of export licences subject to such terms and conditions as are imposed. On the receipt in Australia by the Commonwealth Bank, or by a bank acting as agent for that Bank, of advice that the foreign currency has been paid to the Commonwealth Bank or to an agent of the Bank in payment for goods exported in accordance with a licence granted under the regulations, the Bank, or an agent of the Bank, pays the licensee, or such other person as is entitled to receive it, an amount in Australian currency equivalent to the foreign currency received. In addition to commercial transactions, exports by private individuals are controlled. Persons leaving Australia for overseas are required to obtain licences to cover their bona fide baggage, personal effects and household effects in any individual case where the gold content thereof exceeds £A50, or where jewellery and other articles of high intrinsic worth either exceed £A1,000 in value or have not been the personal property of the passenger for at least twelve months.

9. *Trade Agreements.*—(i) *The United Kingdom.* The United Kingdom and Australia Trade Agreement (Ottawa Agreement) was signed on and had effect from 20th August, 1932, although the Australian tariff changes which were necessary in order to implement the preference formula in the agreement did not operate until 14th October, 1932. Broadly speaking, Australia secured preferences in the United Kingdom market for a wide range of Australian export commodities and in return Australia incurred obligations in respect of tariff levels and the grant of preference to United Kingdom goods.

(ii) *Canada.* The existing trade agreement between Canada and Australia came into force on 3rd August, 1931. The basis of the agreement is, generally, the mutual accord of British Preferential Tariff treatment. Exceptions to this general rule are specified in the schedules to the agreement.

The Customs Tariff (Canadian Preference) 1931 and the Customs Tariff (Canadian Preference) 1934-1954 give effect to the agreement so far as Australia is concerned.

(iii) *New Zealand.* The existing trade agreement between Australia and New Zealand came into force on 1st December, 1933. The basis of the agreement is, generally, the mutual accord of British Preferential Tariff treatment. The exceptions to this general rule are listed in the schedules to the agreement.

The Customs Tariff (New Zealand Preference) 1933-1954 gives legislative effect to the provisions of the agreement.

(iv) *The Rhodesias and Nyasaland.* A trade agreement between Australia and Southern Rhodesia came into effect on 9th April, 1941. Australia's principal undertaking to Southern Rhodesia was to grant an exclusive tariff preference on tobacco leaf. Southern Rhodesia accorded preferential tariff treatment on a broad range of Australia's export commodities. Australia's grant of preferential tariff treatment to Northern Rhodesia and Nyasaland is based on Article 15 of the United Kingdom and Australia Trade Agreement. The three territories are provisionally applying the General Agreement on Tariffs and Trade.

The Constitution of the Federation of Rhodesia and Nyasaland grants exclusive power over tariffs and trade agreements to the Federal Government. However, no federal tariff had been published by mid-1954. The separate tariffs and international agreements of the three constituent territories were still in force at that date.

(v) *Other Countries.* Australia has entered into bilateral trade agreements with the Union of South Africa, Belgium, Brazil, Czechoslovakia, France, Greece and Switzerland. Summaries of the texts of these agreements have been given in previous issues of the Official Year Book.

(vi) *The General Agreement on Tariffs and Trade (G.A.T.T.)*. The General Agreement on Tariffs and Trade is an international trade agreement which has been in operation since 1st January, 1948. Australia was an original signatory of the Protocol of Provisional Application, by which Parts I. and III. of the Agreement are being provisionally applied. Part II. is being applied to the fullest extent not inconsistent with existing legislation at the date of signature of the Protocol.

There are now 34 contracting parties to the Agreement, comprising most of the world's larger trading nations.

Many of the Articles in Part II. of the General Agreement are similar to articles which were included in the Havana Charter for an International Trade Organization. Had the Charter come into force, Part II. of the General Agreement, containing general commercial policy provisions to prevent the circumvention of tariff concessions by other measures, would have been suspended.

Three series of tariff negotiations have been conducted under the provisions of the General Agreement. As a result of these negotiations, Australia has obtained tariff concessions on almost all the principal products of which she is an actual or potential exporter to the individual countries concerned. These concessions were a result both of direct negotiation by Australia and of negotiation by other countries—in the latter case, the benefits occur through the operation under the Agreement of the most-favoured-nation principle.

The contracting parties periodically hold plenary sessions to deal with questions arising out of the administration of the Agreement. The ninth session was held at Geneva in October, 1954.

### § 3. Imperial Preference in the United Kingdom.

1. *Preferential Tariff of the United Kingdom*.—Prior to 1919 the United Kingdom levied duties on a limited number of items for revenue purposes and did not extend preferential treatment to any of the Empire countries. The majority of imported goods entered the United Kingdom free of duty and, in fact, there was no scope for preferential treatment. In 1919, however, the range of revenue duties was extended and preferential rates of duty were established on some eighteen items. Of these, the preferential rate on twelve items was to be equivalent to five-sixths of the full rate, on four to two-thirds of the full rate and on another (wine) to 50–70 per cent. of the full rate. The items so affected of interest to Australia at that time were currants, dried and preserved fruit, sugar, molasses and wine.

The extension of preferential treatment was conditional on the goods being consigned from, and grown, produced or manufactured in, the British Empire. In the case of manufactured articles, preference applied only where a prescribed proportion of their value was the result of labour within the British Empire. The conditions have been embodied in all subsequent preference arrangements in substantially the same form.

During the period from 1919 to 1932 it became increasingly obvious that the United Kingdom, for economic reasons, was being forced to depart from the free trade principles which had conditioned trade during the years preceding the 1914–18 War. Every time a new duty was introduced, provision was made for further preferential treatment to Empire products, although, in a great many cases, the preferences were of little or no significance to Australia, because the new duties were on products which were neither grown nor manufactured in Australia. The Safeguarding of Industries Act 1921 provided for the imposition of duties on imports of key industry goods from foreign countries with free entry or preferential rates on similar goods from Empire countries. The purpose of these duties was to provide protection to vital United Kingdom industries in order to encourage their growth without fear of foreign competition. Similarly the Dyestuff Import Regulation of the previous year allowed the unrestricted import of dyestuffs of Empire origin, whereas imports of foreign dyestuffs were subjected to licensing restrictions. In 1925 preferences were accorded or increased on sugar (for ten years), tobacco, dried fruit, wine and several other items. In succeeding years Key Industries Duties were imposed on a further range of industrial goods and in 1927 screening quotas for British films and in 1928 further sugar concessions were introduced.

By 1931, therefore, the United Kingdom imposed duties on a fairly wide range of goods, provision being made in all cases for preferential treatment to Empire goods. The important preferences for Australia which emerged from these enactments were those on sugar, dried fruits, wine and jams and jellies. Even at this time, however, the United Kingdom adhered to the principles of free trade and by far the greater part of imports was free of duty.

In order to counteract the flood of dumping which followed the collapse of world trade in 1929-30 the United Kingdom introduced emergency tariff legislation in 1931. Ad valorem duties were imposed on almost all goods imported into the United Kingdom with the exception of certain raw materials, goods from Empire countries being exempt from these duties. These temporary measures were embodied in the Import Duties Act of March, 1932, by the enactment of which the United Kingdom finally abandoned free trade as a policy. This Act provided for the free entry for Empire goods pending the conclusion of some permanent agreement. The Ottawa Agreements Act of November, 1932 emerged from the Imperial Economic Conference held in Ottawa and embodied agreements concluded between the United Kingdom and the Dominions, Newfoundland and Southern Rhodesia. For the purpose of considering the present preferences enjoyed by Australia in the United Kingdom, it is expedient to regard the Import Duties Act and the Ottawa Agreements Act as complementary.

The Import Duties Act provided for the imposition of a general ad valorem duty of 10 per cent. on all imports with certain exceptions (i.e., those on the Free List and those already dutiable under previous enactments). Additional duties could be imposed and items on the Free List subjected to duty, and in fact the range of items subject to duties under this Act has been extended from time to time since its enactment.

The freedom of Empire goods from these duties was guaranteed under the Ottawa Agreements Act, which also provided for the imposition of new duties on imports from foreign, but not Empire, countries of a number of products of special interest to the Empire countries concerned. Whilst free entry was guaranteed to Empire producers on a wide range of products, the margins of preference thereby applicable were not bound, and the duties could be varied up or down by the United Kingdom Government without the consent of Empire countries. On a selected range of items, however, which are specified in the schedules to the Ottawa Agreements Act, the duties may not be varied by the United Kingdom without the consent of the other party to the respective agreement.

Since 30th October, 1947, Canada and the United Kingdom have, by an exchange of letters, recognized the rights of their respective Governments to reduce or eliminate the preferences they accord one another without prior consultation or consent.

2. The Australia-United Kingdom Trade Agreement.—This Agreement is a unit of the Ottawa Agreements and through it preferences in the United Kingdom were established on a number of export items of considerable importance to Australia. The preferences accorded are summarized as follows, the rates being shown in sterling currency:—

- (a) Continued free entry was guaranteed for three years for Australian eggs, poultry, butter, cheese and other milk products. (This freedom of entry still continues.) Similar foreign goods were subjected to duty, thus giving Australia a preference of 1s. to 1s. 9d. per 120 eggs; 10 per cent. ad val. on poultry; 15s. per cwt. on butter; 15 per cent. ad val. on cheese; 5s. per cwt. on sweetened whole condensed milk; and 6s. per cwt. on unsweetened whole condensed milk and milk powder and other unsweetened preserved milk.
- (b) Preferences were created on the following products by imposing a duty on like foreign articles whilst guaranteeing free entry to Australian produce: wheat (2s. per quarter); apples and pears (4s. 6d. per cwt.); canned apples (3s. 6d. per cwt.); other canned fruit (15 per cent. ad val.); certain dried fruit, raisins, etc. (10s. 6d. per cwt.); honey (7s. per cwt.); oranges (3s. 6d. per cwt. in season); raw grapefruit (5s. per cwt. in season); and grapes (1½d. per lb. in season).

- (c) The preferential margins on the commodities mentioned in (a) and (b) above were not to be reduced without the consent of the Australian Government and this provision also applied to the 10 per cent. preference on leather, tallow, canned meats, barley, wheat flour, macaroni, dried peas, casein, eucalyptus oil, meat extracts and essences, copra, sugar of milk, sausage casings, wattle bark, asbestos and certain dried fruits.
- (d) The Agreement also provided for a preference of 2d. per lb. on unwrought copper, but this was never implemented as Empire producers could not demonstrate their ability to continue offering their copper on first sale to the United Kingdom at prices not exceeding the world price, which was a condition of the preference. A similar condition applied to wheat, zinc and lead. In the case of zinc and lead the duty was changed at an early stage in the life of the Agreement from an ad valorem rate of 10 per cent. to a specific rate.
- (e) Australia, although not securing in the Agreement with the United Kingdom a commitment on the amount and duration of the preference margin applying to a number of commodities of some importance to Australia (e.g., rice), had its interests safeguarded by the fact that such items were usually covered by the United Kingdom's agreement with another Empire country. Such benefits were generalized to Australia.
- (f) The United Kingdom agreed to regulate meat imports and stated that its policy was to give the Dominions an expanding share of United Kingdom meat imports.
- (g) Preferential tariff advantages were also obtained in the British non-self-governing colonies and protectorates.

The preferences operating before, and not increased by, the Ottawa Agreement were continued. Thus the preferential margins on heavy wines, sugar, the sugar content of goods containing added sweetening matter, currants, etc., remained in operation.

3. **Developments since the Ottawa Agreement.**—The Australia-United Kingdom Agreement operated with virtually no alteration until the beginning of 1939. Since then three major factors have been responsible for altering its terms or significance :—

- (a) *The United Kingdom-United States of America Trade Agreement, 1938.* This Agreement became effective from 1st January, 1939, and, to enable the United Kingdom to secure concessions from the United States of America, Australia agreed to the following reductions in the preferences which her products were enjoying in the United Kingdom :—

Wheat (preference eliminated); apples and pears (1s. 6d. per cwt. in Northern Hemisphere season); honey (2s. per cwt.); canned apples (1s. 3d. per cwt.); canned grapefruit (preference eliminated). The ad valorem duty of 15 per cent. was replaced by specific duties of 5s. 6d. per cwt. on canned fruit salad, 5s. per cwt. on canned pineapples and 4s. per cwt. on canned loganberries.

- (b) *Long-term Contracts with the United Kingdom.* During and since the war Australia has made contracts under which the United Kingdom is obligated to purchase the whole or a substantial part of the exportable surplus of several important Australian products normally entitled to preferential treatment. Meat, sugar, dried fruit, apples, butter, cheese, eggs and copra are notable examples. Under these contracts the tariff preferences have not been significant, but they are expected to become more important with the return of trader-to-trader marketing arrangements.
- (c) *The General Agreement on Tariffs and Trade.* Australia has participated in the three rounds of tariff negotiations under this agreement held at Geneva, 1947, Annecy, 1949, and Torquay, 1950-51. In order to reach agreements with the various countries participating in these tariff negotiations, Australia consented to a number of reductions in preference

margins guaranteed to her under the Ottawa Agreements, in return for more favourable tariff treatment in some twenty-seven countries with which agreements have been made. The reductions are summarized below :—

Apples (margin eliminated during Northern Hemisphere season); raisins (2s. per cwt.); canned peaches, pears and apricots (3 per cent. ad val.); non-tropical canned fruit salad (margin eliminated); dried apricots (2s. 6d. per cwt.); dried prunes, apples, peaches and nectarines (margin eliminated); honey (nil to 1s. 6d. per cwt. according to value for duty). The preference margin was also modified on a number of items in which Australia was interested but on which her consent to reduction was not required under the Ottawa Agreement. Examples are fruit pulp, pig iron, rice, hard soap, glue, gelatine and size. The preference on heavy wine was increased from 4s. per gallon to 10s. per gallon.

#### § 4. Trade Commissioner Service.

Empire and foreign countries have deemed it necessary in their trade interests to establish generous overseas representation and have for many years maintained extensive overseas trade services.

Prior to 1929, Australian representation abroad was limited to the High Commissioner's Office in London, with a subsidiary agent in Paris, and the Office of the Commissioner-General for Australia in New York. Apart from the facilities afforded by those offices, the only form of overseas trade representation available to Australia was that of the British Overseas Trade Service, a service whose activities are naturally more particularly devoted to the development of United Kingdom rather than Dominion trade.

The growing importance of Australia's trade with Canada led to the appointment in 1929 of an Australian Trade Commissioner in that country. The part played by that official in the subsequent negotiations of the Trade Agreement with Canada, in the cultivation of close and cordial relations with the Canadian authorities, and in general in focussing interest on Australia and Australian products, amply demonstrated the value of such appointments both to the Commonwealth Government and the Australian trading community.

The Trade Commissioners Act 1933 provided for the establishment of an Australian Government Trade Commissioner Service and by the beginning of the 1939-45 War posts had been established at Wellington, Batavia (now Djakarta), Shanghai, Tokyo, Cairo, Bombay, New York and Calcutta. The Trade Commissioner Service was further expanded in 1946 and there are now 22 Trade Commissioner posts in 19 countries.

The general advantages to be derived from the appointment of Trade Commissioners may be briefly stated as follows :—(a) fostering of goodwill, (b) correction and avoidance of misunderstandings, and (c) dissemination of knowledge concerning the respective countries. Particular facilities which they are able to afford to the trading community are (a) information as to present and prospective demand for goods, (b) information as to foreign and local competition, (c) advice as to best selling methods, (d) reports as to the standing of foreign buyers, (e) specification of articles in demand, (f) dealing with trade inquiries, (g) advice and assistance to commercial visitors regarding trade matters, (h) settlement of difficulties between exporters in Australia and buyers abroad, and (i) furnishing of information as to foreign import requirements, customs duties, trade regulations, etc.

In addition to the foregoing particular trading functions, it is the duty of a Trade Commissioner to watch and advise the Government regarding any developments in his Territory affecting not only trade and commerce, but any other matters of concern to his home Government.

Trade Commissioners are drawn either from the commercial world or from the ranks of the Public Service, as circumstances dictate. In the more important posts it is customary for the Trade Commissioner to be provided with an Assistant Trade Commissioner, who is selected to undergo training in the service and qualify at a later stage for appointment as a Trade Commissioner. The staffing arrangements are in this

way designed to enable the Government to avail itself of the best procurable executives of either the Public Service or the commercial world and at the same time to build up a first class personnel to carry out a vigorous policy of expansion in connexion with Australia's overseas trade.

The overseas trade representation is shown in Chapter XXIX.—Miscellaneous.

### § 5. Method of Recording Imports and Exports.

1. **Source of Statistics.**—Overseas trade statistics are compiled from documents obtained under the Customs Act and supplied to this Bureau by the Department of Trade and Customs.

