

## CHAPTER XIII.

### TRADE.

NOTE.—Because of the limitations of space, the statistics in this chapter are in the main restricted to summarized form. For details of imports and exports, reference should be made to the annual bulletins on *Oversea Trade* (preliminary and final), *Australian Exports*, and *Imports Cleared for Home Consumption*. Current information on overseas trade is contained in the *Quarterly Summary of Australian Statistics*, the *Monthly Review of Business Statistics*, the *Digest of Current Economic Statistics*, the *Monthly Bulletin of Oversea Trade Statistics*, and a preliminary monthly statement on *Australian Oversea Trade*. The *Australian Balance of Payments* (mimeograph statement) contains detailed information on this subject, and there are also the following additional mimeograph statements:—*Exports of Wool* (monthly), *Trade of Australia with the United Kingdom* (half-yearly), *Trade of Australia with Eastern Countries* (annually), and *Monthly Index of Australian Export Prices*.

#### § 1. 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 pp. 18–19*).

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

1. *General*.—The principal Acts affecting overseas trade at present in force are: The Customs Act 1901–1960; Customs Tariff 1933–1960; Customs Tariff (Canadian Preference) 1960; Customs Tariff (Industries Preservation) Act 1921–1957; Customs Tariff (New Zealand Preference) 1933–1960; Customs Tariff (Papua and New Guinea Preference) 1936–1959; Customs Tariff (Federation of Rhodesia and Nyasaland Preference) 1960; Customs Tariff (Primage Duties) 1934–1958; Trading with the Enemy Act 1939–1957.

The Customs Act is the administrative Act under which the Department of Customs and Excise operates, while the Customs Tariffs provide the statutory authority for imposing the actual rates of duty 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 1933–1960.

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 that such goods comply with the laws and statutory regulations in force at the time 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 1901–1960 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 75 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 25 per cent. (or 50 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.

With the exception of a relatively small number of commodities which carry special rates of duty, the British Preferential Tariff has also been extended, as a result of separate trade agreements, to Canada and New Zealand and by tariff legislation to the Territory of Papua and New Guinea, and the abovementioned preference conditions apply *mutatis mutandis* to each of those countries, except that in respect of New Zealand the percentage content of goods under clause (b) of the said conditions is 50 per cent. of New Zealand and Australian labour and materials or 75 per cent. of New Zealand and United Kingdom or of New Zealand, Australian and United Kingdom labour and materials. In relation to specified goods, the British Preferential Tariff also applies to Ceylon, Ghana, the Federation of Malaya, Singapore, the Federation of the West Indies, and 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) and countries which accord Australia reciprocal most-favoured-nation tariff treatment by reason of agreements between those countries and the United Kingdom. The Intermediate Tariff has also been extended to some countries to which Australia has no formal obligation to accord most-favoured-nation treatment. The countries and the particular tariff items to which the Intermediate Tariff applies are specified by order made in pursuance of section 9A of the Customs Tariff 1933–1960.

(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.

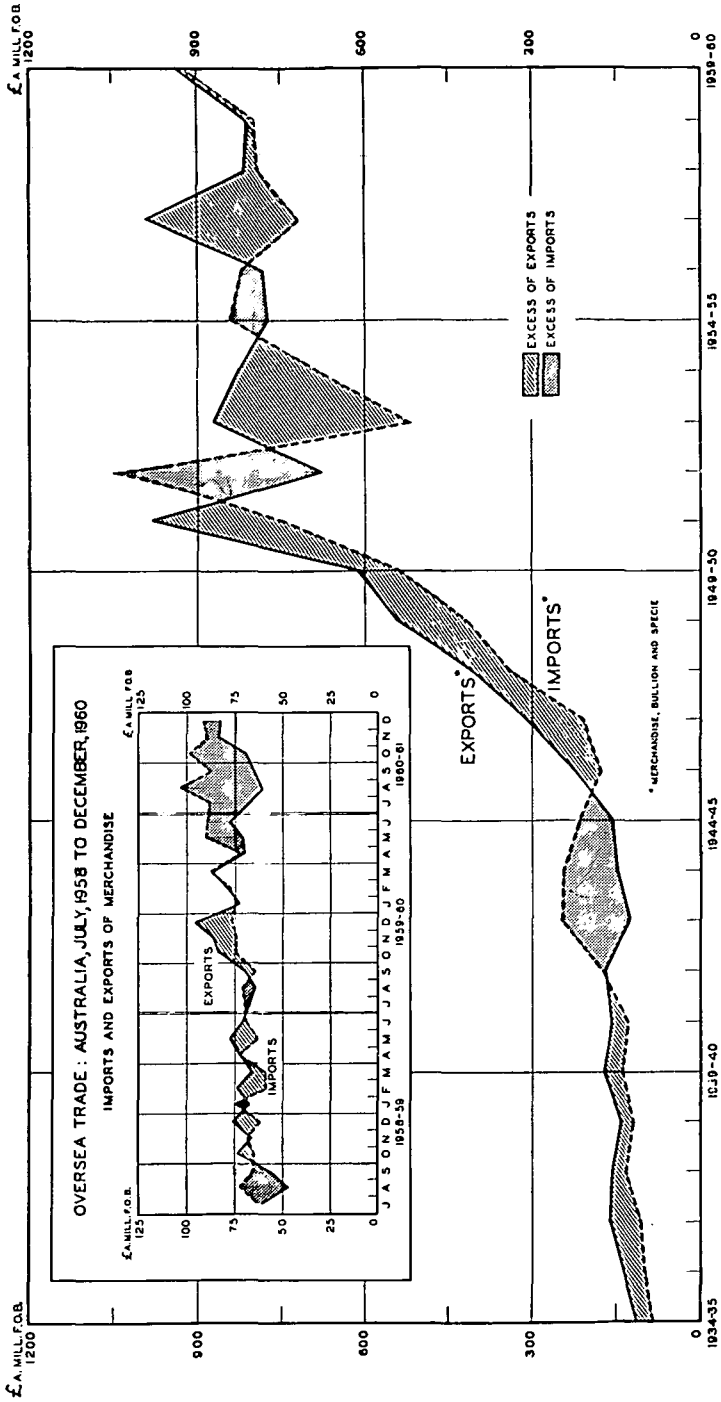
3. *Primage Duties.*—In addition to the duties imposed by the Customs Tariff, *ad valorem* primage duties at rates of 4 per cent., 5 per cent. or 10 per cent. are charged on some goods according to the type of goods and origin thereof under the Customs Tariff (Primage Duties) 1934–1958. Other goods are exempt from primage duty. Goods the produce or manufacture of New Zealand, Norfolk Island, Fiji, Cocos Islands, Christmas Island and the Territory of Papua and New Guinea are exempt from primage duty.

4. *Tariff Board.*—The Tariff Board Act 1921–1960 provides for the appointment of a Tariff Board consisting of eight members, two, but not more than three, of whom shall be officers of the Commonwealth Public Service. Members of the Board are appointed for terms of not less than one year and not more than five years. The purpose of the Tariff Board is to advise the Government on matters relating to the protection and encouragement of Australian industry and to the Customs and Excise Tariffs.

The Chairman of the Board has the duty of ensuring the efficient and orderly conduct of the business of the Board. Provision is made for the appointment of two Deputy Chairmen to whom the Chairman may delegate his powers, duties and functions under the Act.