2. **Customs Area.**—The Customs Area, to which all overseas trade statistics issued by this Bureau apply, is the whole area of the Commonwealth of Australia, comprising the States of New South Wales (including the Australian Capital Territory), Victoria, Queensland, South Australia, Western Australia and Tasmania, and the Northern Territory. Non-contiguous territories are treated as outside countries, and trade transactions between Australia and these non-contiguous territories are part of the overseas trade of Australia. Such transactions are shown separately, i.e., the trade of Australia with each particular country is separately recorded and tabulated.

3. **The Trade System.**—There are two generally accepted systems of recording overseas trade statistics, namely, (a) special trade and (b) general trade, and statistics of both are published by the Bureau, although greater emphasis is placed on general trade. Special exports can be readily identified in the general export tabulations, while special imports are obtained from separate tabulations. The United Nations Statistical Office defines the two systems as follows:—

(a) *Special Trade.* Special imports are the combined total of imports directly for domestic consumption and withdrawals from bonded warehouses or free zones for domestic consumption, transformation or repair. Special exports comprise exports of national merchandise, namely goods wholly or partly produced or manufactured in the country, together with exports of nationalized goods. (Nationalized goods are goods which, having been included in special imports, are then exported).

(b) *General Trade.* General imports are the combined total of imports directly for domestic consumption and imports into bonded warehouse or free zone. Direct transit trade and trans-shipment under bond are excluded. General exports are the combined total of national exports and re-exports of imported merchandise including withdrawals from bonded warehouse or free zone for re-export.

Except for those appearing in § 16, para. 2, the tables which follow refer to general trade.

4. **Statistical Classification of Imports and Exports.**—Statistics of overseas imports and exports from which the summary tables in this issue of the Official Year Book have been extracted were compiled according to the revised classification which came into operation on 1st July, 1945. This classification is designed to allow for the inclusion of items which become significant with varying trade conditions, and in 1953–54 provided for 2,676 separate import items and 1,462 export items.

5. **The Trade Year.**—From 1st July, 1914 the statistics relating to overseas trade have been shown according to the financial year (July to June). Prior to that date the figures related to the calendar year. A table is included in § 17 showing the total value of imports and exports in the calendar years 1939 and 1950 to 1954 inclusive.

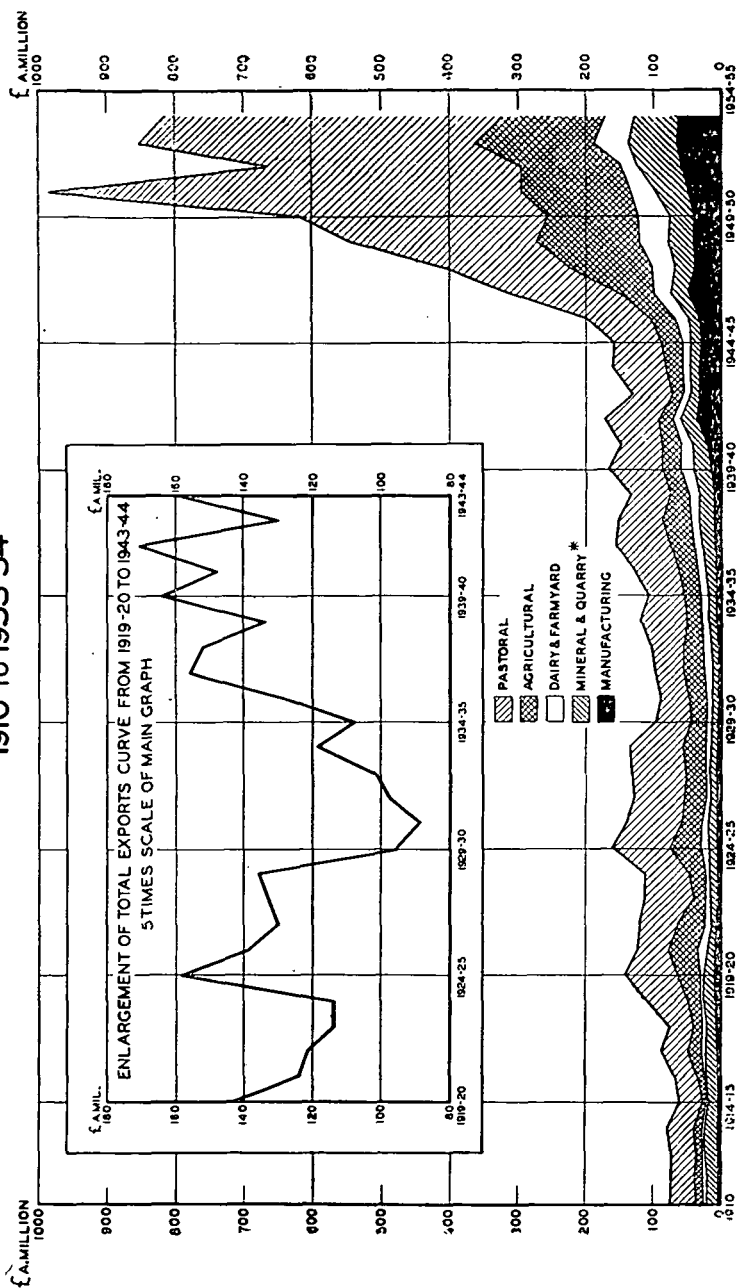
6. **Valuation.**—(i) *Imports.* The recorded value of goods imported from countries beyond Australia as shown in the following tables represents the amount on which duty is payable or would be payable if the duty were charged ad valorem. By Act No. 54 of 1947, which operated from 15th November, 1947, the Customs Act was amended to provide that the value for duty of goods imported into Australia should be the f.o.b. value in Australian currency instead of the British currency f.o.b. value plus 10 per cent.

Section 154 (1) of the Customs Act 1901–1953 provides that “when any duty is imposed according to value, the value for duty shall be the sum of the following:—

- (a) (i) the actual money price paid or to be paid for the goods by the Australian importer plus any special deduction, or
- (ii) the current domestic value of the goods, whichever is the higher; and

# EXPORTS OF AUSTRALIAN PRODUCTS ACCORDING TO INDUSTRIES

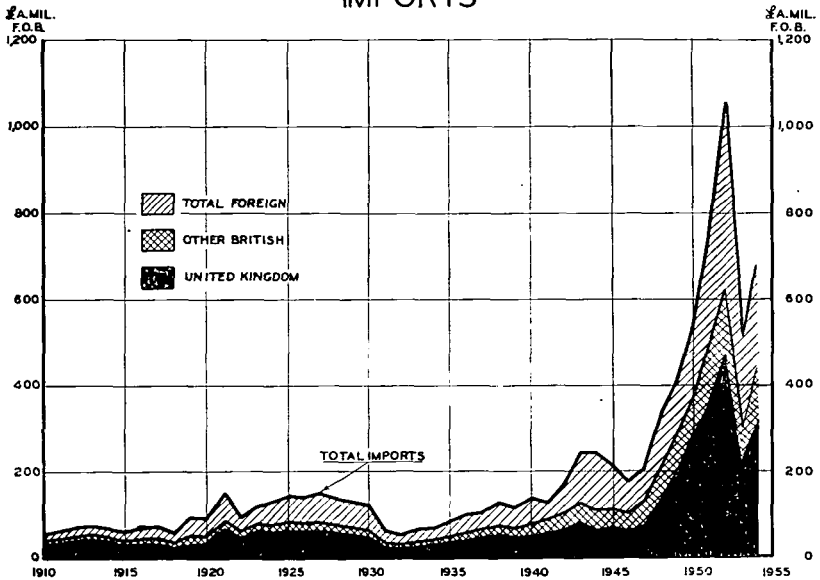
1910 to 1953-54



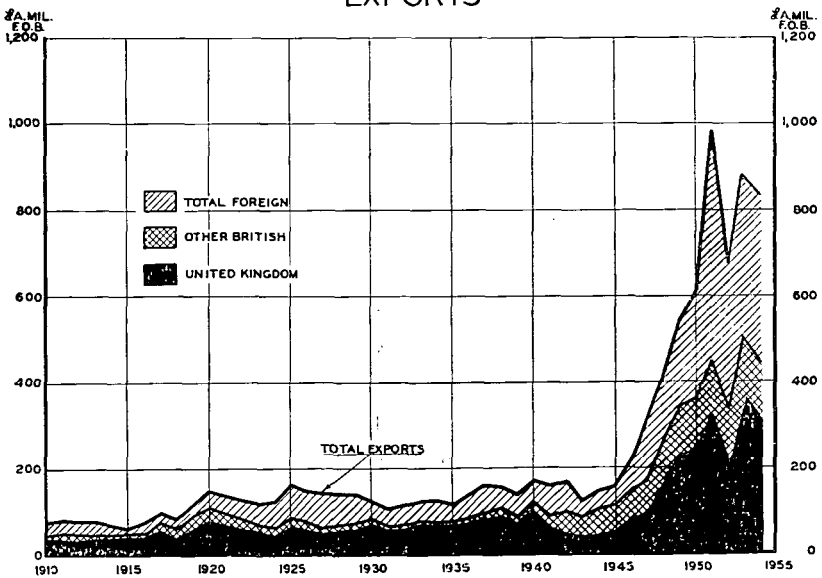
\* Australian production of gold substituted for exports of gold each year (see page 227).

## OVERSEA TRADE : AUSTRALIA, 1910 to 1954

## IMPORTS



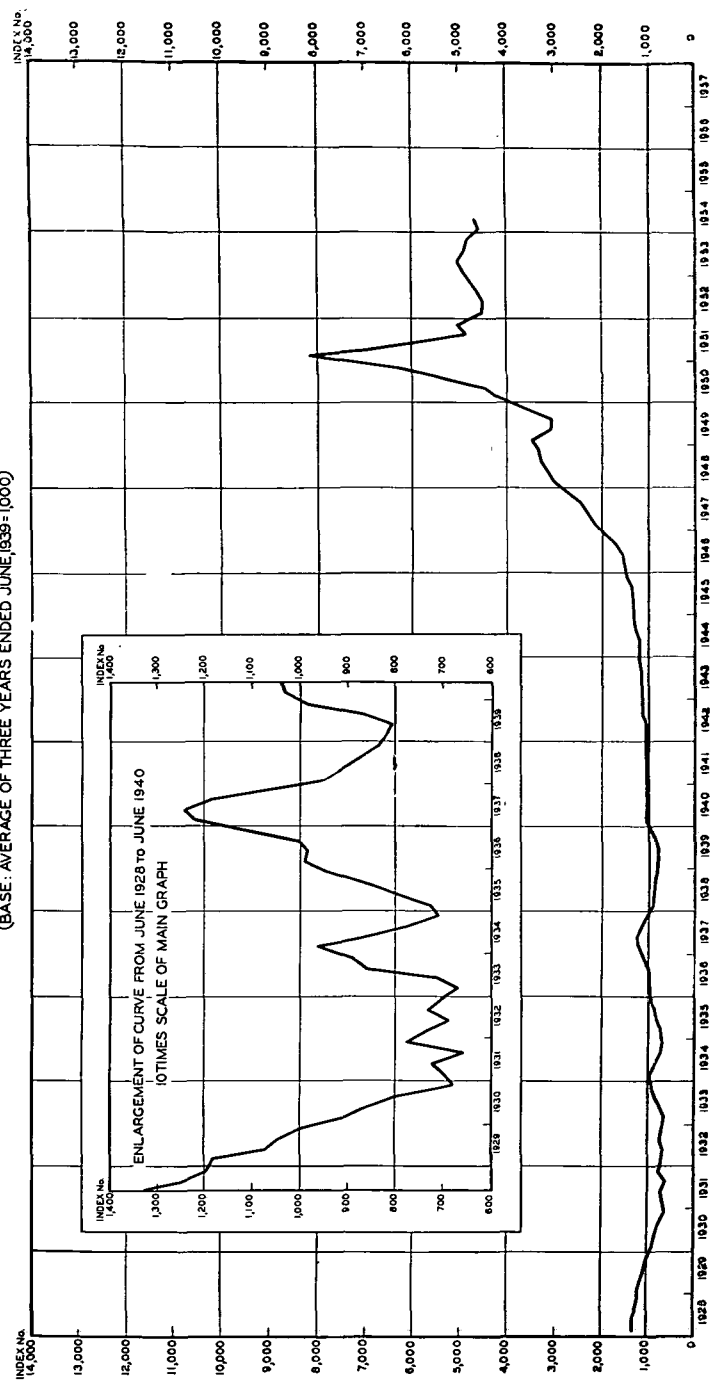
## EXPORTS



# EXPORT PRICE INDEX NUMBERS : AUSTRALIA, 1928 TO 1954

SIMPLE AGGREGATIVE INDEX : FIXED WEIGHTS

(BASE : AVERAGE OF THREE YEARS ENDED JUNE, 1939 = 1000)





- (b) all charges payable or ordinarily payable for placing the goods free on board at the port of export."

"Current domestic value" is defined as "the amount for which the seller of the goods to the purchaser in Australia is selling or would be prepared to sell for cash, at the date of exportation of those goods, the same quantity of identically similar goods to any and every purchaser in the country of export for consumption in that country." All import values shown throughout this and other chapters of this issue of the Official Year Book are therefore uniform f.o.b. values at port of shipment in Australian currency.

(ii) *Exports*. Since 1st July, 1937, the following revised definitions of f.o.b. values have been adopted for exports generally:—

- (1) Goods sold to overseas buyers before export—the f.o.b. port of shipment equivalent of the price at which the goods were sold (e.g., as regards wool, the actual price paid by the overseas buyer plus the cost of all services incurred by him in placing the wool on board ship).
- (2) Goods shipped on consignment—the Australian f.o.b. port of shipment equivalent of the current price offering for similar goods of Australian origin in the principal markets of the country to which the goods were despatched for sale (as regards wool, the f.o.b. port of shipment equivalent of the current price ruling in Australia will normally provide a sufficient approximation to the f.o.b. port of shipment equivalent of the price ultimately received).

Exporters are required to show all values in terms of Australian currency, and to include cost of containers.

An account of the bases of valuation in operation prior to 1st July, 1937 was given on page 469 of Official Year Book No. 39.

7. *Inclusions and Exclusions*.—(i) *Ships' Stores*. Prior to 1906, goods shipped in Australian ports on overseas vessels as ships' stores were included as exports. From 1906, ships' stores have been specially recorded as such, and omitted from the tabulation of exports. A table showing the value of these stores (including bunker coal and oil) shipped each year since 1949–50 is shown in § 12, page 225.

(ii) *Outside Packages*. Outside packages (containers, crates, etc.) have always been included as a separate item in the tabulation of imports, but apart from those received from the United Kingdom a classification according to country of origin has been available only since 1950–51. For exports, however, the value recorded for each item includes the value of the outside package.

(iii) *Trade on Government Account*. Imports and exports on Government account are treated as normal transactions and are an integral part of overseas trade transactions.

(iv) *Currency*. Notes and coins of base metal are included in the overseas trade statistics at their commodity value only.

(v) *Gold Content of Ores and Concentrates*. The value of ores and concentrates imported and exported includes the value of the gold content. The latter is not recorded separately for purposes of inclusion in imports and exports of gold.

(vi) *Personal Effects*. Migrants' effects are included in imports and exports.

8. *Countries to which Trade is Credited*.—From 1st January, 1905, in addition to the record of the countries whence goods directly arrived in Australia, a record of the countries of their origin was kept, as it was considered that classification of imports according to country of origin was of greater interest and value than classification according to country of shipment. Up to and including the year 1920–21, imports continued to be classified both according to country of shipment and according to country of origin, but the former tabulation was discontinued as from the year 1921–22.

9. *Pre-Federation Records*.—In the years preceding Federation, each State independently recorded its trade, and in so doing did not distinguish other Australian States from foreign countries. As the aggregation of the records of the several States is necessarily the only available means of ascertaining the trade of Australia for comparison with later years, it is unfortunate that past records of values and the direction of imports and exports were not on uniform lines. The figures in the following tables for years prior to Federation have been carefully compiled and may be taken as representative of the overseas trade of Australia as a whole. On the introduction of the Customs Act 1901 the methods of recording values were made uniform throughout the States.

### § 6. Total Oversea Trade.

1. **Including Gold.**—The following table shows the total trade (including gold) of Australia with overseas countries from 1901 to 1953-54. To save space, the period 1901 to 1945-46 has been divided into five-year periods, and the figures shown represent the annual averages for the periods specified. Figures for individual years were published in earlier issues of the Official Year Book, but it should be borne in mind that the figures for imports in issues prior to No. 37 are in British currency.

In this chapter the values in all tables of imports and exports are shown in Australian currency f.o.b. at port of shipment.

#### TOTAL OVERSEA TRADE : AUSTRALIA.

(INCLUDING GOLD.)

Period.(a)	Value (£'000.).			Excess of Exports (+) or Imports (-) (£'000.).	Value per Head of Population (£.).		
	Imports.	Exports.	Total.		Imports.	Exports.	Total.
1901 to 1905 ..	35,689	51,237	86,926	+ 15,548	9.1	13.1	22.2
1906 „ 1910 ..	46,825	(b) 69,336	116,161	+ 22,511	11.0	16.3	27.3
1911 „ 1915-16 ..	66,737	74,504	141,241	+ 7,767	13.8	15.4	29.2
1916-17 to 1920-21	91,577	115,066	206,643	+ 23,489	17.4	21.9	39.3
1921-22 to 1925-26	124,404	134,545	258,949	+ 10,141	21.1	22.9	44.0
1926-27 to 1930-31	119,337	131,382	250,719	+ 12,045	18.6	20.5	39.1
1931-32 to 1935-36	73,798	120,958	194,756	+ 47,160	11.1	18.1	29.2
1936-37 to 1940-41	123,553	157,610	281,163	+ 34,057	17.8	22.7	40.5
1941-42 to 1945-46	211,514	163,955	375,469	- 47,559	29.1	22.4	51.5
1946-47.. ..	209,485	309,029	518,514	+ 99,544	27.9	41.1	69.0
1947-48.. ..	339,746	409,954	749,700	+ 70,208	44.1	53.2	97.3
1948-49.. ..	415,194	542,673	957,867	+ 127,479	53.2	69.6	122.8
1949-50.. ..	538,069	613,697	1,151,766	+ 75,628	66.8	76.3	143.1
1950-51.. ..	743,871	981,796	1,725,667	+ 237,925	89.5	118.1	207.6
1951-52.. ..	1,053,423	675,008	1,728,431	- 378,415	123.4	79.0	202.4
1952-53.. ..	514,109	871,272	1,385,381	+ 357,163	58.8	99.6	158.4
1953-54.. ..	681,539	828,297	1,509,836	+ 146,758	76.4	92.9	169.3

(a) The figures shown for the years 1901 to 1945-46 represent the annual averages for the periods covered. The trade for the individual years will be found in Official Year Book No. 39 and earlier issues, but it should be noted that in issues prior to No. 37 imports are shown in British currency. From 1914-15 onwards the particulars relate to financial years. (b) Prior to 1906, ships' stores were included in exports. For value of such goods shipped on overseas vessels during each of the years 1949-50 to 1953-54 see later table, § 12.

In issues of the Official Year Book prior to No. 23 fluctuations in the value of the overseas trade of Australia for earlier years were treated in some detail. The enhanced prices ruling for commodities and the peculiar conditions affecting Australian trade were responsible for the high value of imports in the years following the 1914-18 War and these factors should be taken into consideration in making comparisons with earlier years. In the three years ended 1928-29 imports fell while exports were well maintained, but in 1929-30 both imports and exports declined substantially. The full effects of the economic depression are reflected in the greatly diminished trade figures for the period 1931-32 to 1935-36 and some years thereafter. The lowest level was recorded in 1931-32 when the total trade amounted to £137,538,000.

The outbreak of war in the Pacific in 1941 resulted in a substantial increase in the value of imports during the years 1941-42 to 1945-46. Since the end of the war the annual values of imports and exports have increased considerably, largely because of higher prices.

2. **Excluding Gold.**—The fluctuations in recent years in merchandise trade (including silver as merchandise) are shown more clearly in the following table, from which all gold movements have been excluded:—

**TOTAL OVERSEA TRADE : AUSTRALIA.**  
(EXCLUDING GOLD.)

Year.	Value (£'000.).			Value per Head of Population (£.).		
	Imports Excluding Gold.	Exports Excluding Gold.	Total Trade Excluding Gold.	Imports.	Exports.	Total Trade.
1938-39.. ..	113,298	122,543	235,841	16.3	17.7	34.0
1949-50.. ..	536,146	613,695	1,149,841	66.6	76.2	142.8
1950-51.. ..	741,412	981,796	1,723,208	89.2	118.1	207.3
1951-52.. ..	1,050,164	668,019	1,718,183	123.0	78.2	201.2
1952-53.. ..	510,513	850,874	1,361,387	58.4	97.3	155.7
1953-54.. ..	678,580	814,528	1,493,108	76.1	91.4	167.5

**§ 7. Direction of Oversea Trade.**

1. **Imports and Exports according to Countries.**—(i) *Values.* The following table shows the value of Australian imports and exports during each of the years 1951-52 to 1953-54, according to country of origin or destination respectively.

**COUNTRIES OF ORIGIN OR DESTINATION OF AUSTRALIAN IMPORTS AND EXPORTS : VALUES.**

(EXCLUDING GOLD.)  
(£'000.)

Country.	-Imports.			Exports.		
	1951-52.	1952-53.	1953-54.	1951-52.	1952-53.	1953-54.
<b>British Countries—</b>						
United Kingdom .. ..	465,705	214,702	331,697	208,072	347,431	295,925
Australian Territories ..	5,042	5,358	4,712	9,742	10,193	12,180
Canada .. ..	23,559	19,546	18,742	9,177	8,712	11,037
Ceylon .. ..	11,173	9,786	13,490	10,630	14,687	11,847
India .. ..	47,825	14,646	18,475	16,911	17,148	14,293
Malaya, Federation of ..	18,632	5,798	8,721	8,532	9,344	9,143
New Zealand .. ..	6,559	3,592	6,387	37,321	28,676	33,459
Singapore .. ..	8,764	5,858	8,529	11,810	12,794	11,288
Other British Countries ..	32,497	26,369	31,817	31,065	38,233	32,233
<b>Total, British Countries</b>	<b>619,756</b>	<b>305,655</b>	<b>442,598</b>	<b>343,260</b>	<b>487,218</b>	<b>431,405</b>
<b>Foreign Countries—</b>						
Arabian States .. ..	21,332	23,278	27,925	1,306	1,774	1,737
Belgium and Luxemburg ..	27,528	5,506	7,063	24,940	32,141	32,663
France .. ..	22,390	9,253	11,793	53,609	70,084	71,038
Germany, Federal Republic of .. ..	32,718	13,582	21,365	20,389	22,366	27,096
Indonesia .. ..	25,530	21,544	21,972	3,967	5,064	6,585
Italy .. ..	27,712	5,225	11,182	37,998	44,706	51,326
Japan .. ..	43,582	4,692	6,545	48,514	83,958	55,689
Netherlands .. ..	14,975	5,954	9,618	11,126	6,356	5,578
Sweden .. ..	27,537	6,786	10,230	6,086	2,888	3,601
United States of America ..	109,141	85,168	73,254	77,215	57,829	55,505
Other Foreign Countries ..	77,667	23,282	34,412	39,609	36,490	72,305
<b>Total, Foreign Countries</b>	<b>430,112</b>	<b>204,270</b>	<b>235,359</b>	<b>324,759</b>	<b>363,656</b>	<b>383,123</b>
<b>Origin not Disclosed .. ..</b>	<b>296</b>	<b>588</b>	<b>630</b>	<b>..</b>	<b>..</b>	<b>..</b>
<b>Total .. ..</b>	<b>1,050,164</b>	<b>510,513</b>	<b>678,579</b>	<b>668,019</b>	<b>850,874</b>	<b>814,528</b>

(ii) *Proportions.* In view of the fluctuations in the total values of imports and exports, it is somewhat difficult to ascertain from the preceding table the relative importance of the various countries in the trade of Australia. A better idea of the proportions of imports supplied by the various countries and of their relative importance as markets for Australian produce may be obtained from the following table of percentages.

**COUNTRIES OF ORIGIN OR DESTINATION OF AUSTRALIAN IMPORTS AND EXPORTS : PROPORTIONS.**

(EXCLUDING GOLD.)

(Per Cent. of Total.)

Country.	Imports.			Exports.		
	1951-52.	1952-53.	1953-54.	1951-52.	1952-53.	1953-54.
<b>British Countries—</b>						
United Kingdom ..	44.35	42.06	48.88	31.15	40.83	36.33
Australian Territories ..	0.48	1.05	0.69	1.40	1.20	1.50
Canada ..	2.24	3.83	2.76	1.37	1.02	1.36
Ceylon ..	1.06	1.92	1.99	1.59	1.73	1.45
India ..	4.55	2.87	2.72	2.53	2.02	1.75
Malaya, Federation of ..	1.78	1.14	1.29	1.28	1.10	1.12
New Zealand ..	0.62	0.70	0.94	5.58	3.37	4.11
Singapore ..	0.83	1.15	1.26	1.77	1.50	1.39
Other British Countries ..	3.10	5.16	4.69	4.65	4.48	3.96
<b>Total, British Countries</b>	<b>59.01</b>	<b>59.88</b>	<b>65.22</b>	<b>51.38</b>	<b>57.25</b>	<b>52.97</b>
<b>Foreign Countries—</b>						
Arabian States ..	2.03	4.56	4.12	0.20	0.21	0.21
Belgium and Luxemburg ..	2.62	1.08	1.04	3.73	3.78	4.01
France ..	2.13	1.81	1.74	8.03	8.24	8.72
Germany, Federal Republic of ..	3.12	2.66	3.14	3.05	2.63	3.33
Indonesia ..	2.43	4.22	3.24	0.60	0.60	0.81
Italy ..	2.64	1.02	1.65	5.69	5.25	6.30
Japan ..	4.15	0.92	0.96	7.26	9.87	6.84
Netherlands ..	1.43	1.17	1.42	1.70	0.75	0.68
Sweden ..	2.62	1.33	1.51	0.91	0.34	0.44
United States of America ..	10.39	16.68	10.80	11.56	6.80	6.81
Other Foreign Countries ..	7.40	4.55	5.07	5.89	4.28	8.88
<b>Total, Foreign Countries</b>	<b>40.96</b>	<b>40.00</b>	<b>34.69</b>	<b>48.62</b>	<b>42.75</b>	<b>47.03</b>
Origin not Disclosed ..	0.03	0.12	0.09	..	..	..
<b>Total</b> ..	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Imports from the United Kingdom were 48.88 per cent. of the total value of imports during 1953-54, compared with 40.67 per cent. during 1938-39. Imports from the United States of America were, for the same periods, 10.80 per cent. and 14.74 per cent. respectively. Exports to the United Kingdom were 36.33 per cent. and to all British countries 52.97 per cent. of the total in 1953-54 compared with 54.45 per cent. and 69.51 per cent. respectively during 1938-39.

### § 8. Trade with the United Kingdom.

1. *Statistical Classes.*—The following table shows, according to statistical classes, the values of imports into Australia of United Kingdom origin and of exports from Australia to the United Kingdom during each of the years 1951-52 to 1953-54.

**TRADE WITH THE UNITED KINGDOM : CLASSES.**  
(£'000.)

Class.	Imports.			Exports.		
	1951-52.	1952-53.	1953-54.	1951-52.	1952-53.	1953-54.
I. Animal foodstuffs, etc. . .	1,780	512	1,257	31,277	81,630	71,086
II. Vegetable foodstuffs; non-alcoholic beverages, etc. . .	2,164	622	1,000	45,181	76,548	69,746
III. Alcoholic liquors, etc. . .	1,676	1,157	1,118	253	348	460
IV. Tobacco, etc. . .	6,949	2,859	4,386	1	2	..
V. Live animals . . .	217	135	167	5	4	14
VI. Animal substances, etc. . .	393	149	446	92,091	145,285	120,535
VII. Vegetable substances, etc. . .	3,658	2,336	4,795	162	72	65
VIII. Apparel, textiles, etc. . .	109,268	26,517	66,681	234	183	168
IX. Oils, fats and waxes . . .	1,837	2,255	6,153	533	1,049	1,799
X. Pigments, paints and varnishes . . .	1,322	432	1,199	2	5	3
XI. Rocks, minerals, etc. . .	309	234	336	8,237	10,074	3,466
XII. Metals, metal manufactures and machinery . . .	226,149	132,181	174,939	24,364	25,014	22,175
XIII. Rubber and leather, etc. . .	12,182	1,823	2,935	683	1,550	1,655
XIV. Wood and wicker, etc. . .	647	147	361	377	708	541
XV. Earthenware, etc. . .	10,994	3,526	8,604	25	5	3
XVI. Paper and stationery . . .	22,359	11,330	19,102	212	229	199
XVII. Jewellery, etc. . .	3,939	589	2,507	132	29	36
XVIII. Optical, surgical and scientific instruments . . .	6,683	3,132	5,872	174	175	263
XIX. Drugs, fertilizers, chemicals . .	13,834	5,517	10,954	787	676	500
XX. Miscellaneous (a) . . .	38,978	19,146	18,868	1,163	1,595	1,011
XXI. Gold and silver; bronze specie . . .	367	103	21	2,266	14,076	7,002
Total . . .	465,705	214,702	331,701	208,159	359,257	300,730

(a) Includes arms, ammunition and explosives.

2. Imports of Principal Articles.—The following table shows the value of the principal articles imported into Australia from the United Kingdom during each of the years 1951-52 to 1953-54.

**IMPORTS OF PRINCIPAL ARTICLES OF UNITED KINGDOM ORIGIN : AUSTRALIA.**  
(£'000.)

Article.	1951-52.	1952-53.	1953-54.	Article.	1951-52.	1952-53.	1953-54.
Arms and ammunition, military, naval and air force stores . . .	9,995	3,790	3,495	Optical, surgical and scientific instruments . .	6,683	3,132	5,872
Apparel . . .	15,190	1,822	6,179	Paper, printing . . .	9,331	3,741	8,017
Carpets and carpeting . . .	10,991	1,067	6,823	Piece-goods—			
Cigarettes . . .	6,576	2,764	4,296	Cotton and linen . . .	33,618	8,837	22,465
Crockery . . .	4,302	1,061	3,803	Silk and rayon . . .	15,087	3,407	8,157
Cutlery and platedware . .	2,760	974	2,072	All other piece-goods . .	10,105	2,313	4,381
Drugs, fertilizers and chemicals . . .	13,834	5,517	10,954	Prefabricated houses and buildings . . .	9,220	6,620	2,067
Electrical cable and wire, covered . . .	3,033	3,407	1,868	Rubber and rubber manufactures . . .	11,275	1,574	2,507
Electrical machinery and appliances . . .	26,240	18,315	18,778	Sewing silks, cottons, etc. . .	2,650	1,162	2,355
Glass and glassware . . .	3,293	1,010	2,497	Stationery and paper manufactures . . .	7,066	5,325	7,459
Iron and steel—				Tools of trade . . .	3,602	1,054	2,335
Plate and sheet . . .	9,669	11,260	9,327	Vehicles and parts, other than motor vehicles . .	10,644	7,554	10,993
Other . . .	7,615	6,701	5,744	Yarns—			
Limeleums . . .	4,079	901	3,615	Cotton . . .	5,073	1,400	3,098
Machines and machinery (except dynamo electrical)—				Rayon . . .	4,543	4,089	6,034
Agricultural . . .	3,893	2,313	2,822	Other . . .	656	480	604
Metal-working . . .	4,487	5,978	5,940	All other articles(a) . .	83,367	37,537	63,664
Motive power . . .	26,169	18,482	25,911				
Other . . .	38,857	22,696	28,390				
Motor vehicles, chassis, bodies and parts . . .	61,802	18,419	39,269	Total Imports . . .	465,705	214,702	331,701

(a) Includes outside packages.

3. Exports of Principal Articles of Australian Produce.—The following table shows the quantities and values of the principal articles of Australian produce exported to the United Kingdom during each of the years 1951-52 to 1953-54.

PRINCIPAL ARTICLES EXPORTED TO THE UNITED KINGDOM : AUSTRALIA.

Article.	Unit of Quantity.	Quantity.			Value (£'000.).		
		1951-52.	1952-53.	1953-54.	1951-52.	1952-53.	1953-54.
Barley .. .. .	ton	139,964	144,316	176,066	5,390	4,886	3,904
Butter .. .. .	"	4,490	32,149	29,054	1,456	12,235	11,295
Cheese .. .. .	"	13,232	17,644	17,935	2,625	3,832	3,692
Eggs in shell .. .. .	'000 doz.	11,247	18,268	9,907	1,841	3,758	2,075
Flour .. .. .	ton	86,100	124,948	58,624	3,744	5,579	2,442
Fruit, dried .. .. .	"	23,200	50,229	45,774	2,885	5,034	4,712
" fresh .. .. .	'000 bus.	3,083	4,725	4,278	4,147	6,916	5,699
" preserved in airtight containers .. .. .	ton	25,521	53,612	76,409	3,143	7,636	12,174
Gold .. .. .	'000 fine oz.	5	712	298	87	11,725	4,773
Hides and skins .. .. .	"	..	..	..	2,731	2,777	2,596
Lead bullion .. .. .	ton	23,775	48,887	34,103	4,950	7,955	4,393
" pig .. .. .	"	63,015	54,090	108,137	12,221	6,284	11,692
Leather .. .. .	"	..	..	..	656	1,532	1,605
Meats—							
Beef and veal .. .. .	ton	39,126	96,913	160,906	5,906	20,193	30,736
Lamb .. .. .	"	5,765	33,461	15,913	720	4,988	2,494
Mutton .. .. .	"	447	31,873	17,669	37	2,375	1,292
Pork .. .. .	"	517	504	89	115	111	25
Milk and cream .. .. .	'000 lb.	15,006	52,421	38,225	708	3,949	2,102
Silver bullion .. .. .	'000 fine oz.	5,488	5,954	5,772	2,155	2,244	2,188
Sugar (cane) .. .. .	ton	68,734	358,479	534,746	2,733	16,783	23,751
Tallow (unrefined) .. .. .	"	2,881	1,775	11,638	251	116	725
Timber, undressed .. .. .	'000 super ft.	4,849	8,289	5,424	258	566	351
Wheat .. .. .	ton	480,313	588,106	308,582	15,053	18,571	9,575
Wine .. .. .	'000 gals.	553	688	936	248	341	453
Wool .. .. .	'000 lb.	259,753	387,231	315,493	89,068	142,278	117,704
Zinc bars, etc. .. .. .	ton	27,012	32,157	15,264	5,723	4,744	1,461
All other articles .. .. .	"	..	..	..	38,156	60,073	35,006
Total Exports (Australian Produce) .. .. .	..	..	..	..	207,007	357,483	298,915

4. Imports from the United Kingdom and Competing Countries.—Since 1908, permanent resident Commissioners appointed by the British Board of Trade have been located in Australia for the purpose of advising manufacturers and merchants in the United Kingdom with regard to Australian trade affairs. From 8th August, 1907, the Commonwealth Customs Tariffs have provided preferential rates of Customs Duties on certain goods the produce or manufacture of the United Kingdom, with the object of assisting the British manufacturer to retain or improve his position in this market in relation to other countries. The main provisions in these Acts relating to preference are dealt with on previous pages in this chapter.