The more important matters which the Minister of State for Trade shall refer to the Board for inquiry and report include:—the necessity for new, increased, or reduced duties; the necessity for granting bounties and the effect of existing bounties; any proposal for the application of the British Preferential Tariff or the Intermediate Tariff to any part of the British Commonwealth 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. In addition, the Minister may refer the following matters to the Tariff Board for inquiry and report:—the general effect of the working of the Customs Tariff and the Excise Tariff; the fiscal and industrial effects of the Customs laws on the Commonwealth; the incidence between the rates of duty on raw materials and or finished or partly finished products; and other matters affecting the

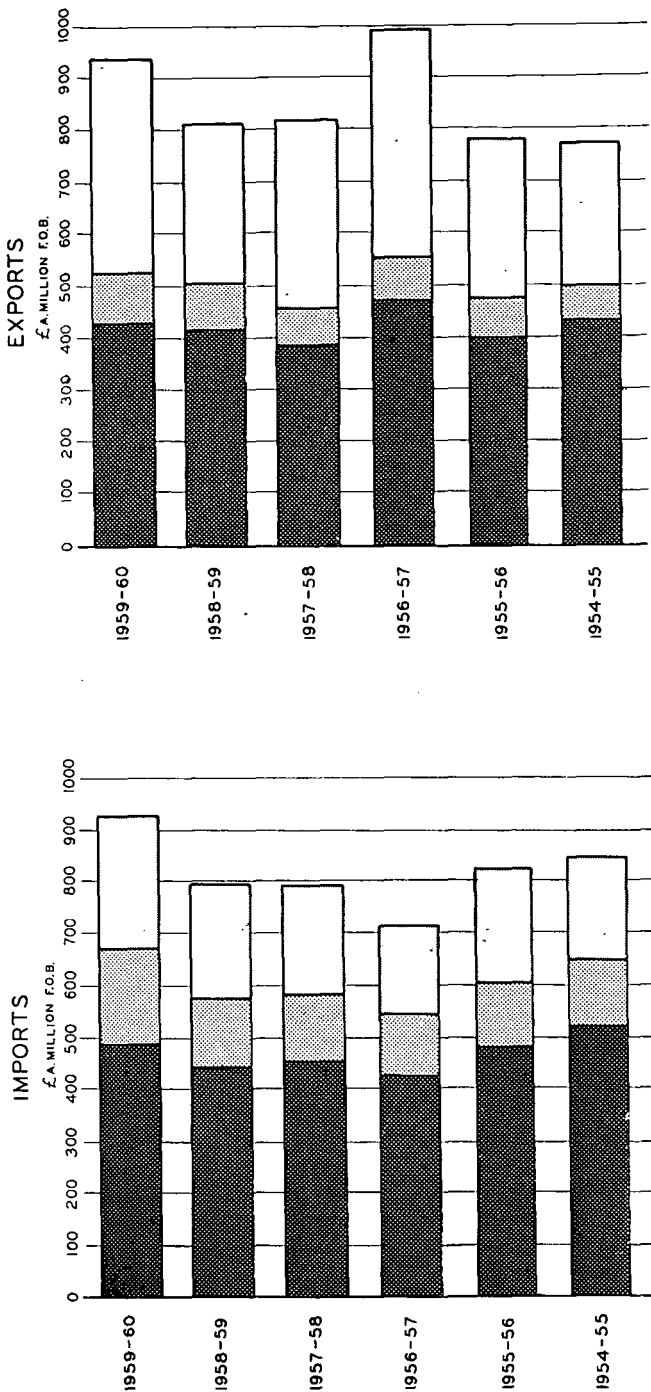
## OVERSEA TRADE : AUSTRALIA, 1934-35 to 1959-60



# OVERSEA TRADE ACCORDING TO MONETARY GROUPS

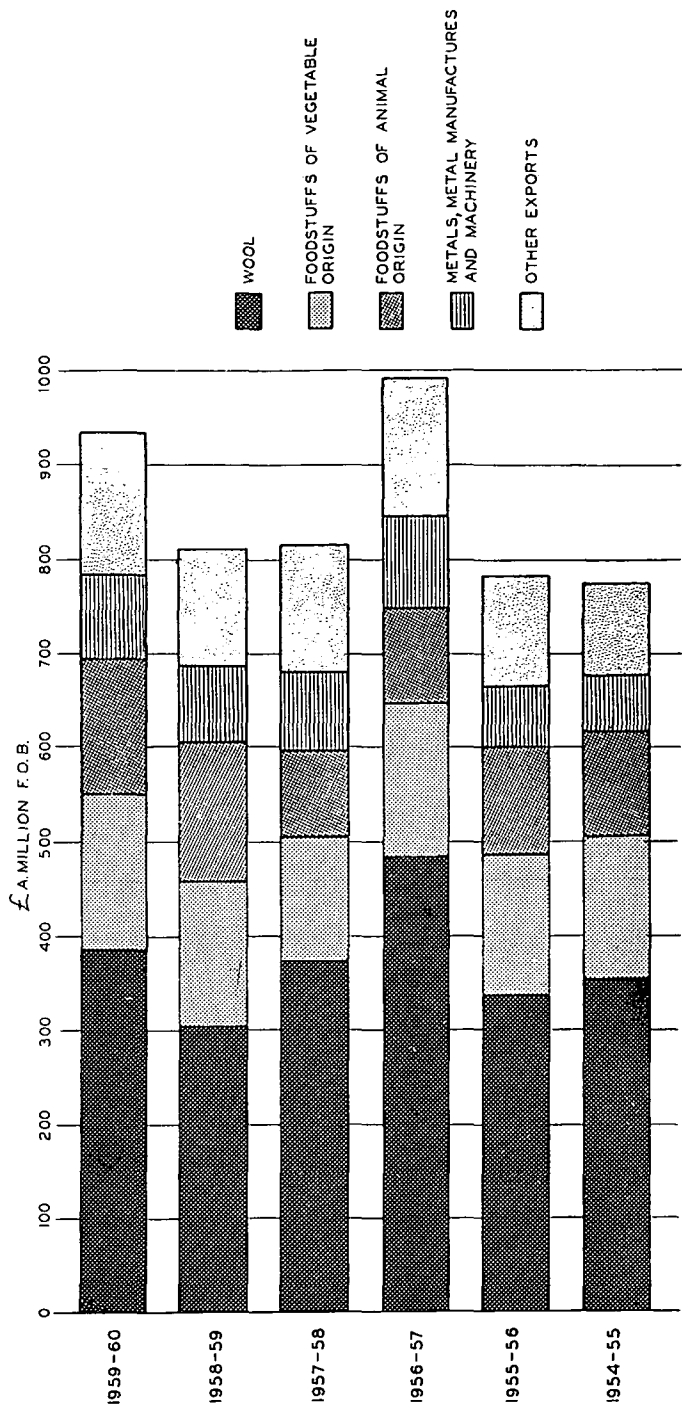
AUSTRALIA, 1954-55 TO 1959-60

STERLING AREA
  DOLLAR AREA
  OTHER NON-STERLING AREAS

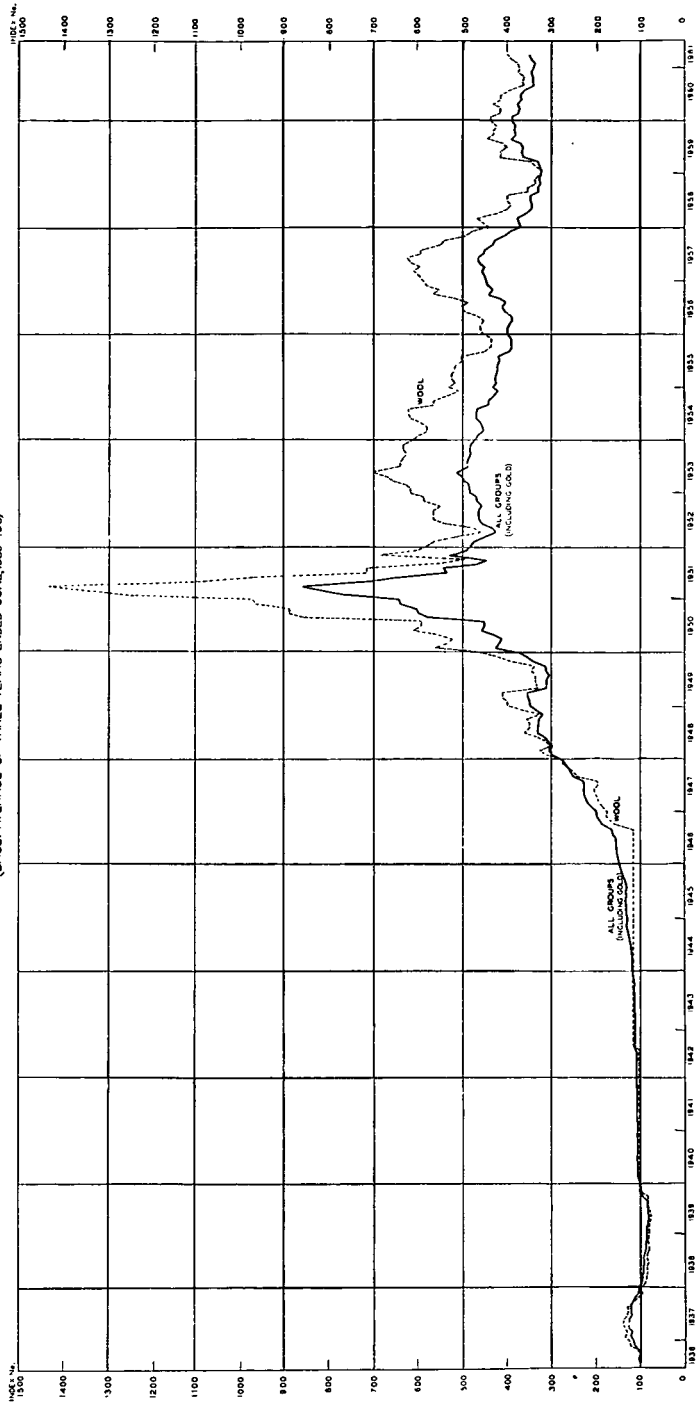


# EXPORTS OF PRINCIPAL COMMODITIES

AUSTRALIA, 1954-55 TO 1959-60



EXPORT PRICE INDEX NUMBERS: AUSTRALIA, 1936 TO 1961  
 SIMPLE AGGREGATIVE INDEX: FIXED WEIGHTS  
 (BASE: AVERAGE OF THREE YEARS ENDED JUNE, 1939=100)



encouragement of primary and secondary industries in relation to the Tariff. The Minister of State for Customs and Excise may refer to the Tariff Board for inquiry and report the following matters:—the classification of goods in the Customs Tariff or Excise Tariff and any matter in connexion with the interpretation of these Tariffs; the question of the value for duty of goods; whether goods not prescribed in departmental by-laws should be so prescribed; and any matters in respect of which action may be taken under the Customs Tariff (Industries Preservation) Act 1921–1957.

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 1921–1957 shall be taken in public on oath.

During 1960, new legislation was introduced to enable temporary duties to be imposed in cases where urgent action is necessary to protect an Australian industry against imported goods. Under the amended Tariff Board Act, the Minister for Trade may request the Chairman of the Board to arrange for a Deputy Chairman to inquire into cases where urgent action may be necessary pending receipt and consideration of a full report by the Board. The Deputy Chairman's report must be submitted to the Minister within thirty days of the making of the request. Temporary duties recommended by a Deputy Chairman may be imposed but can only operate for a period of up to three months after the date of receipt of the final report by the Tariff Board on the goods concerned.

**5. Industries Preservation.**—The Customs Tariff (Industries Preservation) Act 1921–1957 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 an amount equal to the difference between the freight paid and the freight which would have been payable at the normal rate. In respect of goods exported to Australia upon which a subsidy, bounty or other financial assistance is paid or given directly or indirectly upon the production, manufacture, carriage or export of those goods, a countervailing duty shall be collected equal to the amount of the subsidy, bounty or other financial assistance.

Special duties may also be collected if dumped or subsidized goods are imported to the detriment of the trade in the Australian market of a third country.

The Act also provides for the collection of an emergency duty on goods which enter Australia under conditions which cause or threaten serious injury to Australian industries or to industries in a third country whose exports enter Australia under preferential tariff. The amount of emergency duty payable is the equivalent of the difference between the landed duty-paid cost of the goods and a reasonably competitive landed duty-paid cost.

The Act provides that the Minister for Customs and Excise may publish a notice in the *Gazette* specifying the goods upon which the special emergency duties 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.**—*Customs (Import Licensing) Regulations.* A comprehensive system of import licensing was introduced in Australia at the beginning of the second World War under the authority of the Customs (Import Licensing) Regulations, being Statutory Rules 1939, No. 163, issued under the Customs Act 1901–1936.

Between 1939 and 1945, licensing controls on imports from both sterling and non-sterling sources were progressively intensified. With the end of the War, it was possible to relax the restrictions progressively and by March, 1952, goods from the non-dollar area (excluding Japan for which special provisions applied until July, 1957) were virtually free from import licensing controls.

During the financial year 1951–52, following a fall in the price of wool and a large increase in the volume of imports, Australia incurred a substantial deficit in overall payments 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.

The extension of the restrictions on 8th March, 1952, was made under the authority of the above regulations, which had continued in force after the war. Those regulations were subsequently replaced by new Customs (Import Licensing) Regulations made under the Customs Act 1901–1954 on 16th December, 1956. The new Regulations continued to provide, *inter alia*, that the importation of any goods (not being goods which are excepted from the application of the Regulations) is prohibited unless—

- (a) a licence under these Regulations to import the goods is in force; and
- (b) the conditions and restrictions (if any) to which the licence is subject are complied with.

The object of import licensing has been to limit the rate of imports to a ceiling figure, determined by the Government, in order that payments for imports do not involve an excessive drawing on Australia's overseas exchange reserves. To achieve the financial objectives of the controls, imports were divided into a number of categories to which special licensing treatment was accorded (largely by the establishment of quotas for individual importers within each category). In general, the nature of goods and their relative essentiality to the Australian economy were taken into account in determining the licensing rate for particular goods.

Since March, 1952, import restrictions have been relaxed or intensified broadly in line with changes in Australia's balance of payments position.

The import controls have been administered without discrimination as to country of origin, with the exception of those relating to imports from Japan and the Dollar Area. The special restrictions against Japanese imports were removed in July, 1957, and in recent years Australia progressively removed discrimination against imports from the Dollar Area. By January, 1960, approximately 95 per cent. of total imports were not subject to dollar discrimination.

In accordance with the principle of relaxing and removing controls in the light of developments in Australia's balance of payments position, large-scale licensing changes involving an almost complete abolition of controls were made as from 23rd February, 1960. As a result of these changes, some 90 per cent. of total imports were exempted from control. On 1st April, 1960, timber was also added to the exempt list, and following the exemption from control of motor vehicles of North American origin as from 1st October, 1960, there is now no discrimination as to country of origin in the administration of import controls.

Licensing was retained, on the bulk of the items which remain under control, for the purpose of providing licensing statistics, which have been very useful in the administration of the Japanese Trade Agreement. They will remain under control until, after consultation with industry and commerce, suitable alternative arrangements can be made.

A few other items for which special problems exist will be removed from control when the problems associated with them have been resolved.

In respect of most of the items which continue to be licensed, provision was also made under the recent relaxations for licensing at a higher rate.

The Government has announced its intention of removing this remaining element of licensing control as soon as possible.

The retention of control over a small field of trade does not imply any departure from the Government's policy of using the Customs Tariff and the Tariff Board machinery as the normal method of protecting economic and efficient Australian industries from import competition.



The administration of the import controls is the responsibility of the Department of Trade, although the actual issue of import licences is a function of the Department of Customs and Excise at the various ports of the Commonwealth.

8. **Export Controls.**—(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 this export control are listed in the Customs (Prohibited Exports) Regulations.

(ii) *Exchange—Banking Act 1959.* 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 Reserve Bank of Australia. This action is complementary to that taken under other parts of the Banking (Foreign Exchange) Regulations and under Part IV. of the *Banking Act 1959* to control the movement out of Australia of capital in the form of securities, currency and gold.

Export licences are issued subject to terms and conditions specified in the Banking (Foreign Exchange) Regulations and may be subject to such further terms and conditions as are determined or may be free from terms and conditions. On the receipt in Australia by the Reserve Bank, or by a bank acting as agent for that Bank, of advice that the foreign currency has been paid to the Reserve 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 involving exports, movements of personal effects are also 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 £A125, 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 original United Kingdom and Australia Trade Agreement (Ottawa Agreement) was signed on 20th August, 1932. Under this agreement, Australia secured preferences in the United Kingdom market for a wide range of Australian export commodities, and in return incurred obligations in respect of tariff levels and the grant of preference to United Kingdom goods.