In an investigation into the relative position occupied by the United Kingdom in the import trade of Australia, the comparison must, of course, be restricted to those classes of goods which are produced or manufactured in the United Kingdom. The imports into Australia include many commodities, such as tea, rice, raw coffee, unmanufactured tobacco, petroleum products, copra, timber, etc., which the United Kingdom could not supply. These items, in addition to others not available from that country, have therefore been omitted from the computation following.

The imports into Australia have been classified under nine headings, and the trade of the United Kingdom therein is compared with that of France, Germany, Japan and the United States of America. These countries have been selected as the principal competitors in normal times with the United Kingdom for the trade of Australia under the specified headings. Totals for the years 1951-52 to 1953-54 are shown in the following table.

**IMPORTS FROM THE UNITED KINGDOM AND ITS MAIN COMPETITORS.**  
(£'000.)

Nature of Imports.	Year.	United Kingdom.	France.	Germany.	Japan.	United States of America.	All Countries.
Foodstuffs of animal origin	1951-52	1,780	39	191	51	562	6,621
	1952-53	511	..	85	31	451	3,100
	1953-54	1,257	7	130	358	148	5,853
Spirituos and alcoholic liquors	1951-52	1,676	305	42	..	1	2,355
	1952-53	1,157	23	2	..	1	1,215
	1953-54	1,118	116	7	..	1	1,328
Manufactured fibres, textiles and apparel	1951-52	109,268	4,765	3,632	9,044	2,277	203,569
	1952-53	26,517	1,280	1,097	771	338	48,243
	1953-54	66,681	3,963	2,929	4,735	669	113,805
Metals, metal manufactures and machinery	1951-52	226,149	11,664	17,698	26,163	56,161	393,379
	1952-53	132,181	3,107	9,065	1,956	53,895	225,932
	1953-54	174,940	2,977	10,664	191	39,577	252,101
Rubber and leather and manufactures thereof, and substitutes therefor	1951-52	12,182	439	311	16	919	35,083
	1952-53	1,823	76	26	..	770	8,975
	1953-54	2,935	94	87	1	565	12,226
Earthenware, cement, china, glass and stoneware	1951-52	10,994	457	480	1,770	438	19,667
	1952-53	3,526	115	149	399	336	6,011
	1953-54	8,603	171	337	228	410	12,101
Paper and stationery	1951-52	22,359	617	2,213	1,164	2,481	68,759
	1952-53	11,330	72	156	3	1,057	22,431
	1953-54	19,102	77	529	8	1,048	34,096
Sporting material, toys, fancy goods, jewellery, and timepieces.	1951-52	3,939	238	1,225	37	26	9,281
	1952-53	588	47	279	4	16	2,391
	1953-54	2,506	132	1,356	122	24	7,688
Drugs, fertilizers and chemicals	1951-52	13,834	1,413	2,667	922	2,517	28,999
	1952-53	5,517	415	790	67	1,248	12,749
	1953-54	10,954	851	2,416	128	1,443	21,254
Total, above-mentioned imports	1951-52	402,181	19,937	28,459	39,167	65,382	767,713
	1952-53	183,150	5,135	11,649	3,231	58,112	331,107
	1953-54	288,096	8,388	18,455	5,771	43,885	460,452
Total imports (less bullion and specie)	1951-52	465,338	22,390	33,240	43,582	109,141	1,049,751
	1952-53	214,599	9,253	13,916	4,692	85,166	510,342
	1953-54	331,680	11,793	21,731	6,544	73,253	678,520

(a) Includes outside packages.

The principal classes of competitive imports are metals; metal manufactures and machinery (value £252,101,000 in 1953-54) and manufactured fibres, textiles and apparel (value £113,805,000 in 1953-54). The value of goods included in these two groups represented 79.5 per cent. of the total value of competitive commodities during 1953-54. In 1953-54 the United Kingdom supplied 62.6 per cent. of the total value of competitive goods.

### § 9. Trade with Eastern Countries.

1. Merchandise Trade according to Countries.—The values of imports into Australia from Eastern countries during the years 1951-52 to 1953-54 are shown in the following table. The principal commodities imported in 1953-54 according to countries of origin were:—Ceylon—tea, £12,208,000; India—bags and sacks, £6,053,000, cotton and linen piece-goods, £4,456,000, hessian, £2,444,000, cotton fibres, £971,000; Malaya—crude rubber, £6,973,000; Singapore—petroleum spirit, £4,692,000, residual and solar oil, £3,090,000; Indonesia—petroleum spirit, £8,642,000, residual and solar oil, £4,819,000, kerosene, £3,926,000, crude rubber, £434,000; Japan—cotton and linen piece-goods, £3,798,000.

**MERCHANDISE TRADE WITH EASTERN COUNTRIES : AUSTRALIA.**  
(£'000.)

Country.	Imports.			Exports.		
	1951-52.	1952-53.	1953-54.	1951-52.	1952-53.	1953-54.
<b>British Countries—</b>						
Borneo .. .. .	6,903	5,998	8,439	904	778	960
Ceylon .. .. .	11,173	9,786	13,490	10,630	14,687	11,447
Hong Kong .. .. .	2,255	521	1,717	3,800	4,855	4,955
India .. .. .	47,825	14,646	18,475	16,911	17,148	14,293
Malaya, Federation of	18,632	5,798	8,721	8,532	9,344	9,143
Pakistan .. .. .	1,774	2,268	3,706	845	4,524	3,287
Singapore .. .. .	8,764	5,858	8,529	11,810	12,794	11,288
<b>Foreign Countries—</b>						
Bhutan and Nepal .. .. .	2	..	..	..	..	1
Burma .. .. .	32	9	18	1,001	920	1,689
China .. .. .	3,082	1,408	1,983	283	681	2,192
Chinese Dependency—						
Manchuria .. .. .	32	..	1	..	..	..
Formosa .. .. .	51	54	137	50	740	444
<b>French Associated States and Dependencies—</b>						
India (French) .. .. .	8	..	..	9	26	16
Laos .. .. .	..	1	..	20	526	598
Vietnam .. .. .	19	..	1	11	19	34
Indonesia .. .. .	25,530	21,544	21,972	3,967	5,064	6,585
Japan .. .. .	43,582	4,692	6,545	48,514	83,958	55,689
Korea .. .. .	3	4	3	315	4,219	2,586
Philippines .. .. .	101	53	82	444	501	1,039
<b>Portuguese Dependencies—</b>						
India (Portuguese) .. .. .	..	..	..	128	92	212
Macao .. .. .	..	..	2	7	16	2
Timor .. .. .	114	18	29	37	35	34
Thailand .. .. .	72	37	35	1,076	1,224	1,243
<b>Total .. .. .</b>	<b>(a) 169,954</b>	<b>(a) 72,695</b>	<b>(a) 93,885</b>	<b>109,294</b>	<b>162,151</b>	<b>127,737</b>

(a) Includes outside packages.

The balance of trade with Eastern countries shows an excess of imports into Australia during the year 1951-52, and an excess of exports during the years 1952-53 and 1953-54.

2. **Exports of Principal Articles.**—The following table shows the value of exports of Australian and other produce from Australia to Eastern countries for each of the years 1951-52 to 1953-54. The countries concerned in this trade are Borneo (British), Ceylon, Hong Kong, India, Federation of Malaya, Pakistan, Singapore, Burma, China and the Chinese dependencies of Kwantung and Manchuria, Formosa, the French Associated States : Cambodia, Laos and Vietnam, and French dependencies in India, Republic of Indonesia, Japan, Korea, Philippines Republic, the Portuguese dependencies in India, Macao and Timor, and Thailand.

**TOTAL EXPORTS FROM AUSTRALIA TO EASTERN COUNTRIES.**  
(£'000.)

Article.	1951-52.	1952-53.	1953-54.	Article.	1951-52.	1952-53.	1953-54.
Army stores .. .. .	3,924	3,508	2,052	Machines and machinery ..	1,746	1,455	2,267
Butter .. .. .	1,779	2,819	2,354	Meats—			
Cheese .. .. .	631	921	825	Bacon and hams .. .. .	509	435	419
<b>Fruit—</b>				Other .. .. .	3,343	3,277	3,024
Dried or preserved .. .. .	532	244	294	Milk and cream .. .. .	5,869	6,307	6,215
Fresh .. .. .	1,259	1,207	1,196	Wool .. .. .	42,506	63,089	47,317
<b>Grain and cereals—</b>				Zinc bars, blocks, etc. ..	1,230	1,292	2,242
Flour (wheaten), plain white	20,228	25,975	22,707	Other merchandise .. .. .	10,067	19,287	16,904
Wheat .. .. .	6,981	15,832	8,058	Total Merchandise .. .. .	109,294	162,151	127,738
Other (prepared and un-				Gold and silver; bronze			
prepared) .. .. .	6,245	14,153	9,667	specie .. .. .	19	..	5,624
Infants' and invalids' foods	1,792	1,722	1,340	<b>Total Exports .. .. .</b>	<b>109,313</b>	<b>162,151</b>	<b>133,362</b>
Leather .. .. .	653	628	657				

### § 10. Oversea Trade at Principal Ports.

The following table shows the value of overseas imports and exports at the principal ports of Australia during the year 1953-54, together with the totals for each State.

#### OVERSEA TRADE AT PRINCIPAL PORTS, 1953-54.

(£'000.)

Port.	Imports.	Exports.	Port.	Imports.	Exports.
NEW SOUTH WALES.			SOUTH AUSTRALIA.		
Sydney	268,223	227,031	Port Adelaide, including		
Newcastle, including Port Stephens	9,239	29,320	Adelaide	48,000	75,892
Port Kembla	3,075	6,045	Port Pirie	2,254	23,350
Other..		579	Port Lincoln	742	4,580
Total	280,537	263,175	Walleroo	447	2,585
			Other..	29	3,842
			Total	51,472	110,249
VICTORIA.			WESTERN AUSTRALIA.		
Melbourne	223,313	193,075	Fremantle, including Perth	41,122	58,932
Geelong	13,678	7,920	Bunbury	278	3,666
Portland	588	2,586	Geraldton	463	2,138
Other..	104		Albany	372	1,010
Total	237,683	203,581	Other..	290	2,678
			Total	42,525	68,424
QUEENSLAND.			TASMANIA.		
Brisbane	48,384	111,148	Hobart	7,944	10,572
Townsville	3,126	19,043	Launceston	3,058	4,779
Calross	2,325	8,738	Burnie	1,399	1,710
Mackay	245	8,735	Devonport	648	672
Rockhampton	279	5,472	Total	13,049	17,733
Bowen	5	5,451			
Gladstone	1,224	3,300			
Maryborough	21	3,196			
Other..	22	22			
Total	55,631	165,105			
			NORTHERN TERRITORY.		
			Darwin	642	30
			Grand Total	681,539	828,297

### § 11. Classified Summary of Australian Oversea Trade.

1. Statistical Classes.—(i) *Imports and Exports.* The following table shows, according to statistical classes, the value of Australian imports and exports during each of the years 1951-52 to 1953-54.

#### OVERSEA TRADE : CLASSES.

Class.	Imports (£'000.)			Exports (£'000.)		
	1951-52.	1952-53.	1953-54.	1951-52.	1952-53.	1953-54.
I. Animal foodstuffs, etc.	6,724	3,122	5,853	60,745	117,344	102,660
II. Vegetable foodstuffs; non-alcoholic beverages, etc.	24,978	18,478	25,735	149,103	180,591	155,152
III. Alcoholic liquors, etc.	2,355	1,215	1,328	1,394	1,518	1,657
IV. Tobacco, etc.	18,826	15,507	17,809	344	263	281
V. Live animals	616	458	774	742	742	700
VI. Animal substances, etc.	4,817	1,946	4,437	342,162	424,602	431,609
VII. Vegetable substances, etc.	30,260	16,794	23,590	1,760	1,282	1,563
VIII. Apparel, textiles, etc.	203,569	48,243	113,805	3,977	1,610	2,069
IX. Oils, fats and waxes	87,460	74,272	83,422	4,283	5,273	5,689
X. Pigments, paints and varnishes	3,485	1,184	3,431	1,072	689	846
XI. Rocks, minerals, etc.	5,650	6,378	6,931	21,463	22,267	16,236
XII. Metals, metal manufactures and machinery	393,379	225,092	252,101	52,217	61,368	66,128
XIII. Rubber and leather, etc.	35,083	8,975	12,226	2,075	2,364	3,249
XIV. Wood and wicker, etc.	28,029	6,232	11,875	2,367	4,080	3,283
XV. Earthenware, etc.	19,667	6,011	12,101	1,111	710	1,008
XVI. Paper and stationery	68,759	22,431	34,096	2,119	1,938	2,169
XVII. Jewellery, etc.	9,281	2,391	7,688	752	497	558
XVIII. Optical, surgical and scientific instruments	10,416	5,577	9,640	1,735	1,310	1,691
XIX. Drugs, fertilizers, chemicals	28,999	12,749	21,254	5,678	5,069	4,018
XX. Miscellaneous (a)	67,380	32,387	31,528	10,109	14,481	11,065
XXI. Gold and silver; bronze specie	3,672	3,767	3,019	9,768	22,774	16,466
Total	1,053,423	514,109	681,539	675,008	871,272	828,297

(a) Includes arms, ammunition and explosives.

(ii) *Exports—Australian Produce and Re-exports.* In the following table the exports from Australia of (a) Australian produce and (b) re-exports are shown according to statistical classes.

**EXPORTS FROM AUSTRALIA : AUSTRALIAN PRODUCE AND RE-EXPORTS.**  
(£'000.)

Class.	Australian Produce.			Re-exports.		
	1951-52.	1952-53.	1953-54.	1951-52.	1952-53.	1953-54.
I. Animal foodstuffs, etc. . .	60,689	117,268	102,601	56	76	59
II. Vegetable foodstuffs; non-alcoholic beverages, etc. . .	148,700	180,224	154,887	403	367	265
III. Alcoholic liquors, etc. . .	1,339	1,457	1,633	55	61	24
IV. Tobacco, etc. . .	293	226	269	51	37	12
V. Live animals . . .	692	703	661	82	39	39
VI. Animals substances, etc. . .	342,007	424,479	431,321	155	123	288
VII. Vegetable substances, etc. . .	1,722	1,239	1,508	38	43	55
VIII. Apparel, textiles, etc. . .	3,392	1,288	2,003	585	322	266
IX. Oils, fats and waxes . . .	3,595	4,439	5,207	688	834	482
X. Pigments, paints and varnishes . . .	1,067	685	842	5	4	4
XI. Rocks, minerals, etc. . .	21,417	22,077	16,174	46	190	62
XII. Metals, metal manufactures and machinery . . .	49,506	57,858	61,889	2,711	3,510	4,239
XIII. Rubber and leather, etc. . .	2,035	2,820	3,198	40	44	51
XIV. Wood and wicker, etc. . .	2,314	3,997	3,199	53	83	84
XV. Earthenware, etc. . .	994	676	983	117	34	25
XVI. Paper and stationery . . .	2,043	1,833	2,087	76	105	82
XVII. Jewellery, etc. . .	596	364	439	156	133	119
XVIII. Optical, surgical and scientific instruments . . .	1,347	964	1,187	388	346	504
XIX. Drugs, fertilizers, chemicals . . .	5,471	4,840	3,750	207	229	268
XX. Miscellaneous (a) . . .	8,124	13,197	9,762	1,985	1,284	1,303
XXI. Gold and silver; bronze specie . . .	9,716	22,657	16,422	52	117	44
Total . . .	667,059	863,291	820,022	7,949	7,981	8,275

(a) Includes arms, ammunition and explosives.