A new Trade Agreement, designed to replace the original agreement and correct the unbalance in benefits which had emerged in the 25 years of its operation, was signed in Canberra on 26th February, 1957. Briefly, the new agreement preserved security for Australian exports in the United Kingdom market, but lowered the obligatory margins of preference which Australia extends to the United Kingdom.

(ii) *Canada.* The existing agreement between Australia and Canada came into force on 30th June, 1960, replacing an agreement signed on 3rd August, 1931. The agreement provides for Australian goods to receive British Preferential Tariff rates, or better, upon entry into Canada and for Canada to maintain margins of preference in favour of Australia on a range of commodities. With some exceptions, the agreement specifies that Canadian goods shall receive the benefit of the British Preferential Tariff upon importation into Australia. The agreement continues in force until either country gives six months notice of termination.

(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) 1933-1959 gives legislative effect to the provisions of the agreement.

(iv) *Federation of Rhodesia and Nyasaland.* During June, 1955, a trade agreement was negotiated with the Federation. Australia's principal undertaking was to grant an exclusive tariff preference to the Federation on unmanufactured tobacco, a concession formerly accorded only to Southern Rhodesia, under a trade agreement now terminated. The Federation accorded preferential tariff treatment on a wide range of Australian export products, including wheat and powdered and condensed milk.

(v) *Federation of Malaya.* A trade agreement with the Federation was signed on 26th August, 1958, and came into force immediately. The agreement gives an assurance that Australia's traditional flour trade will be protected from subsidized or dumped competition. An undertaking is given that any tariff preferences Malaya accords will be extended also to Australia. Australia guaranteed free entry for natural rubber so long as the Papua-New Guinea crop is absorbed, and assured the Federation that natural rubber would not be at a disadvantage compared with synthetic rubber in respect of tariff or import licensing treatment.

(vi) *Japan.* An Agreement on Commerce between the Commonwealth of Australia and Japan was signed on 6th July, 1957, in Japan. Formal ratification took place in Canberra on 4th December, 1957, following approval of the agreement by the Commonwealth Parliament and the Japanese Diet. The agreement will remain in force until 5th July, 1960, and thereafter unless prior notice of termination is given by either Government.

The agreement provides that each country shall extend most-favoured-nation treatment to the other in respect of customs duties and similar charges and import and export licensing. Japan will not be entitled to claim the benefit of preferences accorded by Australia to Commonwealth countries and dependent territories.

All Japanese goods are now entitled to the most-favoured-nation rate of duty on importation into Australia, whereas previously the general rate applied. The reductions involved have not been significant.

Australia received certain specific undertakings. Japan agreed:—

- (a) To accord Australian wool the opportunity of competing in the global quota for wool for not less than 90 per cent. of the total foreign exchange allocation for wool each year and not to restrict the total foreign exchange allocation for wool beyond the extent necessary to safeguard Japan's external financial position and balance of payments;
- (b) to take no action to vary the present level of duty on wool imports from Australia—initially for a period of three years from date of signature but subsequently extended;
- (c) to admit Australian wheat and barley on a competitive and non-discriminatory basis;
- (d) to accord Australian sugar the opportunity of competing for not less than 40 per cent. of the total foreign exchange allocation for sugar;
- (e) to include Australia as a permitted source of supply for beef tallow and cattle hides on the Automatic Approval (licensing) list;
- (f) to admit Australian dried skim milk on a competitive and non-discriminatory basis;
- (g) to make reasonable provision for the import of Australian dried vine fruits (raisins, currants and sultanas) in each year of the three-year period.

It was agreed that before the end of the initial three-year period of the agreement the two Governments would explore the possibility of applying the General Agreement on Tariffs and Trade between the two countries. Preliminary discussions on this and other aspects of the Agreement took place in Tokyo in October, 1960.

Provision exists for either country to suspend obligations under the agreement to the extent and for such time as may be necessary to prevent serious injury to domestic producers as a result of imports of like or directly competitive products from the other country.

(vii) *Federal Republic of Germany.* This agreement was signed in October, 1959, and is operative for the period July, 1959, to December, 1961, although there is provision for it to be extended beyond that date, if agreed to by both countries. Under the agreement, annual import quotas are provided for Australian wheat, coarse grains, frozen and canned meat, fruits preserved in sugar, canned tropical fruit and wine.

The agreement also provides for Australia to be included in all global tenders for whole and skim milk powder, butter, cheese, apples, pears, canned fruits, jam and casein.

The Agreed Minute on the export of flour from the Federal Republic of Germany to certain traditional Australian flour markets was also signed in October, 1959. The Agreed Minute is valid for the two years 1960 and 1961, with provision for extension.

(viii) *Indonesia.* This agreement came into operation on 1st July, 1959. It records the desirability of expanding trade between Australia and Indonesia. It also gives special recognition to the importance of the flour trade from Australia to Indonesia.

(ix) *Other Countries.* Australia has entered into bilateral agreements with South Africa, Brazil, Czechoslovakia, France, Greece and Switzerland. Summaries of the texts of these agreements were given in earlier issues of the Official Year Book. In 1951, Australia entered into a trade agreement with Israel under which each country undertook to accord most-favoured-nation tariff treatment to imports from the other. A similar agreement with Iceland was concluded in 1952.

(x) *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 is one of the original contracting parties to the General Agreement on Tariffs and Trade.

The objectives of the G.A.T.T. include the expansion of world trade and the raising of living standards throughout the world. Its members work towards these objectives by the reduction of tariffs and other barriers to trade and of discrimination between countries through negotiations on a reciprocal and mutually advantageous basis. The essential features of the G.A.T.T. are the schedules of tariff concessions which its members have agreed to apply in tariff negotiations with each other, the application of most-favoured-nation treatment among its members, the avoidance of trade discrimination, and a code of agreed commercial policy rules for fair international trading.

G.A.T.T. is at present being applied pursuant to the Protocol of Provisional Application under which its members apply the commercial policy rules (contained in Part II. of the Agreement) to the fullest extent consistent with legislation existing at the time of becoming members.

Four 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 negotiations by other countries—in the latter case benefits occur through the operation under the Agreement of the most-favoured-nation principle. Preparations have been made for a fifth round of tariff negotiations to commence in 1961.

In 1954–55, some of the provisions of the G.A.T.T. were revised. The revised G.A.T.T. contains tighter provisions on non-tariff barriers to trade. These barriers are in many respects more significant for some of the export items of interest to Australia. The revised G.A.T.T. also gives more freedom for countries like Australia to revise individual tariff items which had been "bound" against increase in tariff negotiations conducted under the G.A.T.T. In 1958, a Committee was set up to examine problems of expansion of trade in agricultural products.

There are at present (May, 1961) 38 Contracting Parties to the Agreement comprising most of the world's larger trading nations, and a further 8 countries are seeking accession or have some provisional association with the G.A.T.T. The Contracting Parties periodically hold plenary sessions to deal with the questions arising out of the administration of the Agreement. The 17th Session was held in Geneva in October and November, 1960. The 18th Session will be held in May, 1961. A permanent Council has been set up to deal with urgent business arising between sessions and to give preliminary consideration to work arising at the sessions.

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

1. **Preferential Tariff of the United Kingdom.**—A brief summary of the preferential tariff of the United Kingdom in the years prior to 1931 was published in Official Year Book No. 43, page 328.

By 1931, 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 were those on sugar, dried fruit, 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. While 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 could 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.

In 1947, the United Kingdom and Australia adhered to the General Agreement on Tariffs and Trade, which prohibits increases in tariff preferences by either country. This rule, as is the case with the other provisions of the General Agreement, may be waived by a two-thirds majority of the signatories to the agreement.

2. **The Australia-United Kingdom Trade Agreement.**—The provisions and history of the original Australia-United Kingdom Agreement (Ottawa Agreement) were published in Official Year Book No. 43, page 329.

The major provisions of the current agreement (signed in Canberra on 26th February, 1957) which affect Australia's position in the United Kingdom market are as follows:—

- (a) Continued free entry for those Australian goods in which Australia has an active trade interest, and which were accorded free entry immediately prior to the new agreement.
- (b) A guaranteed minimum margin of preference in the United Kingdom Tariff on all items so treated in the previous agreement plus an extension of this guarantee to several items on which the margin of preference, although

in force, was not bound to Australia. This latter group comprised currants, egg powder and egg pulp, jam, rice, tomato juice, pineapple juice and coconut oil. A selection of the items on which Australia receives a bound margin of preference and the extent of that preference is as follows (all values in sterling):—Butter (15s. a cwt.); cheese (15 per cent. *ad val.*); canned peaches, pears and apricots (12 per cent. *ad val.*); raisins (8s. 6d. a cwt.); eggs in shells (1s. to 1s. 9d. a great hundred (10 dozen)); milk powder (6s. a cwt.); sweetened condensed milk (5s. a cwt.); apples (4s. 6d. a cwt. in season); honey (5s. a cwt.); flour (10 per cent. *ad val.*); light wine (2s. a gallon); heavy wine (10s. a gallon at present duty rate).

- (c) All rights under the Ottawa Agreement in respect of meat are maintained.
- (d) Australia receives an assured wheat market of at least 750,000 tons f.a.q. wheat or flour equivalent annually. Any Australian high-protein wheat sold to the United Kingdom is not counted against this obligation.
- (e) There is provision for full consultation between the two Governments on such matters as agricultural production and marketing, transport and communication, the disposal of surpluses and restrictive business practices.
- (f) The two Governments declared their intention to introduce legislation which will enable them to impose anti-dumping or countervailing duties where material injury is caused or threatened to the other party.
- (g) The agreement shall be the subject of re-negotiation between the two Governments in 1961.

3. Recent Developments affecting the Operation of the Trade Agreement.—The effect of increases in commodity prices in the post-war period has been to reduce the effective value of those preference margins which are expressed in terms of British currency ("specific margins"). The commodities affected are butter, eggs, canned apples, loganberries, pineapples, tropical fruit salad, raisins, dried apricots, sugar, lactose, and wines. The following table shows, for selected items, how the *ad valorem* incidence of specific preference margins originally negotiated in 1932 and rebound in the 1957 agreement has been reduced by increases in the average value of the commodities on which they are granted.

#### IMPERIAL PREFERENCE: CHANGES IN VALUE OF PREFERENCES.

*Ad Valorem Incidence of Specific Preferences Received by Australia in the United Kingdom.*

Commodity.	Preference Margin.	Ad Valorem Incidence.(a) (Per cent.)					
		1938.	1947.	1954.	1956.	1958.	1959.
Sugar, raw ..	£3 14s. 8d. a ton ..	35.8	12.2	9.4	8.7	10.5	11.8
Butter ..	15s. a cwt. ..	13.3	7.6	4.3	4.6	6.5	4.5
Canned pineapple ..	5s. a cwt. ..	21.4	5.5	2.9	3.5	4.3	4.8
Currants ..	2s. a cwt. ..	7.2	2.8	2.4	1.8	1.8	1.8
Raisins ..	10s. 6d. a cwt. to 1947; 8s. 6d. a cwt. from 1948	31.2	13.1	9.7	8.0	6.2	6.2
Honey ..	7s. a cwt. to 1938; 5s. a cwt. from 1939	19.0	6.8	5.4	3.8	4.8	5.1
Milk, dried, whole ..	6s. a cwt. ..	8.7	4.7	2.9	3.1	3.2	3.3
Milk, dried, skim ..	6s. a cwt. ..	20.1	7.4	7.0	7.3	8.6	7.6
Apples ..	4s. 6d. a cwt. ..	26.4	9.9	5.9	5.4	4.8	5.8
Pears ..	4s. 6d. a cwt. ..	19.5	6.7	5.3	4.9	5.1	5.4

(a) The *ad valorem* incidence of a preference is calculated by expressing the specific margin of preference (in £ sterling a cwt., a ton, etc.) on a particular commodity as a percentage of the average unit value (in £ sterling a cwt., a ton, etc.) of United Kingdom imports of that commodity from all sources in the year concerned.

#### § 4. Trade Commissioner Service.

The stimulation of interest abroad in Australia's exports is an important Government activity in which the Australian Trade Commissioner Service plays a prominent part. The origin of the Service dates back to 1921, when the first Trade Commissioner was appointed to Shanghai. In the following year, a second Commissioner was appointed to Singapore. These appointments, however, were terminated shortly afterwards.

In 1929, a Trade Commissioner post was opened at Toronto. Wellington was opened five years later. The Trade Commissioners Act 1933 provided for the establishment of an Australian Government Trade Commissioner Service. In 1935, official trade representation was established at Batavia (now Djakarta), Shanghai and Tokyo. Cairo, New York and Calcutta posts were opened between 1937 and 1939 and the Singapore post was established in 1941.

After the War, the service increased steadily to take care of Australia's expanding export interests and the growing diversity of our export commodities; by October, 1960, there were 33 Trade Commissioner posts in 24 countries, new posts having been opened in Accra (Ghana), August, 1960, Nairobi, February, 1960, and Cairo, October, 1960. With the continuing need to take advantage of new markets, the opening of a number of new posts is being considered.

In 1957, Australia's official commercial representation overseas was extended by the introduction of a system of Government Trade Correspondents. These men, who as a rule already reside in particular centres overseas, are engaged on a part-time basis to carry out market research, arrange introductions between buyer and seller, and generally promote Australia's trade interests in the same way as Trade Commissioners. Each Trade Correspondent operates under the general direction of the nearest Trade Commissioner and acts as a point of local contact for him.

The first two Australian Trade Correspondents were appointed in 1957 at Montevideo (Uruguay) and Nairobi (Kenya). In 1958, four more were appointed at Nadi (Fiji), Honolulu, Mauritius and Mexico City. One additional appointment was made at Taiwan in 1960. Further limited expansion of this form of official commercial representation is contemplated. The Australian Trade Correspondent at Nairobi has been replaced by an Australian Government Trade Commissioner.

Trade Commissioners and, to a lesser extent, Trade Correspondents, are responsible for commercial intelligence in their territories. Particular facilities provided for Australian exporters and export organizations include the following:—

- (a) Surveys of market prospects;
- (b) Advice on selling and advertising methods;
- (c) Arranging introductions with buyers and agents;
- (d) Providing reports on the standing of overseas firms;
- (e) Advice and assistance to business visitors;
- (f) Helping to organize and carry through trade missions, trade displays, newspaper supplements and other promotion and publicity media;
- (g) Providing information on import duties, import licensing, economic conditions, quarantine and sanitary requirements and other factors affecting the entry and sale of goods.
- (h) Helping to attract desirable investment.

In some countries, Trade Commissioners also participate in inter-governmental negotiations in the economic and commercial fields. In certain countries where there is no diplomatic or consular mission (the Federation of West Indies, Hong Kong, the Federation of Rhodesia and Nyasaland, and Sweden), he is called upon to act as the Australian representative.

Trade Commissioners usually enter the Service from either the commercial world or the public service, and applications for entry into the Service are called for periodically by public advertisement. In the more important posts, it is the practice for the Trade Commissioner to share his duties with an Assistant Trade Commissioner, who is selected to be trained in the Service and qualify at a later stage for appointment as a Trade Commissioner. These staffing arrangements are designed to enable the Government to draw upon experienced and able executives in both private enterprise and the public service, and at the same time to build up a body of competent personnel to carry out a policy of vigorous expansion in the field of overseas trade.

The Trade Commissioner Service is administered by the Commonwealth Department of Trade (as distinct from the diplomatic and consular services, administered by the Department of External Affairs), but in countries where there is an Australian diplomatic or consular mission it is the practice for Trade Commissioners to be attached to the mission and to hold an appropriate diplomatic or consular rank (Commercial Counsellor, Commercial Secretary or Commercial Attaché).