2. *Imports of Principal Articles.*—The next table shows the quantity, where available and the value of the principal articles imported into Australia during each of the years 1951-52 to 1953-54.

**PRINCIPAL ARTICLES IMPORTED : AUSTRALIA.**

Article.	Unit of Quantity.	Quantity.			Value (£'000).		
		1951-52.	1952-53.	1953-54.	1951-52.	1952-53.	1953-54.
<b>Apparel—</b>							
Blouses, skirts, costumes, etc. . .	..	..	..	..	1,896	122	550
Gloves . . .	doz. prs.	331,863	103,239	396,031	1,383	464	1,464
Hats and caps . . .	..	..	..	..	932	407	973
Men's and boys' outer clothing . . .	..	..	..	..	2,645	171	495
Socks and stockings . . .	doz. prs.	949,676	49,988	365,935	2,480	150	925
Trimmings and ornaments . . .	..	..	..	..	5,032	1,506	4,933
Other apparel and attire . . .	..	..	..	..	5,755	703	2,060
<b>Arms and explosives, military stores, etc. . .</b>	..	..	..	..	16,912	4,983	4,694
Bags and sacks . . .	..	..	..	..	28,074	6,730	6,086
Carpets and carpeting . . .	..	..	..	..	11,604	1,199	7,251
Crockery . . .	..	..	..	..	4,483	1,114	4,046
Drugs, fertilizers and chemicals . . .	..	..	..	..	28,999	12,749	21,254
Electrical machinery and appliances . . .	..	..	..	..	31,750	23,128	24,225
Fibres . . .	..	..	..	..	18,635	9,648	12,365
Glass and glassware . . .	..	..	..	..	6,709	2,116	4,726
<b>Iron and steel—</b>							
Pipes and tubes . . .	cwt.	1,141,812	509,992	493,979	5,720	2,319	2,862
Plate and sheet . . .	cwt.	8,314,346	3,975,080	2,909,901	41,545	19,033	13,486
Other . . .	..	..	..	..	26,107	9,716	5,148
<b>Machines and machinery (except dynamo electrical)—</b>							
Agricultural . . .	..	..	..	..	5,680	3,833	4,325
Metal-working . . .	..	..	..	..	9,062	9,060	8,204
Motive power . . .	..	..	..	..	48,665	33,585	41,062
Other . . .	..	..	..	..	62,756	42,984	46,414

## PRINCIPAL ARTICLES IMPORTED: AUSTRALIA—continued.

Article.	Unit of Quantity.	Quantity.			Value (£'000).		
		1951-52.	1952-53.	1953-54.	1951-52.	1952-53.	1953-54.
Motor vehicles, chassis, bodies and parts .. .. .	..	..	..	..	84,876	30,354	53,957
Oils—							
Linsced .. .. .	'000 gal.	4,599	1,487	3,567	4,002	818	1,585
Petroleum and shale—							
Kerosene .. .. .	'000 gal.	118,400	126,946	136,729	5,856	6,459	6,941
Lubricating (mineral) .. .. .	'000 gal.	48,978	24,746	26,994	9,189	4,096	3,436
Petroleum and shale spirit .. .. .	'000 gal.	637,188	635,451	689,164	36,959	37,033	39,938
Residual and solar .. .. .	'000 gal.	511,406	424,505	472,023	17,840	15,173	16,854
Paper, printing .. .. .	..	..	..	..	26,677	8,531	13,104
Piece-goods—							
Canvas and duck .. .. .	yds.	11,089	4,379	7,631	3,884	1,294	1,263
Cotton and linen .. .. .	..	..	..	..	63,572	13,478	40,481
Silk and rayon .. .. .	..	..	..	..	26,978	6,974	15,182
Woolen and containing wool .. .. .	..	..	..	..	3,298	300	1,299
All other piece-goods .. .. .	..	..	..	..	14,082	3,389	6,412
Plastic materials .. .. .	'000 cwt.	184	90	240	4,446	2,094	5,148
Prefabricated houses and buildings .. .. .	..	..	..	..	14,563	11,185	4,476
Rubber and rubber manufactures .. .. .	..	..	..	..	33,976	8,651	11,663
Stationery and paper manufactures .. .. .	..	..	..	..	8,564	6,334	9,064
Tea .. .. .	'000 lb.	54,358	58,808	58,533	11,758	11,663	13,647
Timber, undressed, including logs a .. .. .	'000 sup. ft.	331,293	114,134	244,595	16,046	4,739	9,572
Yarns—							
Cotton .. .. .	'000 lb.	10,861	2,574	6,369	6,496	1,434	3,143
Rayon .. .. .	'000 lb.	17,222	12,617	24,377	8,121	5,687	10,236
Woolen .. .. .	'000 lb.	119	66	119	218	105	221
Other .. .. .	'000 lb.	1,568	1,511	1,802	655	469	496
All other articles .. .. .	..	..	..	..	284,513	148,126	195,873
Total Imports .. .. .	..	..	..	..	1,053,423	544,109	681,539

(a) Excludes undressed timber not measured in super. feet.

3. Exports of Principal Articles of Australian Produce.—The following table shows the quantities and values of the principal articles of Australian produce exported during each of the years 1951-52 to 1953-54.

## EXPORTS OF PRINCIPAL ARTICLES OF AUSTRALIAN PRODUCE.

Article.	Unit of Quantity.	Quantity.			Value (£'000).		
		1951-52.	1952-53.	1953-54.	1951-52.	1952-53.	1953-54.
Arms, ammunition, military, naval and air force stores .. .. .	..	..	..	..	4,612	5,467	3,927
Barley .. .. .	ton	269,232	496,403	601,536	11,154	19,245	14,870
Butter .. .. .	..	11,347	49,298	39,301	4,593	20,075	16,052
Cheese .. .. .	..	17,998	23,663	22,749	4,064	5,851	5,329
Drugs, fertilizers and chemicals .. .. .	..	..	..	..	5,470	4,840	3,750
Flour .. .. .	ton	704,479	776,446	679,704	33,018	37,417	29,682
Fruit—							
Dried .. .. .	..	43,789	72,268	65,314	5,660	8,028	7,393
Fresh .. .. .	'000 bus.	4,587	6,157	6,596	6,869	9,497	9,384
Preserved in airtight containers .. .. .	ton	49,307	63,956	88,937	6,500	9,298	14,184
Gold .. .. .	'000 fine oz.	417	1,244	..	6,989	20,297	13,737
Hides and skins .. .. .	..	..	..	..	17,114	20,118	19,422
Lead, pig .. .. .	ton	106,816	141,999	170,207	20,720	17,168	18,550
Machines and machinery (except dynamo electrical) .. .. .	..	..	..	..	6,891	5,943	6,744
Meats—							
Beef and veal .. .. .	ton	42,802	85,847	141,433	5,451	14,103	22,021
Lamb .. .. .	..	11,271	38,424	19,688	1,621	5,971	3,297
Mutton .. .. .	..	2,637	36,060	24,817	297	2,790	1,964
Pork .. .. .	..	1,740	1,542	1,232	485	472	462
Milk and cream .. .. .	'000 lb.	99,711	150,302	119,599	7,609	11,060	9,675
Ores and concentrates .. .. .	ton	309,886	356,978	427,684	19,959	19,605	13,037
Sugar (cane) .. .. .	..	167,431	459,354	706,796	6,896	21,654	31,592
Wheat .. .. .	..	1,685,382	1,593,963	965,338	55,287	51,970	30,957
Wool (a) .. .. .	'000 lb.	1,003,189	1,174,469	1,168,189	323,428	402,905	410,420
All other articles .. .. .	..	..	..	..	112,372	148,617	133,573
Total Exports (Australian Produce) .. .. .	..	..	..	..	667,059	863,291	820,022

(a) Quantity in terms of greasy wool.

4. **Imports of Merchandise, Specie and Bullion.**—The table hereunder shows the value of imports into Australia during each of the years 1949-50 to 1953-54, grouped under the headings—Merchandise, and Specie and Bullion. The imports of merchandise are shown under the sub-headings of "free" and "dutiable" goods.

#### IMPORTS OF MERCHANDISE, SPECIE AND BULLION : AUSTRALIA.

(£'000.)

Year.	Merchandise.			Specie and Bullion.	Total Imports.
	Free Goods.	Dutiable Goods.	Total Merchandise.		
1949-50 ..	239,145	296,979	536,124	1,945	538,069
1950-51 ..	366,229	375,149	741,378	2,493	743,871
1951-52 ..	554,959	494,792	1,049,751	3,672	1,053,423
1952-53 ..	301,870	208,472	510,342	3,767	514,109
1953-54 ..	317,781	360,740	678,521	3,018	681,539

5. **Exports of Merchandise, Specie and Bullion.**—The next table shows the recorded value of exports from Australia during each of the years 1949-50 to 1953-54, grouped under the headings—Merchandise, and Specie and Bullion, showing the exports of Australian produce and re-exports separately :—

#### EXPORTS OF MERCHANDISE, SPECIE AND BULLION : AUSTRALIA.

(£'000.)

Year.	Merchandise.			Specie and Bullion.			Total.
	Australian Produce.	Re-exports.	Total.	Australian Produce.	Re-exports.	Total.	
1949-50 ..	606,442	5,211	611,653	2,020	24	2,044	613,697
1950-51 ..	972,933	6,163	979,096	2,682	18	2,700	981,796
1951-52 ..	657,344	7,896	665,240	9,716	52	9,768	675,008
1952-53 ..	840,634	7,864	848,498	22,657	117	22,774	871,272
1953-54 ..	803,600	8,231	811,831	16,422	44	16,466	828,297

6. **Imports in Tariff Divisions.**—Imports into Australia classified in accordance with the sixteen divisions of the Customs Tariff, for each of the years 1944-45 to 1953-54, will be found in *Oversea Trade Bulletin*, 1953-54, page 569.

7. **Imports and Net Customs Revenue.**—The percentage of net Customs revenue, omitting primage, collected on the total value of all merchandise imported in each of the years 1949-50 to 1953-54 was as follows :—1949-50, 13.4 per cent. ; 1950-51, 11.3 per cent. ; 1951-52, 10.0 per cent. ; 1952-53, 12.6 per cent. ; and 1953-54, 11.3 per cent. Primage duty was in force during these years and if this is added to net Customs revenue the percentages become :—1949-50, 14.5 per cent. ; 1950-51, 12.4 per cent. ; 1951-52, 10.9 per cent. ; 1952-53, 13.8 per cent. ; and 1953-54, 14.3 per cent. The percentages of net Customs revenue, omitting primage, on the total value of dutiable goods only were :—1949-50, 24.6 per cent. ; 1950-51, 22.4 per cent. ; 1951-52, 21.1 per cent. ; 1952-53, 31.0 per cent. ; and 1953-54, 24.0 per cent. The calculations are based on Australian currency values and on the assumption that the value of clearances approximated to the value of imports during the same period.

### § 12. Ships' Stores.

Prior to 1906, goods shipped in Australian ports on board overseas vessels as ships' stores were included in the general exports. From 1906, ships' stores have been specially recorded as such, and have been omitted from the export figures. The value of these stores shipped each year during the period 1949-50 to 1953-54, with fuel oils separate, is shown in the following table:—

VALUE OF STORES SHIPPED ON OVERSEA VESSELS : AUSTRALIA.  
(£'000.)

Item.	1949-50.	1950-51.	1951-52.	1952-53.	1953-54.
Fuel Oils .. .. .	3,169	4,635	5,532	6,460	5,674
All Stores (including Fuel Oils)	7,581	9,358	10,478	11,696	10,266

In addition to fuel oils, the principal items of ships' stores supplied to overseas vessels in 1953-54 were:—Meats, £1,407,553; Fruit and Vegetables, £490,237; Oils, other than fuel, £245,782; Butter, £174,478; Eggs, £165,843; Fish, £137,473; Bunker Coal, £129,977; Milk and Cream, £127,038; Ale, Porter, Beer, etc., £113,901; Rice, £101,413.

### § 13. Movement of Specie and Bullion.

1. Imports and Exports.—The following table shows the values of gold and silver specie and bullion and of bronze specie imported into and exported from Australia during the years 1951-52 to 1953-54.

IMPORTS AND EXPORTS, SPECIE AND BULLION : AUSTRALIA.  
(£.)

Item.	Imports.			Exports.		
	1951-52.	1952-53.	1953-54.	1951-52.	1952-53.	1953-54.
Gold—Specie .. .. .	..	..	3,537	..	..	..
Bullion	3,259,400	3,595,970	2,955,517	6,989,188	20,397,933	13,769,222
Total ..	3,259,400	3,595,970	2,959,054	6,989,188	20,397,933	13,769,222
Silver—Specie	299,532	118,205	29,353	603,547	114,429	103,416
Bullion	44,047	36,017	29,929	2,174,267	2,245,606	2,592,377
Total ..	343,579	154,222	59,282	2,777,814	2,360,035	2,695,793
Bronze—Specie	69,313	16,785	217	1,086	16,384	903
Total— Australian Pro- duce ..	..	..	..	9,715,869	22,657,249	16,422,354
Re-exports ..	..	..	..	52,219	117,103	43,564
Grand Total	3,672,292	3,766,977	3,018,553	9,768,088	22,774,352	16,465,918

2. Imports and Exports by Countries.—The next table shows the imports and exports of specie and bullion from and to various countries during the year 1953-54 :—

**IMPORTS AND EXPORTS OF SPECIE AND BULLION BY COUNTRIES : AUSTRALIA, 1953-54.**  
(£.)

Country.	Imports.			Exports.		
	Specie.	Bullion.	Total.	Specie.	Bullion.	Total.
Australia (re-imported) ..	10,904	10	10,914	..	..	..
United Kingdom ..	20,527	62	20,589	9,167	6,993,192	7,002,359
Australian Territories—						
Nauru .. ..	..	..	..	765	..	765
New Guinea ..	..	1,543,671	1,543,671	66,375	..	66,375
Norfolk Island ..	140	..	140	200	..	200
Papua .. ..	..	2,125	2,125	16,275	..	16,275
Ceylon .. ..	..	..	..	..	400,140	400,140
Hong Kong .. ..	..	..	..	..	2,817,888	2,817,888
New Zealand .. ..	508	470,129	470,637	4,058	14,435	18,493
Pacific Islands (British)—						
Fiji .. ..	..	969,444	969,444	..	701	701
Gilbert and Ellice Islands	..	..	..	200	..	200
New Hebrides ..	..	..	..	2,600	..	2,600
Solomon Islands ..	..	..	..	2,670	..	2,670
Tonga .. ..	..	..	..	1,250	..	1,250
<b>Total, British Countries</b>	<b>32,079</b>	<b>2,985,441</b>	<b>3,017,520</b>	<b>103,560</b>	<b>10,226,356</b>	<b>10,329,916</b>
Austria .. ..	433	..	433	..	..	..
France .. ..	..	5	5	..	3,362,691	3,362,691
Portuguese Possessions—						
Macao .. ..	..	..	..	..	1,926,436	1,926,436
Thailand .. ..	..	..	..	..	479,777	479,777
Switzerland .. ..	10	..	10	..	336,596	336,596
United States of America ..	585	..	585	759	29,743	30,502
<b>Total, Foreign Countries</b>	<b>1,028</b>	<b>5</b>	<b>1,033</b>	<b>759</b>	<b>6,135,243</b>	<b>6,136,002</b>
<b>Grand Total ..</b>	<b>33,107</b>	<b>2,985,446</b>	<b>3,018,553</b>	<b>104,319</b>	<b>16,361,599</b>	<b>16,465,918</b>

### § 14. Exports according to Industries.

1. Classification.—The following table provides an analysis of the exports of Australian produce, according to the main classes of industry in which the goods were produced, for the years 1952-53 and 1953-54 in comparison with those for the year 1938-39. The index numbers based on the year 1913 show the variations in the total recorded value only of exports in each industrial group, and have not been adjusted either for price changes or in accordance with the variation of the Australian £ in relation to sterling.

A graph showing the value of exports of Australian produce according to industrial groups from 1910 onward is published on page 209 of this chapter.

EXPORTS OF AUSTRALIAN PRODUCE ACCORDING TO INDUSTRIAL ORIGIN :  
VALUE.

Industrial Group.	1938-39.		1952-53.		1953-54.	
	£'000.	Index No.(a)	£'000.	Index No.(a)	£'000.	Index No.(a)
Agriculture .. ..	26,361	247	176,516	1,653	153,415	1,437
Pastoral .. ..	59,115	141	489,321	1,163	490,102	1,165
Dairy and Farmyard ..	15,640	406	50,347	1,306	43,317	1,124
Mines and Quarries(b) ..	23,984	109	69,960	319	62,880	287
Fisheries .. ..	288	68	2,526	594	2,690	633
Forestry .. ..	1,056	95	3,807	344	3,054	276
Total, Primary Produce	126,444	158	792,477	990	755,458	944
Manufacturing .. ..	8,650	375	67,474	2,927	67,182	2,915
Total .. ..	135,094	164	859,951	1,044	822,640	999

(a) Base of each group : 1913 = 100.  
of gold each year.