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

### § 5. Export Payments Insurance Corporation.

The Export Payments Insurance Corporation Act No. 32 of 1956, established the Corporation with the objective of protecting Australian exporters against risks of loss arising from non-payment of their overseas accounts.

The Corporation is charged to be self-supporting, that is, over a period it is to operate at neither a profit nor a loss. It operates on principles similar to those of any other form of insurance, in as much as in return for payment of a premium the exporter can claim on the Corporation in the event of non-payment by his buyer for any of the reasons set out in his policy. There is no overlap with normal insurance facilities, since the Corporation does not cover risks which can normally be insured with commercial insurers.

The main risks of loss against which the Corporation insures are the "commercial" risks of the insolvency or protracted default of the buyer and "political" risks. The latter include exchange transfer delays; the imposition of Government regulations which prevent the import of goods into the buyer's country; war or revolution in the buyer's country; and generally any other cause not being within the control of the exporter or the buyer, and which arises from events occurring outside Australia. Prior to December, 1959, the Corporation could extend cover only to 85 per cent. for all types of risks insured. From that time, however, cover on the "political" risks was increased to a maximum of 90 per cent. for the amount of loss in the pre-shipment period and a maximum of 95 per cent. in the post-shipment period. The cover for "commercial" risks remains at 85 per cent.

The initial capital of the Corporation was £500,000 and the maximum liability limit of the Corporation was £25,000,000. In April, 1959, these limits were doubled to £1,000,000 and £50,000,000 respectively to enable the Corporation to meet fully the demands of the Australian exporters for this facility.

The Corporation itself does not provide finance for exporters, but the stated policy of the trading banks is that E.P.I.C. guarantees considerably reduce the risks involved in the export trade, and this can assist the exporter in obtaining such finance as he requires.

Since the first policy was issued in September, 1957, Australian exporters have made increasing use of the facilities of the Corporation. On 30th September, 1960, the Corporation had 143 policies current to the value of over £26,000,000—compared with 91 policies current to the value of £24,000,000 on 30th September, 1959. The Corporation has issued policies covering exports to over 100 countries, and has insured a wide range of Australian exports.

A Consultative Council of leading figures in the fields of insurance, commerce and industry has been appointed to advise the Corporation on its activities.

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

1. **Source of Statistics.**—Overseas trade statistics are compiled from documents obtained under the Customs Act 1901–1960 and supplied to this Bureau by the Department of Customs and Excise. Certain items are excluded for which customs entries are not required. See para. 7 (vii) Balance of Payments, page 493.

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. 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. Statistics of both are published by the Bureau, although greater emphasis is placed on general trade. The Statistical Office of the United Nations 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.

The tables which follow refer to general trade, except for those appearing in § 17, para. 2, which refer to imports cleared for home consumption.

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 1959–60 provided for over 2,500 import items and over 1,200 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 § 18 showing the total value of imports and exports in the calendar years 1956 to 1960 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*.

Section 154 (1) of the Customs Act 1901–1960 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
- (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 “transaction value (f.o.b.)” or “domestic value (f.o.b.)”, whichever is the higher. These values are f.o.b. port of shipment Australian currency.

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

- (a) 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).
- (b) 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 dispatched 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 the 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' and Aircraft Stores.* Prior to 1906, goods shipped in Australian ports on overseas vessels as ships' stores were included as exports. From 1906, ships' and subsequently aircraft stores have been specially recorded as such, and omitted from the tabulation of exports. A table showing the value of these stores shipped each year since 1955–56 is shown on page 506.

(ii) *Outside Packages.* Outside packages (containers, crates, etc.) have always been included as a separate item in the tabulation of imports, but, except for 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) *Migrants' Effects.* Migrants' effects are included in imports and exports.

(vii) *Balance of Payments.* Statistics relating to overseas trade do not measure Australia's total balance of payments during the periods shown. For items such as naval ships, merchant vessels trading overseas, aircraft for use on overseas routes, uranium, and certain materials for inter-governmental defence projects, no customs entries are recorded, but these transactions are taken into account in estimating the balance of payments. Particulars of other transactions entering into the balance of payments (in particular, freight and insurance charges payable overseas, current production of Australian gold, overseas payments of dividends, profits, interest and royalties, Government expenditure overseas, etc.) are shown in a printed bulletin published by the Commonwealth Statistician entitled *The Australian Balance of Payments, 1928–29 to 1951–52*. Estimates have been published in mimeographed form for the years 1951–52 to 1959–60. See also § 21, page 516.

**8. Countries to which Trade is Credited.**—(i) *Imports.* From 1st January, 1905, in addition to the record of the countries whence goods arrived directly 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.

(ii) *Exports.* In the export sections of tables in this chapter, "country" refers to country of consignment.

**9. Pre-Federation Records.**—In the years preceding Federation, each State recorded its trade independently 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. Imports and exports for years prior to Federation may be found in issues of the Official Year Book prior to No. 41. On the introduction of the Customs Act 1901, the methods of recording values were made uniform throughout the States.

## § 7. Total Oversea Trade.

1. **Including Gold.**—The following table shows the total trade (including gold) of Australia with overseas countries from 1901 to 1959–60. The period 1901 to 1950–51 has been divided into five-year periods, and the figures shown represent the annual averages for the periods specified. Figures for the individual years were published in Official Year Book No. 40 and earlier issues, but it should be borne in mind that the figures for imports in issues prior to No. 37 were 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.

## 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 to 1910 ..	46,825 (b)	69,336	116,161	+ 22,511	11.0	16.3	27.3
1911 to 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 to 1950–51	449,273	571,430	1,020,703	+ 122,157	57.2	72.7	129.9
1951–52.. ..	1,053,423	675,008	1,728,431	– 378,415	123.5	79.1	202.6
1952–53.. ..	514,109	871,272	1,385,381	+ 357,163	58.9	99.7	158.6
1953–54.. ..	681,609	828,332	1,509,941	+ 146,723	76.6	93.0	169.6
1954–55.. ..	843,742	774,164	1,617,906	– 69,578	92.8	85.2	178.0
1955–56.. ..	821,088	781,864	1,602,952	– 39,224	88.1	83.9	172.0
1956–57.. ..	718,991	992,906	1,711,897	+ 273,915	75.4	104.2	179.6
1957–58.. ..	791,940	817,946	1,609,886	+ 26,006	81.3	83.9	165.2
1958–59.. ..	796,599	811,463	1,608,062	+ 14,864	80.0	81.5	161.5
1959–60.. ..	926,393	937,682	1,864,075	+ 11,289	91.1	92.2	183.3

(a) The figures shown for the years 1901 to 1950–51 represent the annual averages for the periods covered. See text above. From 1914–15 onwards, the particulars relate to financial years. (b) Prior to 1906, ships' stores were included in exports. For the value of such goods shipped on overseas vessels and aircraft during each of the years 1955–56 to 1959–60, see table on p. 506.

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 fell to £160,719,000.

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.

A graph showing the overseas trade of Australia from 1934–35 to 1959–60 appears on page 479.

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.

## OVERSEA TRADE: AUSTRALIA.

(EXCLUDING GOLD.)

Year.	Value. (£'000.)			Value per Head of Population.(£)		
	Imports.	Exports.	Total.	Imports.	Exports.	Total.
1955-56.. ..	818,343	773,540	1,591,883	87.9	83.0	170.9
1956-57.. ..	716,720	978,679	1,695,399	75.2	102.6	177.8
1957-58.. ..	789,308	811,594	1,600,902	81.0	83.3	164.3
1958-59.. ..	794,422	808,184	1,602,606	79.8	81.2	161.0
1959-60.. ..	923,870	927,471	1,851,341	90.8	91.2	182.0

## § 8. Direction of Oversea Trade.

1. **According to Countries.**—(i) *Values.* The following table shows the value of Australian imports and exports during each of the years 1957-58 to 1959-60, according to country of origin or consignment respectively.

## COUNTRIES OF ORIGIN OR CONSIGNMENT OF AUSTRALIAN IMPORTS AND EXPORTS.

(EXCLUDING GOLD.)

(£'000.)

Country.	Imports.			Exports.		
	1957-58.	1958-59.	1959-60.	1957-58.	1958-59.	1959-60.
<i>Commonwealth Countries—</i>						
United Kingdom .. ..	325,007	307,436	329,902	221,406	256,935	237,946
Australian Territories ..	8,717	10,420	11,226	16,661	16,698	18,236
Canada .. ..	23,046	23,173	29,653	14,133	16,460	13,905
Ceylon .. ..	8,772	10,457	11,238	5,939	5,899	7,711
India .. ..	23,416	21,005	18,180	11,689	10,080	16,219
Malaya, Federation of ..	10,708	11,482	17,828	11,420	13,167	12,681
New Zealand .. ..	12,372	12,219	15,319	55,402	49,603	54,273
Singapore .. ..	912	1,322	1,560	12,548	9,855	10,948
Other Commonwealth Countries	37,550	39,810	47,274	41,406	43,236	47,832
<i>Total, Commonwealth Countries</i>	<i>450,500</i>	<i>437,324</i>	<i>482,180</i>	<i>390,604</i>	<i>421,933</i>	<i>419,751</i>
<i>Foreign Countries—</i>						
Arabian States .. ..	29,289	29,467	36,490	2,614	2,852	2,597
Belgium-Luxembourg ..	6,543	6,731	8,470	28,111	23,571	24,296
France .. ..	10,333	11,724	13,743	69,841	46,661	60,325
Germany, Federal Republic of	41,516	42,954	53,869	33,128	28,905	38,333
Indonesia .. ..	28,089	31,475	29,438	4,051	2,137	3,221
Italy .. ..	10,768	9,720	13,011	46,344	32,244	46,574
Japan .. ..	23,815	29,949	41,533	102,717	102,311	134,674
Netherlands .. ..	11,073	12,978	18,682	5,622	8,468	5,856
Sweden .. ..	11,700	12,229	14,286	4,014	2,677	2,146
United States of America ..	104,453	108,503	149,631	45,366	60,725	75,927
Other Foreign Countries ..	60,659	60,806	61,738	73,554	70,216	107,959
<i>Total, Foreign Countries</i>	<i>338,238</i>	<i>356,536</i>	<i>440,891</i>	<i>415,362</i>	<i>380,767</i>	<i>501,908</i>
<i>Country unknown</i> .. ..	<i>570</i>	<i>562</i>	<i>799</i>	<i>5,628</i>	<i>5,484</i>	<i>5,812</i>
<i>Total</i> .. ..	<i>789,308</i>	<i>794,422</i>	<i>923,870</i>	<i>811,594</i>	<i>808,184</i>	<i>927,471</i>

(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 exports during the years 1957-58 to 1959-60 may be obtained from the following table.

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

(EXCLUDING GOLD.)

(Per Cent. of Total.)

Country.	Imports.			Exports.		
	1957-58.	1958-59.	1959-60.	1957-58.	1958-59.	1959-60.
<i>Commonwealth Countries—</i>						
United Kingdom .. ..	41.18	38.70	35.70	27.28	31.79	25.65
Australian Territories ..	1.00	1.31	1.21	2.05	2.07	1.97
Canada .. ..	2.92	2.92	3.21	1.74	2.04	1.50
Ceylon .. ..	1.11	1.32	1.22	0.73	0.73	0.83
India .. ..	2.97	2.64	1.97	1.44	1.25	1.75
Malaya, Federation of ..	1.36	1.45	1.93	1.41	1.63	1.37
New Zealand .. ..	1.57	1.54	1.66	6.83	6.14	5.85
Singapore .. ..	0.11	0.17	0.17	1.55	1.22	1.18
Other Commonwealth Countries	4.86	5.00	5.12	5.10	5.34	5.16
<i>Total, Commonwealth Countries</i>	<i>57.08</i>	<i>55.05</i>	<i>52.19</i>	<i>48.13</i>	<i>52.21</i>	<i>45.26</i>
<i>Foreign Countries—</i>						
Arabian States .. ..	3.71	3.71	3.95	0.32	0.35	0.28
Belgium-Luxembourg ..	0.84	0.85	0.91	3.46	2.92	2.62
France .. ..	1.30	1.48	1.49	8.61	5.77	6.50
Germany, Federal Republic of	5.26	5.41	5.83	4.08	3.58	4.13
Indonesia .. ..	3.56	3.96	3.19	0.50	0.26	0.35
Italy .. ..	1.36	1.22	1.41	5.71	3.99	5.02
Japan .. ..	3.02	3.77	4.49	12.66	12.66	14.52
Netherlands .. ..	1.40	1.63	2.02	0.69	1.05	0.63
Sweden .. ..	1.48	1.54	1.55	0.49	0.33	0.23
United States of America ..	13.23	13.66	16.20	5.59	7.51	8.19
Other Foreign Countries ..	7.69	7.65	6.68	9.07	8.69	11.64
<i>Total, Foreign Countries</i>	<i>42.85</i>	<i>44.88</i>	<i>47.72</i>	<i>51.18</i>	<i>47.11</i>	<i>54.11</i>
<i>Country unknown</i> .. ..	<i>0.07</i>	<i>0.07</i>	<i>0.09</i>	<i>0.69</i>	<i>0.68</i>	<i>0.63</i>
<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>

2. According to Monetary Groups.—The following table shows the trade of Australia according to monetary groups during the years 1958-59 and 1959-60.

The sterling group includes the United Kingdom, its colonies and dependencies, all other countries of the British Commonwealth (except Canada and the New Hebrides Condominium) and certain non-British countries of which the most important are Burma, Bahrain Islands, other Arabian States (excluding Saudi Arabia and Yemen), and Iceland.

The dollar group comprises the United States of America and dependencies, Canada, Mexico, other Central American countries, Bolivia, Colombia, Ecuador, Venezuela, the Philippines and Liberia.

The E.E.C. (European Economic Community) group consists of Belgium-Luxembourg, France, Italy and the Netherlands together with their associated states and dependencies, and the Federated Republic of Germany. Prior to 1958-59 this group was included in the O.E.E.C. group.

The O.E.E.C. group in the following table comprises non-sterling members of the Organization for European Economic Co-operation, namely Norway and Portugal and their dependencies, Austria, Denmark, Greece, Spain, Sweden, Switzerland and Turkey.

Of the remaining countries grouped under "other non-sterling", the more important as regards trade with Australia are Czechoslovakia, Finland, Poland, the Union of Soviet Socialist Republics, Egypt, Iran, Saudi Arabia, Japan, Indonesia, Thailand, Brazil and Chile.

**OVERSEA TRADE OF AUSTRALIA ACCORDING TO MONETARY GROUPS.**  
(INCLUDING GOLD.)  
(£'000.)

Monetary Group.	1958-59.	1959-60.
<b>STERLING.</b>		
<b>Imports—</b>		
From—United Kingdom .. .. .	307,437	329,902
Other Countries .. .. .	134,025	155,580
Total .. .. .	441,462	485,482
<b>Exports—</b>		
To—United Kingdom .. .. .	256,935	247,321
Other Countries .. .. .	155,267	177,858
Total .. .. .	412,202	425,179
<b>Excess of Exports (+) or Imports (—)</b>	—29,260	—60,303
<b>DOLLAR.</b>		
<b>Imports—</b>		
From—United States of America(a) .. .. .	108,506	149,631
Canada .. .. .	23,173	29,653
Other Countries .. .. .	4,644	4,349
Total .. .. .	136,323	183,633
<b>Exports—</b>		
To—United States of America(a) .. .. .	61,832	75,929
Canada .. .. .	16,460	13,905
Other Countries .. .. .	9,374	9,418
Total .. .. .	87,666	99,252
<b>Excess of Exports (+) or Imports (—)</b>	—48,657	—84,381
<b>OTHER NON-STERLING.</b>		
<b>Imports—</b>		
From—European Economic Community .. .. .	85,613	109,515
Organization for European Economic Co-operation(b)	32,498	39,258
Other Countries .. .. .	100,703	108,505
Total .. .. .	218,814	257,278
<b>Exports—</b>		
To—European Economic Community .. .. .	145,082	179,329
Organization for European Economic Co-operation(b)	12,013	13,522
Other Countries .. .. .	154,500	220,400
Total .. .. .	311,595	413,251
<b>Excess of Exports (+) or Imports (—)</b>	+92,781	+155,973
<b>ALL MONETARY GROUPS.</b>		
<b>Total Imports .. .. .</b>	796,599	926,393
<b>Total Exports .. .. .</b>	811,463	937,682
<b>Excess of Exports (+) or Imports (—)</b>	+14,864	+11,289

(a) Includes Alaska and Hawaiian Islands.