(b) Australian production of gold substituted for exports

2. **Relative Importance of Industrial Groups.**—In the previous table the value of commodities in each industrial group of exports of Australian produce is that recorded at the date of shipment from Australia, with the exception that the value of the production of gold in Australia in each year has been substituted in the Mines and Quarries group for actual shipments of gold in each year. This has been done to eliminate the exports of gold for monetary purposes. In order of importance the pastoral group occupied the highest place, representing 59.6 per cent. of the total exports in 1953-54, compared with 56.9 per cent. in 1952-53 and 43.7 per cent. in 1938-39.

Exports of agricultural produce rank next in importance. In 1953-54 they represented 18.6 per cent. of total exports. Corresponding percentages for 1952-53 and 1938-39 were 20.5 and 19.5 respectively.

According to value, exports of dairy and farmyard produce decreased from 11.6 per cent. in 1938-39 to 5.9 per cent. in 1952-53 and to 5.3 per cent. in 1953-54. Exports of mine and quarry products in 1938-39 represented 17.7 per cent. of the total but in 1952-53 and 1953-54 the percentages were only 8.1 and 7.6 respectively. The manufacturing group of exports, which represented 6.4 per cent. in 1938-39, had increased to 15.7 per cent. in 1945-46. In 1952-53 this group represented 7.8 per cent. and in 1953-54 8.2 per cent.

## § 15. Australian Index of Export Prices.

1. **General.**—Over the past fifty years the exports of Australia have become increasingly diversified, but, although the proportion of highly manufactured exports has increased, it is still small in relation to total exports. Most of these exports still consist of basic products, such as wool, wheat, butter, etc.

2. **Historical.**—An annual index of export prices has been published by this Bureau since its inception.

The first index was compiled annually for the years 1901 to 1916-17. The method of computation was to select all those articles of export which were recorded by units of quantity, and to apply to the quantities of these export commodities actually exported during any year the average price per unit ruling in the year 1901 (adopted as the base year). The total value so obtained was divided into the total actual (recorded) value of these exports for that year. The quotient (multiplied by 1,000) thus obtained was the export price index number for that year.

The method was changed in 1918. A weight for all principal exports was calculated on the average quantities of exports for the nineteen and a half years from 1st January, 1897 to 30th June, 1916. To these weights were applied the "average unit export values" of each export in successive years, and a weighted aggregative index of "price" variations was derived. It was published for the years 1897 to 1929-30, and particulars of this index were last published in Official Year Book No. 24, 1931, on page 147.

After the 1914-18 War, however, the relative importance of different exports changed considerably. In addition, the pattern of exports had become liable to vary considerably from year to year.

3. **Present Indexes.**—For the reasons just mentioned, two new series of monthly export price indexes—one using fixed weights, the other changing weights—were published in 1937, computed back to 1928. These are the only export price indexes now published.

The data on which both series are based differ from those utilized in the old series of annual index numbers. The most important change was the use of actual (or calculated) export parities, based on actual price quotations, in place of the "unit-values" declared at the Customs.

The old index took no account of gold exports. The omission is natural and reasonable for countries which produce little or no gold. For gold-producing countries, although some exports of gold would be irrelevant (e.g., the Australian shipments of gold reserves during the depression), the exports of newly-produced gold should be taken into account. In the new series, therefore, gold is included, but the weight given to it is not the quantity exported but the quantity produced.

The two series are compiled monthly, and both relate to commodities which normally constitute about 80 per cent. of the total value of exports of merchandise and silver and gold production.

4. **Monthly Index (Fixed Weights).**—(i) *General.* This is a weighted aggregative index of price variations. It was computed back to 1928, with that year taken as base. It is now usually published on the base—average of three years ended June, 1939 = 100.

The purpose of this index is to provide comparisons, over a limited number of years, of the level of prices of those commodities normally exported from Australia, making no allowance for any benefit or disadvantage accruing from variations during the period in the relative proportions of the different kinds of exports.

(ii) *Weights.* The original weights (used for the period 1928 to 1936) were, in round figures, the average annual exports (production, in the case of gold) during the five years 1928-29 to 1932-33.

From July, 1936 the weights were revised, and are now based on the average annual exports (production, in the case of gold) during the three years 1933-34 to 1935-36. The break of continuity has been bridged by the usual method of splicing. Consideration is being given to adopting weights for a post-war period.

The weight adopted for wheat takes into account the wheat equivalent of flour exported, the weight allotted to greasy wool takes account of the greasy equivalent of scoured wool, tops, and wool on skins, whilst for some metals allowance is made for the metallic content of ores and concentrates exported.

The twenty items, together with the units of quantity and the weights or "quantity multipliers", are given in the following table.

EXPORT PRICE INDEX : COMMODITIES AND WEIGHTING SYSTEM.  
(FROM 1ST JULY, 1936.)

Item.	Unit of Quantity.	"Quantity Multipliers".	Percentage Distribution of Aggregative Value.			
			Base Period 1936-37 to 1938-39.		Year 1951-52.	
			Excluding Gold.	Including Gold.	Excluding Gold.	Including Gold.
Wool .. ..	lb.	975,000,000	49.05	45.63	55.89	54.37
Wheat (a) ..	bushel	101,000,000	18.34	17.06	16.16	15.72
Butter .. ..	cwt.	2,140,000	12.21	11.36	7.19	6.99
Metals—						
Silver .. ..	oz.	7,300,000	0.68	0.64	0.52	0.50
	(standard)					
Copper .. ..	ton	3,600	0.20	0.20	0.21	0.20
Tin .. ..	"	1,300	0.31	0.28	0.27	0.26
Zinc .. ..	"	99,000	2.05	1.90	3.96	3.86
Lead .. ..	"	208,500	4.10	3.81	7.07	6.88
Meats—						
Beef .. ..	lb.	182,000,000	2.56	2.38	1.74	1.69
Lamb .. ..	"	138,000,000	3.56	3.31	1.56	1.52
Mutton .. ..	"	44,000,000	0.58	0.54	0.23	0.22
Pork .. ..	"	16,000,000	0.43	0.40	0.26	0.25
Sugar .. ..	ton	305,000	2.58	2.40	2.43	2.37
Dried Fruits—						
Sultanas .. ..	"	38,200	1.45	1.35	0.86	0.84
Lexias .. ..	"	3,000	0.12	0.11	0.07	0.07
Currants .. ..	"	13,400	0.37	0.35	0.25	0.24
Tallow .. ..	cwt.	600,000	0.69	0.64	0.63	0.61
Hides—						
Cattle .. ..	lb.	28,000,000	0.64	0.59	0.63	0.62
Calf .. ..	"	1,800,000	0.08	0.07	0.07	0.07
Gold .. ..	fine oz.	937,000	..	6.98	..	2.72
			100.00	100.00	100.00	100.00

(a) Includes "wheat equivalent" of flour.

The percentage distributions of the "Aggregative Values" shown in the foregoing table are of importance, firstly, as showing their variations from time to time as the result of differential price movements as between the various commodities, and secondly, as regards the effect on the indexes as a whole of the percentage price variations in each commodity.

(iii) *Prices.* The adoption of current market prices (as distinct from the former average unit export values) in the present indexes permitted the use of standards for each commodity. All export parities are calculated from price quotations from the most reliable and representative sources available. In most cases, the prices used are those at which current sales are being effected. In recent years, however, great difficulty has been experienced in obtaining appropriate current market price data for some commodities. It has become impossible to adhere to a common principle. Actual (or calculated) export parities currently prevailing, priced at f.o.b. Australian ports, are still used whenever possible. However, since dual or multiple price systems have become operative for some exports, the prices used in the index for wheat (from July, 1945 to September, 1951) and for certain metals represent average actual realizations for current *shipments*. From October, 1951 to July, 1953, the prices used for wheat are the estimated average realizations after weighting prices of quota and non-quota wheat. Prices adopted for months since August, 1953 are derived from available information of current sales. Notes on earlier prices used for wheat were given on pages 508 and 509 of Official Year Book No. 38. Current market prices used for the main commodities are:—

(a) the price for wool is a weighted average (based on clean scoured prices) of representative types at Sydney auctions, expressed in terms of pence per lb., greasy:

(b) where contracts exist between the Australian and the United Kingdom Governments for certain commodities and when most of the exports of such items are sold at these rates, contract prices are used (current examples are meats and butter); and

(c) for those metals which are at present not actually exported, Australian export parities are estimated on the basis of the prices ruling in London.

(iv) *Index Numbers.* The following table shows export price index numbers for Australia for individual commodities, groups of commodities, and all groups combined for each financial year from 1936-37 to 1953-54 and monthly for the year 1953-54.

### EXPORT PRICE INDEXES : AUSTRALIA.

#### SIMPLE AGGREGATIVE INDEX ; FIXED WEIGHTS.

#### INDIVIDUAL COMMODITIES, GROUPS OF COMMODITIES AND ALL GROUPS (COMBINED).

(Base of each section : Average of three years ended June, 1939 = 100.)

Period.	Wool.	Wheat. (a)	Butter.	Metals. (b)	Meats. (c)	Sugar.	Dried Fruits. (d)	Tallow.	Hides. (e)	Gold. (f)	All Groups.	
											Ex- cluding Gold.	In- cluding Gold.
Percentage Dis- tribution of Base Aggregate— (g) (h)	45.63 49.05	17.06 18.34	11.36 12.21	6.83 7.34	6.63 7.13	2.40 2.58	1.81 1.94	0.64 0.69	0.66 0.72	6.98	100.00	100.00
1936-37 ..	122	123	92	120	98	104	103	122	113	99	116	115
1937-38 ..	99	111	107	96	106	92	103	100	100	98	102	102
1938-39 ..	79	66	101	84	96	104	94	78	103	103	82	83
1939-40 ..	98	82	108	92	102	126	94	76	120	118	96	98
1940-41 ..	101	102	110	95	103	137	95	82	98	121	103	104
1941-42 ..	101	105	110	101	109	137	106	114	133	120	105	106
1942-43 ..	117	106	114	100	112	152	112	119	145	119	114	114
1943-44 ..	117	116	114	113	113	159	121	123	151	119	117	117
1944-45 ..	117	154	147	129	122	172	128	151	147	120	130	130
1945-46 ..	117	213	147	196	123	213	137	161	152	122	148	146
1946-47 ..	173	305	173	308	139	264	152	361	334	122	209	203
1947-48 ..	287	420	193	372	146	320	157	436	364	122	296	283
1948-49 ..	365	413	233	478	171	343	162	499	421	122	348	332
1949-50 ..	473	400	250	421	196	369	176	400	479	164	399	383
1950-51 ..	999	432	271	689	209	410	226	356	752	176	690	654
1951-52 ..	564	436	291	811	263	464	302	451	486	184	495	473
1952-53 ..	616	445	313	504	314	501	297	358	369	186	505	483
1953-54 ..	615	(i) 411	325	450	338	479	287	321	336	179	(i) 496	(i) 474
1953-54—												
July ..	(j) 641	454	325	446	331	500	290	244	319	183	516	493
August ..	(j) 634	446	325	450	331	500	290	251	321	182	511	488
September ..	626	443	325	438	331	500	290	260	336	182	506	484
October ..	634	428	325	450	340	500	290	269	374	181	509	486
November ..	634	414	325	458	340	500	290	301	383	176	508	485
December ..	611	413	325	442	340	500	290	341	377	177	495	473
January ..	603	411	325	427	340	461	290	369	377	176	489	468
February ..	581	402	325	423	340	461	290	368	353	177	476	455
March ..	581	399	325	440	340	461	(i) 281	355	327	176	(i) 476	(i) 456
April ..	(j) 596	381	325	467	340	461	(i) 281	304	300	176	(i) 482	(i) 461
May ..	618	372	325	474	340	461	(i) 281	369	281	178	(i) 492	(i) 470
June ..	622	(i) 369	325	484	340	448	(i) 281	359	278	178	(i) 494	(i) 472

(a) See notes above in para. 4 (iii), p. 229.

(b) Non-ferrous—silver, copper, tin, zinc, lead.

(c) Beef, lamb,

mutton, pork.

(d) Sultanas, lexis, currants.

(e) Cattle hides, calf skins.

(f) Where Australian gold

has been sold on the overseas premium markets such price has been used in the index.

(g) For "All Groups (including

Gold)"—applicable from 1936-37.

(h) For "All Groups (excluding Gold)"—applicable from 1936-37.

(i) Preliminary.

(j) Nominal.

Reference to the group indexes in the table above shows the great fluctuations and the wide dispersion of prices of export commodities in recent years. In particular, very great movements upwards and downwards have occurred in the price of wool. Since wool is a predominant export and comprises 46 per cent. of the Base Aggregate of the index fluctuations in wool prices obscure the movements affecting the other components in the All Groups index. For purposes of comparison wool and "other groups" are shown separately below.

## RECENT TRENDS—EXPORT PRICE INDEX: WOOL AND "OTHER GROUPS".

(Base of each section: Average of three years ended June, 1939 = 100.)

Period.	1947-48.			1948-49.			1949-50.			1950-51.		
	Wool.	Other Groups.	All Groups.	Wool.	Other Groups.	All Groups.	Wool.	Other Groups.	All Groups.	Wool.	Other Groups.	All Groups.
July ..	(a) 196	255	228	(a) 351	316	332	(a) 339	277	305	(a) 592	333	451
August ..	241	258	251	(a) 351	313	330	(a) 347	284	313	864	340	579
September ..	249	261	255	355	308	329	339	292	314	890	355	599
October ..	260	262	261	328	314	320	392	305	345	890	360	602
November ..	275	268	271	366	313	337	419	305	357	965	366	639
December ..	(a) 275	274	275	400	308	350	456	307	375	973	366	643
January ..	313	286	298	400	310	351	562	310	425	1,252	368	771
February ..	328	291	308	411	305	353	536	315	416	1,339	369	811
March ..	(a) 302	296	299	(a) 411	304	353	524	316	411	1,437	377	860
April ..	313	300	306	332	294	311	(a) 554	324	429	1,094	384	708
May ..	332	305	317	336	291	311	611	328	457	973	385	653
June ..	362	309	333	339	288	311	592	331	450	717	383	535
Average of Year	287	280	283	365	305	332	473	308	383	999	365	654

Period.	1951-52.			1952-53.			1953-54.		
	Wool.	Other Groups.	All Groups.	Wool.	Other Groups.	All Groups.	Wool.	Other Groups.	All Groups.
July ..	(a) 717	400	544	(a) 566	381	465	(a) 641	369	493
August ..	551	400	468	(a) 566	380	465	(a) 634	367	488
September ..	498	400	445	551	379	457	626	365	484
October ..	686	403	532	588	370	469	634	363	486
November ..	603	398	492	588	368	469	634	360	485
December ..	581	403	484	618	376	486	611	358	473
January ..	566	402	477	626	376	486	603	354	468
February ..	520	402	456	626	371	487	581	350	455
March ..	460	402	427	656	369	500	581	(b) 351	(b) 456
April ..	475	397	432	671	363	503	(a) 506	(b) 348	(b) 461
May ..	543	385	457	701	361	516	618	(b) 346	(b) 470
June ..	566	376	463	641	363	490	622	(b) 346	(b) 472
Average of Year	564	397	473	616	371	483	615	(b) 356	(b) 474

(a) Nominal.

(b) Preliminary.

5. **Monthly Index (Changing Weights).**—This series was designed for shorter period comparisons—from one or more months of the current year to the corresponding months of the previous year. The fixed weights index numbers indicate satisfactorily the general trend of export prices, but take no account of the relative quantities actually sold at the different prices ruling during each month. The impact of the price movements on current sales is indicated more directly by the index numbers in the following table. In computing these, the "quantity multipliers" are the quantities actually exported in the months (or periods) to which the index numbers relate.

For any given month, the procedure is to multiply the price of each commodity in that month, and its price in the corresponding month of the previous year, by the quantity exported during the given month. A comparison of the resulting aggregates gives one possible measure of the change in prices over the period; i.e., the change assuming that the proportions of the different kinds of exports whose prices are to be measured were the same as their proportions in the given month. Another possible measure is given by assuming that the proportions of the different kinds of exports in the given month had been the same as their proportions in the corresponding month of the previous year. Accordingly the first step in the procedure is repeated, substituting the quantities exported during the corresponding month of the previous year.

The index numbers so obtained have been proved over a period of years to lie very close together. As it is convenient for practical reasons to have one single figure rather than two close alternatives the two index numbers are multiplied together and the square root of the product extracted. This is taken to be the index number for the month, the prices of the corresponding month of the previous year being taken as base.

The index numbers for two or more months of one year, as compared with the corresponding period of the previous year, are computed in very much the same way. The process involves merely the cumulative addition of the aggregates computed for the individual months, and extraction of the index numbers as explained above.

Index numbers computed on this basis are shown in the following table for the years 1952-53 and 1953-54:—

**MONTHLY EXPORT PRICE INDEX (CHANGING WEIGHTS) : AUSTRALIA.**

(Base : Weighted Average Price Level in corresponding months of preceding year = 100.)

Month.	Month stated compared with same month of preceding year.				Period of trade year ending in month stated compared with same period of preceding year.			
	1952-53.		1953-54.		1952-53.		1953-54.	
	Ex-cluding Wool.	In-cluding Wool.	Ex-cluding Wool.	In-cluding Wool.	Ex-cluding Wool.	In-cluding Wool.	Ex-cluding Wool.	In-cluding Wool.
July .. .. .	93	84	98	108	93	84	98	108
August .. .	96	98	98	104	94	89	98	106
September ..	95	102	95	105	95	93	97	106
October .. .	93	38	99	105	94	91	98	106
November ..	93	96	99	105	94	92	98	106
December ..	98	105	97	98	95	95	98	104
January .. .	96	106	94	96	95	96	97	103
February ..	94	112	94	93	95	98	97	102
March .. .	92	126	94	98	95	102	97	100
April .. .	93	123	95	90	94	104	97	99
May .. .	97	117	93	90	95	105	96	98
June .. .	97	108	93	96	95	105	96	98

Monthly export price index numbers are issued in the mimeographed publication *Monthly Index of Australian Export Prices*, in the *Monthly Review of Business Statistics* and in the *Quarterly Summary of Australian Statistics*.

## § 16. External Trade of Australia and other Countries.

1. **Essentials of Comparison.**—Direct comparison of the external trade of any two countries is possible only when the general conditions prevailing therein, and the system of record, are more or less identical. For example, in regard to the mere matter of record, it may be observed that in one country the value of imports may be the value at the port of shipment, while in another the cost of freight, insurance and charges may be added thereto. Again, the values of imports and exports in one may be declared by merchants, whereas in another they may be the official prices fixed from time to time by a commission constituted for the purpose. In later years, moreover, a very substantial difference in the value of imports would result from the different methods of converting the moneys of foreign countries, i.e., from the application of current rates of exchange or of the mint par. Lastly, the figures relating to the external trade of any country are also affected in varying degree by the extent to which they include transit or re-export trade. This class of trade represents a much greater proportion of the trade of Switzerland and Belgium than that of other countries. France and the United Kingdom also re-export largely, whereas in Canada, Australia and New Zealand the same class of trade represents a comparatively small proportion of the total trade.

2. **"Special Trade" of Various Countries.**—In the following table the figures, which represent Australian currency values, relate as nearly as possible to imports entered for consumption in the various countries specified, and to exports of their domestic products. It is to be noted, however, that these figures do not invariably 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. Nevertheless, a comparison of this character reveals approximately the

extent of the external trade which otherwise would not be manifest. The countries listed below are not necessarily all the important trading countries of the world, but those important countries for which comparable statistics are available.

**IMPORTS FOR HOME CONSUMPTION, AND EXPORTS OF DOMESTIC PRODUCTS  
(MERCHANDISE ONLY): VARIOUS COUNTRIES, 1952.**

Country.	Trade (£A. Million).			Trade per Head of Population (£A.).		
	Imports. c.i.f.	Exports. f.o.b.	Total.	Imports.	Exports.	Total
United States of America ..	a 4,723.5	6,567.1	11,290.6	30.1	41.8	71.9
United Kingdom ..	4,177.2	3,233.8	7,411.0	82.8	64.1	146.9
Canada ..	a 1,846.9	1,996.3	3,843.2	128.0	138.3	266.3
France ..	1,981.1	1,738.5	3,719.6	46.5	40.8	87.3
Germany, Federal Republic of ..	b 1,734.8	1,810.4	3,545.2	35.8	37.3	73.1
Belgium-Luxemburg ..	1,095.1	1,095.5	2,190.6	125.8	125.8	251.6
Netherlands ..	997.6	946.5	1,944.1	96.1	91.2	187.3
Italy ..	1,037.0	619.9	1,656.9	22.1	13.2	35.3
Australia ..	(a) 748.4	741.9	1,490.3	86.5	85.8	172.3
Sweden ..	773.7	698.9	1,472.6	108.6	98.1	206.7
Switzerland ..	534.4	487.5	1,021.9	111.0	101.2	212.2
Indonesia ..	436.7	433.1	869.8	5.6	5.5	11.1
Denmark ..	430.4	380.4	810.8	99.3	87.8	187.1
Norway ..	390.9	253.1	644.0	117.5	76.1	193.6
Austria ..	294.3	227.6	521.9	42.4	32.8	75.2
Egypt ..	273.0	187.2	460.2	12.7	8.7	21.4
Turkey ..	249.2	162.7	411.9	11.3	7.4	18.7
Spain ..	231.0	180.1	411.1	8.2	6.4	14.6
Chile ..	165.5	203.6	369.1	27.9	34.3	62.2
Greece ..	155.2	53.7	208.9	20.0	6.9	26.9

(a) Imports recorded f.o.b.

(b) Includes gold bullion and crude gold.

**§ 17. Oversea Trade in Calendar Years.**

For the purpose of comparison with countries which record oversea trade in calendar years the following table has been compiled to show Australian imports and exports for each of the calendar years 1939 and 1950 to 1954 :—

**OVERSEA TRADE IN CALENDAR YEARS: AUSTRALIA.  
(£'000.)**

Year.	Merchandise.		Bullion and Specie.		Total.	
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.
1939 ..	109,334	123,728	3,726	20,122	113,060	143,850
1950 ..	629,398	742,107	2,497	2,352	631,895	744,459
1951 ..	940,300	906,769	1,768	3,069	942,068	909,838
1952 ..	767,846	751,099	4,916	20,920	772,762	772,019
1953 ..	577,059	880,058	2,619	20,165	579,678	900,223
1954 (a) ..	751,000	751,000	3,800	12,000	754,800	763,000

(a) Subject to revision.

## § 18. Excise.

Although excise goods have no immediate bearing on oversea trade, the rates of excise duty are in some cases related to the import duty on similar goods. Moreover, as the Excise Acts are administered by the Department of Trade and Customs, it is convenient to publish here the quantities of Australian produce on which excise duty has been paid. Particulars of Customs and Excise Revenue are shown in Chapter XVII.—Public Finance. The following table shows the quantities of spirits, beer, tobacco, etc., on which excise duty was paid in Australia during the years 1952-53 and 1953-54.

**QUANTITIES OF SPIRITS, BEER, TOBACCO, ETC., ON WHICH EXCISE DUTY  
WAS PAID : AUSTRALIA.**

Article.	1952-53.	1953-54.	Article.	1952-53.	1953-54.
	proof gals.	proof gals.		lb.	lb.
<b>Spirits—</b>			<b>Cigars—</b>		
Brandy .. ..	290,885	376,291	Hand-made ..	43,737	41,099
Gin .. ..	270,020	327,674	Machine-made ..	95,719	105,801
Whisky .. ..	321,819	344,392			
Rum .. ..	471,908	544,526	<b>Total Cigars ..</b>	<b>139,456</b>	<b>146,900</b>
Liqueurs .. ..	31,697	50,641	<b>Cigarettes—</b>		
Other .. ..	39	53	Hand-made ..	..	..
			Machine-made ..	13,755,595	17,769,856
<b>Total Spirits (Potable) ..</b>	<b>1,386,368</b>	<b>1,643,577</b>	<b>Total Cigarettes</b>	<b>13,755,595</b>	<b>17,769,856</b>
<b>Spirits for—</b>					
Fortifying Wine ..	2,057,368	2,049,135		60 papers or tubes.	60 papers or tubes.
Industrial or Scientific purposes ..	163,684	198,742	<b>Cigarette Tubes and Papers .. ..</b>	<b>139,777,846</b>	<b>147,009,600</b>
Making Vinegar ..	83,955	108,120			
Manufacture of—				tons.	tons.
Essences .. ..	86,940	104,876	<b>Coal .. ..</b>	<b>16,571,112</b>	<b>17,367,524</b>
Scents and Toilet Preparations ..	40,539	65,324			
				gross of boxes.	gross of boxes.
	gals.	gals.	<b>Matches .. ..</b>	<b>2,941,002</b>	<b>3,334,542</b>
<b>Amylic Alcohol and Fusel Oil .. ..</b>	<b>43</b>	<b>12</b>			
<b>Beer .. ..</b>	<b>183,751,230</b>	<b>198,330,340</b>		gals.	gals.
			<b>Petrol .. ..</b>	<b>108,038,224</b>	<b>156,838,024</b>
	lb.	lb.			
<b>Tobacco .. ..</b>	<b>22,318,703</b>	<b>22,546,529</b>	<b>Playing Cards ..</b>	<b>doz. packs. 80,278</b>	<b>doz. packs. 106,084</b>

## § 19. The Australian Balance of Payments.

1. **General.**—Estimates of the Australian balance of payments are of particular importance as an aid to the analysis of Australian economic conditions in view of the marked effect which fluctuations in international commerce tend to exercise on the level of activity in the Australian economy.

Comprehensive estimates of Australia's balance of payments will be found in *The Australian Balance of Payments* 1928-29 to 1951-52, which contains a full explanation of the principles on which the estimates are based and the techniques employed in their compilation. Continuous investigations are conducted with a view to improving the methods of estimation employed, and further revisions to current estimates may be necessary as more refined techniques are adopted in the future.

The estimates included on this occasion are substantially revised in comparison with those presented in Year Book No. 40. Estimates of the movements in international reserves have been revised following the publication by the Commonwealth Bank of

Australia of a new series of net gold and foreign exchange holdings of Australian official and banking institutions. In addition, estimates have been revised for several items for which improved methods of calculation are now possible. Further details of these revisions and changes in the estimates will be found in the mimeographed publication "The Australian Balance of Payments 1949-50 to 1953-54" issued by this Bureau.

2. Australia's Balance of Payments on Current Account, 1951-52 to 1953-54.—The table on page below presents estimates of Australia's balance of payments on current account from 1951-52 to 1953-54.

In the immediate post-war years, the balance of payments on current account, after a deficit of £47 million in 1946-47, improved to a small favourable balance of £4 million in 1947-48 and this was increased to £32 million in 1948-49. There was a deficit of £43 million, however, in 1949-50.

In 1950-51 an increase of £382 million in exports more than offset an increase of £204 million in imports and there was a favourable trade balance of £233 million. After allowing for an increased unfavourable invisible balance, a favourable current account balance of £104 million was recorded for the year.

A sharp adverse movement of £687 million to a net unfavourable balance of £583 million occurred between 1950-51 and 1951-52 in Australia's balance of payments on current account. This was almost entirely due to the decrease in the value of exports and the increase in the value of imports (including freight charges) between the two years.

### AUSTRALIA: BALANCE OF PAYMENTS ON CURRENT ACCOUNT. (£A. million.)

	1951-52.	1952-53.	1953-54 (Preliminary).
<b>CREDITS.</b>			
1. Exports f.o.b. .. .. .	664.2	846.2	816.0
2. Gold Production .. .. .	(a) 14.2	(a) 16.4	(a) 17.0
3. Transportation—			
(a) Freight Earnings of Australian Ships .. .. .	2.5	2.6	2.5
(b) Port Expenditure of Oversea Ships .. .. .	46.1	46.8	54.0
4. Foreign Travel .. .. .	48.6	49.4	56.5
5. Income from Investment .. .. .	3.4	4.3	2.5
6. Government Transactions .. .. .	9.0	14.9	18.0
7. Miscellaneous .. .. .	7.6	8.8	7.0
8. Donations and Reparations—	8.4	6.7	10.0
(a) Immigrants' Funds and Household Effects .. .. .	19.4	12.3	11.5
(b) Other .. .. .	3.3	4.2	4.5
	22.7	16.5	16.0
9. TOTAL CREDITS .. .. .	778.1	963.2	943.0
<b>DEBITS.</b>			
10. Imports f.o.b. .. .. .	1,051.5	511.2	682.0
11. Transportation and Marine Insurance—			
(a) Freight on Imports .. .. .	145.4	77.3	80.0
(b) Other Transportation .. .. .	8.9	10.2	10.8
(c) Marine Insurance Premiums and Claims (net) (b) .. .. .	4.3	0.7	1.0
	158.6	88.2	91.8
12. Foreign Travel .. .. .	14.4	18.4	16.0
13. Income from Investment—			
(a) Public Authority Interest .. .. .	18.4	18.5	18.4
(b) I.B.R.D. and I.M.F. Interest and Charges .. .. .	0.7	1.7	2.6
(c) Direct Investment .. .. .	17.5	23.8	31.2
(d) Portfolio Investment .. .. .	7.5	8.1	7.3
(e) Undistributed Income .. .. .	24.3	19.0	20.0(c)
	68.4	71.1	79.5
14. Government Transactions—			
(a) Defence Expenditure .. .. .	10.3	25.2	12.5
(b) Expenditure in New Guinea and Papua .. .. .	5.3	4.2	5.0
(c) Other .. .. .	15.4	13.1	11.9
	31.0	42.5	29.4
15. Miscellaneous .. .. .	17.9	16.3	22.6
16. Donations and Reparations—			
(a) Personal Remittances .. .. .	8.7	12.4	13.3
(b) U.N.K.R.A., U.N.I.C.E.F., etc., and Colombo Plan .. .. .	4.0	3.5	2.5
(c) Other .. .. .	6.1	8.3	7.9
	18.8	24.2	23.7
17. TOTAL DEBITS .. .. .	1,360.6	771.9	945.0
BALANCE ON CURRENT ACCOUNT .. .. .	-582.5	191.3	-2.0

(a) Includes gold sold on the premium market valued at the price obtained. (b) Total marine insurance premiums payable on Australian imports (whether payable in Australia or overseas) were £3.8 million in 1949-50, £4.7 million in 1950-51, £6.6 million in 1951-52, £2.6 million in 1952-53 and £3.4 million in 1953-54. (c) Provisional estimate only.

The unfavourable balance on current account in the first half of 1951-52 was £314 million and, after further deterioration in January and February, the Commonwealth Government re-introduced import licensing for goods from all sources early in March, 1952.

Australia's current account balance improved by £774 million between 1951-52 and 1952-53 to a net favourable balance of £191 million. Of this total improvement, £722 million was due to an improved trade balance. The most important movement in other items between the two years was a decrease of £68 million in freight on imports.

There was an approximate balance on current account in 1953-54. The change compared with the previous year was due mainly to a fall of £201 million in the favourable trade balance. A decrease of £30 million in exports was caused principally by a fall of £29 million in exports of wheat and flour. Following the progressive relaxation of import restrictions the value of Australian imports increased by about one-third between 1952-53 and 1953-54 (from £511 million to £682 million).

Invisible credits rose by £10 million to £127 million between 1952-53 and 1953-54. Most of this movement was due to an increase of £7 million in expenditure in Australian ports by oversea ships.

The total of invisible debits varied very little between 1952-53 and 1953-54. Investment income payable overseas and "miscellaneous" remittances increased by £8 million and £6 million respectively and defence expenditure overseas fell by £13 million. Movements in other invisible debits between the two years were of minor importance.

The Commonwealth Statistician's Index of Export Prices (excluding gold) which stood at 495 (wool 564) in 1951-52 rose slightly to 505 (wool 616) in 1952-53 but fell back to 496 (wool 615) in 1953-54. A comparison of these movements in the overall index with the changes in the value of exports over these three years indicates that there was a substantial increase in the quantum of exports between 1951-52 and 1952-53 but little change between 1952-53 and 1953-54.

The Index of Australian Import Prices prepared by the Commonwealth Bank of Australia recorded a steady increase in post-war years up to 1951-52, but fell by 8 per cent. between 1951-52 and 1952-53. A further slight fall of about 1 per cent. occurred in 1953-54.

**3. Australia's Balance of Payments on Capital Account, 1951-52 to 1953-54.**—The table on page 237 sets out estimates of Australia's balance of payments on capital account from 1951-52 to 1953-54.

The balance of payments on capital account records the net changes over specified periods in Australia's international assets and liabilities. In theory, the balance of payments on current account and the balance of payments on capital account together constitute a complete system of accounts, on the double-entry principle, recording Australia's international economic transactions, and the favourable (unfavourable) balance on current account should coincide with the net increase (decrease) in assets shown in capital account.

In practice, because of various imperfections in the estimates, it is necessary to introduce a "balancing item" (see item 23, table on page 237) in the capital account in order to make that account balance at the same figure as the current account.

The most important component of this balancing item is thought to be miscellaneous capital account transactions which cannot yet be accurately measured. These are believed to consist mainly of various types of private capital movements, including the effects of any changes in methods of payment for imports and exports. In addition to these unidentified capital movements the balancing item reflects errors in estimating the balance on current account and other items in the capital account.

## AUSTRALIA : BALANCE OF PAYMENTS ON CAPITAL ACCOUNT.

(£A. million.)

	1951-52.	1952-53.	1953-54 (Preliminary)
<b>INCREASE IN ASSETS.</b>			
1. Direct Investment Overseas—			
(a) Branches—			
(i) Unremitted Profits .. .. .	0.9	{ - 0.5 - 0.7	(b) 0.5 (a)
(ii) Other .. .. .			
(b) Subsidiaries—			
(i) Undistributed Profits .. .. .	(a)	1.5	(b) 1.5
(ii) Other .. .. .	- 1.9	2.8	(a)
2. Portfolio Investment Overseas .. .. .	- 1.5	- 0.3	- 1.0
3. Private Investment in Foreign Government Securities .. .. .	- 0.2	- 0.1	- 0.1
4. Wool Credits to Czechoslovakia .. .. .			
5. Investment in Joint Organization, etc. .. .. .	- 31.3	- 1.0	
6. Subscription to I.M.F. and I.B.R.D. .. .. .			
7. Other Official Transactions .. .. .	5.7	- 5.7	1.1
8. Monetary Gold Holdings .. .. .	6.4	- 0.2	
9. Foreign Exchange Holdings .. .. .	- 437.7	188.9	9.5
10. TOTAL INCREASE IN ASSETS .. .. .	- 459.5	185.7	11.5
<b>INCREASE IN LIABILITIES.</b>			
11. Public Authority Debt—			
(a) Commonwealth—Long-term .. .. .	- 0.6	- 0.6	- 3.6
(b) Commonwealth—Short-term .. .. .	- 0.3	- 0.3	- 0.3
(c) States—Long-term .. .. .	- 1.0	- 1.3	- 6.1
(d) States—Short-term .. .. .			- 0.1
(e) Local Authorities .. .. .	- 0.7	- 0.4	- 0.4
12. Discount and Cash Bonuses on the Conversion of Public Debt .. .. .		0.3	
13. Dollars received from I.B.R.D. .. .. .	23.9	17.9	21.5
14. Dollars received from I.M.F. (net) .. .. .		13.4	- 10.7
15. Other transactions with I.M.F. and I.B.R.D. .. .. .			
16. Australian Currency Holdings of Foreign Banks and Governments .. .. .	- 35.9	- 7.3	- 0.6
17. Joint Organization Investments, etc., in Australia .. .. .	- 31.8	- 2.2	
18. Direct Investment in Australian Companies—			
(a) Branches—			
(i) Unremitted Profits .. .. .	4.3		(b) 4.0
(ii) Other .. .. .	6.3	- 2.3	
(b) Subsidiaries—			
(i) Undistributed Profits .. .. .	20.0	19.0	(b) 16.0
(ii) Other .. .. .	45.5	- 3.9	(a)
19. Portfolio Investment in Australian Companies .. .. .	6.5	2.3	(a)
20. Investment in Public Authority Securities domiciled in Australia .. .. .	(a)	- 5.5	(a)
21. Net Oversea Remittances of Life Offices operating in Australia .. .. .	- 0.6	- 4.3	(a)
22. Adjusting Item for New Guinea and Papua transactions .. .. .	0.4	2.1	- 1.9
23. Balancing Item .. .. .	87.0	- 32.5	- 4.3
24. TOTAL INCREASE IN LIABILITIES .. .. .	123.0	- 5.6	13.5
25. NET INCREASE IN ASSETS .. .. .	- 582.5	191.3	- 2.0

(a) Not available—included in balancing item.

(b) Provisional estimate only.

NOTE.—Minus sign (—) denotes decrease.

The individual items in the table may be conveniently examined in groups.

Items 5 and 17 record transactions on capital account between Australia and the Joint Organization (Wool). The assets item consists of the share of Joint Organization profits on the sale of Australian wool accruing to Australia each year (less any disbursements of profits to Australia) and the liabilities item is the change in Joint Organization investments in Australia each year.

Item 11 shows the repayments from 1951-52 to 1953-54 of public authority debt domiciled overseas. Small repayments in 1951-52 and 1952-53 were mainly due to sinking fund operations but in 1953-54 there was a substantial net reduction of £10.5 million in the level of this debt. This net reduction consisted of the redemption of \$30 million (£13.4 million) of securities domiciled in New York, a reduction of £2.9 million of other debt from sinking fund operations, and an increase of £5.8 million following the negotiation of a loan from Switzerland.

Item 13 records drawings of \$54 million in 1951-52, \$40 million in 1952-53 and \$48 million in 1953-54 under loans made to Australia by the International Bank for Reconstruction and Development.

Item 14 shows the changes in Australia's liability in respect of purchases of dollars from the International Monetary Fund. In 1949-50 \$20 million (£8.9 million) were purchased from the Fund and a second purchase of \$30 million (£13.4 million) was made in 1952-53. In 1953-54 repayment of these purchases was commenced with instalments totalling \$24 million (£10.7 million).

Australia's international reserves (see items 8 and 9 in table on page 237) fell by £431 million during 1951-52. An increase of £189 million was recorded in 1952-53, followed by a small increase of £10 million in 1953-54 which brought the level of reserves at the end of June, 1954 to £570.7 million.

Item 16 records changes in the holdings of Australian currency by foreign banks and governments. These funds fell by £36 million in 1951-52 and by £7 million in 1952-53. There was little change in the level of these holdings in 1953-54.

Items 1 (a) (ii), 1 (b) (ii), 2, 3, 18 (a) (ii), 18 (b) (ii), 19, 20, 21 and 23 may be conveniently grouped for examination as "private capital movements and balancing items". As mentioned above the "balancing item" is believed to consist predominantly of various types of private capital movements which cannot be identified from available statistics.

The transactions included in this group resulted in a net inflow of funds of £147 million in 1951-52. In 1952-53 an outflow of £48 million was recorded—the first in the post-war period. However, this outflow was due to some extent to delayed payments for part of the record total of imports which arrived in 1951-52.

In 1953-54 this group of transactions resulted in a small apparent outflow of £3 million—a slightly greater outflow in the first half of the financial year being offset by a small inflow in the second half.

Other items in capital account are of minor importance.

4. Australia's Balance of Payments on Current Account—Various Countries and Monetary Arcas, 1951-52 to 1953-54.—The overall improvement in Australia's balance of payments between 1951-52 and 1952-53 was £774 million and the table below shows that this favourable movement affected all the countries and monetary areas shown, with the exception of "other" dollar area countries. Of the total improvement, £470 million was in respect of sterling area countries, £19 million in respect of dollar area countries, £165 million in respect of non-sterling member countries of the Organization for European Economic Co-operation and £117 million in respect of "other" non-sterling countries. The balance on current account with the United Kingdom improved by £404 million. The value of exports to non-dollar countries (especially to the United Kingdom) increased, but the major part of the improvement resulted from the fall in the value of imports following the re-introduction of import licensing in March, 1952. As licensing of dollar imports had never been abandoned, the changes in the balances with dollar countries were naturally smaller.

Australia's balance of payments on current account deteriorated by £193 million between 1952-53 and 1953-54. This unfavourable movement affected all the countries and monetary areas shown in the table, with the exception of the United States of America and "other" dollar area countries. The current balance with sterling area countries deteriorated by £182 million, including an unfavourable movement of £163 million in the current balance with the United Kingdom. The unfavourable current balance with dollar area countries decreased by £10 million, though there was a small increase in the unfavourable current balance with Canada. The current balances with non-sterling O.E.E.C. countries and with "other" non-sterling countries deteriorated by £17 million and £5 million respectively. These changes in 1953-54 again reflected mainly the substantial increases in the value of imports from non-dollar countries, following the progressive easing of import licensing.

### AUSTRALIA: BALANCE OF PAYMENTS ON CURRENT ACCOUNT, VARIOUS COUNTRIES AND MONETARY AREAS.

(Minus (—) denotes debit ; other items are credits.)

(£A. million.)

—	Gold Production.	Sterling Area.		Dollar Area.			Other Non-Sterling.		Total.
		United Kingdom.	Other.	U.S.A.	Canada.	Other.	O.E.E.C.	Other. (a)	
1951-52.									
Exports, f.o.b.	..	208.6	125.6	77.4	9.2	2.6	166.4	74.4	664.2
Imports, f.o.b.	..	466.6	145.7	109.6	23.6	1.5	189.2	115.3	1,051.5
Invisibles (net)	14.2	— 82.7	— 33.6	— 41.7	— 8.3	— 0.6	— 17.3	— 25.2	— 195.2
Balance on Current Account	14.2	— 340.7	— 53.7	— 73.9	— 22.7	0.5	— 40.1	— 66.1	— 582.5
		— 394.4		— 96.1			— 106.2		
1952-53.									
Exports, f.o.b.	..	347.2	130.5	57.9	8.7	2.2	191.6	108.1	846.2
Imports, f.o.b.	..	— 215.2	— 88.0	— 85.4	— 19.5	— 2.2	— 59.2	— 41.7	— 511.2
Invisibles (net)	16.4	— 68.7	— 30.3	— 32.7	— 5.6	— 0.2	— 7.4	— 15.2	— 143.7
Balance on Current Account	16.4	63.3	12.2	— 60.2	— 16.4	— 0.2	125.0	51.2	191.3
		75.5		— 76.8			176.2		
1953-54.									
Exports, f.o.b.	..	296.6	127.4	55.7	11.1	5.0	209.1	111.1	816.0
Imports, f.o.b.	..	— 331.5	— 110.5	— 76.6	— 18.8	— 1.1	— 90.8	— 52.7	— 682.0
Invisibles (net)	17.0	— 65.0	— 23.2	— 31.4	— 11.0	0.6	— 10.5	— 12.5	— 136.0
Balance on Current Account	17.0	— 99.9	— 6.3	— 52.3	— 18.7	4.5	107.8	45.9	— 2.0
		— 106.2		— 66.5			153.7		

(a) Includes international bodies.

5. Australia's Balance of Payments with the Dollar Area, 1951-52 to 1953-54.—The estimates of the balance of payments with the dollar area included in the previous table are on a purely geographic basis, no attempt having been made to classify transactions according to the currency in which payment was made. The more detailed estimates

shown in the table on page 241 make this classification in respect of dollar currency transactions. The table includes the trade statistics and invisible items included in the former table, but in addition includes in "Other items (net)" (see item 16 in table on page 241) several items which make allowance for the fact that not all Australian transactions with the dollar area involve dollar receipts or payments and that some dollar receipts and payments are involved in Australian transactions with countries outside the dollar area, and with international bodies.

Principal among these transactions are receipts of dollars for exports to non-dollar countries (e.g., sales of gold on premium markets); interest payments to sterling area holders of Australian dollar bonds (included in total dollar interest payments in item 13); dollar payments to international bodies; and the difference between the estimated dollar component of Australia's imports of petroleum products from all sources and the estimated c.i.f. value of her direct imports of petroleum products from the dollar area. The statistics in the table are presented in terms of United States dollars.

In 1951-52 Australia's unfavourable balance on current account with dollar area countries was \$193 million. An improvement to an unfavourable balance of \$126 million followed in 1952-53 but in 1953-54 the current account deficit increased to \$141 million.

A number of factors contributed to the improvement in the dollar area balance of payments between 1951-52 and 1952-53. There was an improvement in the trade balance of \$16 million and an improvement of \$51 million in the unfavourable invisible balance, due partly to a fall of \$26 million in freight on imports (largely on petroleum) and partly to an improvement of \$24 million in "Other items (net)", which was chiefly attributable to increased receipt of dollars for gold sold on the premium market. In addition, private capital inflow from the dollar area (see items 21 and 22 in the table on page 241), which was only \$5 million in 1951-52, rose to \$35 million in 1952-53. In the result, Australia's dollar deficit, which was \$164 million in 1951-52, fell to \$66 million in 1952-53.

An improvement of \$31 million in the trade balance between 1952-53 and 1953-54 was due mainly to reduced imports from dollar area countries in the latter year.

The unfavourable invisible balance with the dollar area increased however, by \$46 million between the two years. Contributing factors were an increase of \$19 million in profits and dividends remitted to the dollar area in 1953-54 (due mainly to unusually large remittances of income to parent companies in the dollar area by a small number of Australian subsidiary companies) and a decrease of \$34 million in "Other items (net)". This latter movement was principally due to the decline in Australian gold sales on the premium market and to an increased difference between the c.i.f. value of direct imports of petroleum from the dollar area and the estimated dollar component of all Australian petroleum imports.

On investment account, \$32 million of securities domiciled in New York were redeemed in 1953-54, compared with comparatively small sinking fund redemptions in 1952-53, and private capital inflow fell to \$17 million compared with \$35 million in 1952-53.

The balance on investment account was *plus* \$7 million in 1953-54 and this, combined with an unfavourable current account balance of \$141 million, left Australia with a dollar deficit of \$134 million in 1953-54—\$68 million greater than in 1952-53.

The final section of the table shows how Australia's dollar deficit was financed in each year. After taking into account dollars received from international financial institutions and movements in Australia's dollar balances, Australia's transactions with the Sterling Area Dollar Pool showed an estimated improvement of \$121 million between 1951-52 and 1952-53, followed, however, by an estimated deterioration of \$84 million in 1953-54.

## AUSTRALIA: BALANCE OF PAYMENTS WITH THE DOLLAR AREA (UNITED STATES DOLLARS).

(Credit Items +, Debit Items -.)

	1951-52.	1952-53.	1953-54.
	United States \$million.	United States \$million.	United States \$million.
<b>CURRENT ACCOUNT.</b>			
<b>Merchandise Trade.</b>			
1. Merchandise exports, f.o.b., to United States of America and Canada	+ 194	+ 149	+ 150
2. Merchandise imports, f.o.b., from United States of America and Canada	- 298	- 235	- 214
3. Trade balance with United States of America and Canada	- 104	- 86	- 64
4. Trade balance with other American account countries	+ 2	..	+ 9
5. TRADE BALANCE WITH THE DOLLAR AREA	- 102	- 86	- 55
<b>Other Current Transactions.</b>			
6. Freight on imports	-60.4	-34.0	-28.0
7. Other transportation	- 1.1	- 2.0	- 2.0
8. Expenditure by Australian travellers	- 2.7	- 3.0	- 2.7
9. Expenses of Australian companies in North America	- 3.3	- 2.2	- 3.6
10. Film remittances	- 5.8	- 4.5	- 5.2
11. Profits and dividends remitted	- 7.4	- 7.2	-23.8
12. Undistributed income accruing to companies incorporated in dollar area	-27.1	-28.2	(a) -22.4
13. Public authority interest payments	- 8.0	- 8.0	- 7.6
14. Other miscellaneous debits	-10.0	-11.5	-13.0
15. Miscellaneous credits	+12.3	+14.3	+16.6
16. Other items (net)	+22.4	+46.4	+ 7.5
17. INVISIBLE BALANCE WITH THE DOLLAR AREA	- 91	- 40	- 86
18. BALANCE ON CURRENT ACCOUNT (5 + 17)	- 193	- 126	- 141
<b>INVESTMENT ACCOUNT.</b>			
19. Increase in debt of public authorities	- 3	- 3	- 3 <sup>2</sup>
20. Undistributed income (see item 12)	+ 27	+ 28	(a) + 22
21. Identified private capital inflow	+ 41	- 26	+ 17
22. Balancing item	- 36	+ 61	..
23. BALANCE ON INVESTMENT ACCOUNT	+ 29	+ 60	+ 7
24. DOLLAR SURPLUS OR DEFICIT (18 + 23)	- 164	- 66	- 134
<b>DOLLAR FINANCING.</b>			
25. Dollar purchases from I.M.F. (net)	..	+ 30	- 24
26. Dollar loans from I.B.R.D.	+ 54	+ 40	+ 48
27. Gold sales to United Kingdom	..	..	..
28. Estimated dollar drawings from (+) or contributions to (-) Sterling Area Dollar Pool	+ 133	+ 12	+ 96
29. Movement in Australian dollar balances (increase -)	- 23	- 16	+ 14
30. TOTAL	+ 164	+ 66	+ 134

(a) Provisional estimate only.

### § 20. Interstate Trade.

Prior to the federation of the Australian Colonies (now States), each Colony published statistics of its trade with the other Colonies. A similar record was continued by the Commonwealth Government under the provisions of the Constitution (Section 93). On the expiry of the "book-keeping" period, these records were discontinued as from 13th September, 1910, and the latest published statements were for the year 1909. Later, the Governments of Western Australia and Tasmania revived the records, and relevant statistics are available again for those States.

At the Conference of Statisticians held in January, 1928 it was resolved that efforts should be made in other States to record the interstate movement of certain principal commodities.

The Government Statist for South Australia publishes some figures for that State, made up from the records of Western Australia and Tasmania and from various other sources. Since February, 1940 statistics in some detail have been collected by the Government Statistician of Queensland. The statistics of interstate trade for New South Wales and Victoria are very meagre. The Melbourne Harbour Trust publishes, in its annual report, the quantities of various commodities of interstate trade loaded and discharged in the Port of Melbourne. The trade with individual States is not disclosed.