(b) Excludes those member countries in E.E.C. group above.

A graph showing the overseas trade of Australia according to monetary groups for the years 1954-55 to 1959-60 will be found on page 480.

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

1. **Statistical Classes.**—The following table shows, according to statistical classes, the value of imports into Australia of United Kingdom origin and of exports from Australia to the United Kingdom during each of the years 1957-58 to 1959-60.

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

Class.	Imports.			Exports.		
	1957-58.	1958-59.	1959-60.	1957-58.	1958-59.	1959-60.
I. Foodstuffs of animal origin, etc.	1,443	1,276	1,812	55,718	88,027	70,195
II. Foodstuffs of vegetable origin; non-alcoholic beverages, etc.	649	794	700	55,023	63,578	57,844
III. Alcoholic liquors, etc.	1,796	1,932	2,900	616	746	811
IV. Tobacco, etc.	453	395	454	104	1	..
V. Live animals and birds	204	175	103	18	18	77
VI. Animal substances, etc.	388	565	925	82,105	75,303	78,697
VII. Vegetable substances, etc.	1,660	1,663	1,607	116	110	137
VIII. Apparel, textiles, etc.	46,973	36,947	37,652	217	259	399
IX. Oils, fats and waxes	1,054	1,745	2,034	2,077	1,774	1,077
X. Pigments, paints and varnishes	4,326	3,876	3,545	3	15	13
XI. Rocks, minerals, etc.	538	687	739	3,932	3,192	3,655
XII. Metals, metal manufactures and machinery	176,870	168,120	187,139	14,364	16,182	15,770
XIII. Rubber and leather, etc.	2,945	2,715	3,471	2,309	2,520	3,098
XIV. Wood and wicker, etc.	354	367	361	687	440	898
XV. Earthenware, etc.	7,289	7,599	8,365	6	20	21
XVI. Paper and stationery	21,573	21,680	20,137	543	307	312
XVII. Jewellery, etc.	2,560	2,736	3,109	74	90	195
XVIII. Optical, surgical and scientific instruments	5,517	5,618	5,748	331	360	553
XIX. Chemicals, medicinal products, essential oils, fertilizers	18,515	18,954	20,790	333	484	404
XX. Miscellaneous	(a)29,899	(a)29,591	(a)28,310	1,624	2,200	2,453
XXI. Gold and silver; bronze specie	1	2	1	1,221	1,309	10,712
<b>Total</b>	<b>325,007</b>	<b>307,437</b>	<b>329,902</b>	<b>221,421</b>	<b>256,935</b>	<b>247,321</b>

(a) Includes outside packages.

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 1957-58 to 1959-60.

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

Article.	1957-58.	1958-59.	1959-60.	Article.	1957-58.	1958-59.	1959-60.
Arms and ammunition, military, naval and air force stores	4,412	4,643	4,615	Optical, surgical and scientific instruments	3,803	3,953	4,166
Aluminium—				Paper, printing	6,801	6,597	4,628
Plates, sheets, strips	1,082	868	1,681	Piece-goods—			
Leaf and foil	1,520	1,388	1,870	Cotton and linen	13,202	9,325	7,701
Apparel	4,526	3,981	4,290	Silk and rayon(a)	2,564	1,998	1,751
Books, magazines, etc.	7,206	7,708	7,426	All other piece-goods	4,529	4,230	5,041
Carpets	4,005	3,885	4,670	Plastics materials	6,356	4,717	5,796
Chemicals, medicinal products, essential oils and fertilizers	18,515	18,954	20,790	Rubber and rubber manufactures	2,412	2,047	2,690
Crockery	2,434	2,650	2,119	Sewing and other cottons, threads, etc.	2,218	2,263	2,237
Electrical machinery and appliances	23,683	21,161	24,854	Stationery and paper manufactures	9,952	10,264	9,810
Glass and glassware	3,130	3,193	3,887	Tools of trade	2,276	2,073	2,292
Iron and steel—				Vehicles, parts and accessories	44,342	44,860	54,841
Plate and sheet	10,415	8,912	5,459	Vessels (ships) including parts	1,892	5,668	2,255
Other	5,374	4,910	7,072	Whisky	1,658	1,789	2,703
Linoleums	2,319	2,196	2,418	Yarns—			
Machines and machinery (except dynamo electrical)—				Cotton	3,676	2,867	3,054
Agricultural	1,444	1,780	1,531	Rayon	6,900	3,634	3,470
Metal-working	5,718	5,851	7,683	Other	481	339	595
Motive-power	24,043	19,981	25,507	All other articles(b)	57,587	55,517	56,334
Other	34,532	33,235	34,666	<b>Total Imports</b>	<b>325,007</b>	<b>307,437</b>	<b>329,902</b>

(a) Includes tyre cord fabric.

(b) 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 1957–58 to 1959–60.

**PRINCIPAL ARTICLES EXPORTED TO THE UNITED KINGDOM: AUSTRALIA.**  
(Australian Produce.)

Article.	Unit of Quantity.	Quantity.			Value. (£'000.)		
		1957–58.	1958–59.	1959–60.	1957–58.	1958–59.	1959–60.
Butter .. .. .	ton.	41,509	69,119	59,419	12,271	22,105	21,749
Cheese .. .. .	"	5,793	11,570	15,274	750	3,519	3,634
Eggs .. .. .	"	..	..	..	2,563	1,069	2,023
Fruit, dried .. ..	ton	36,309	39,760	26,731	5,795	7,002	4,601
" fresh .. .. .	'000 bus.	4,904	4,364	4,007	7,975	5,973	5,189
" preserved in airtight containers .. ..	ton	67,965	77,594	78,871	11,334	11,543	11,028
Gold .. .. .	'000 fine oz.	1	..	600	15	..	9,375
Grains and cereals—							
Barley .. .. .	ton	54,517	84,173	104,985	1,090	2,123	2,205
Flour (wheaten), plain white .. ..	ton(a)	43,156	45,548	46,194	1,280	1,316	1,234
Wheat .. .. .	ton	262,284	568,551	562,106	6,980	14,708	13,919
Other .. .. .	"	..	..	..	1,038	3,642	2,316
Hides and skins .. ..	"	..	..	..	2,311	1,957	2,550
Lead bullion .. ..	ton	48,546	59,691	49,265	5,582	6,218	5,260
" pig .. .. .	"	58,274	70,112	63,694	5,634	5,852	5,436
Leather .. .. .	"	..	..	..	2,269	2,497	3,061
Meats preserved by cold process—							
Beef and veal .. ..	ton	96,600	152,918	81,650	15,084	30,915	20,192
Lamb .. .. .	"	24,664	33,941	18,876	5,144	6,686	2,741
Mutton .. .. .	"	11,024	13,099	9,382	1,166	1,776	1,158
Rabbit and hare .. ..	"	..	..	..	2,262	2,583	2,492
Meats, tinned .. ..	ton	45,785	41,107	34,734	11,421	10,769	9,297
Milk and cream .. ..	'000 lb.	9,769	50,256	42,004	460	1,894	1,863
Silver bullion .. ..	'000 fine oz.	3,037	3,300	3,266	1,201	1,300	1,333
Sugar (cane) .. ..	ton	358,487	346,268	365,486	17,850	15,364	15,586
Tallow, inedible .. ..	"	4,485	6,793	8,118	353	524	482
Timber, undressed(b) .. ..	'000 super ft.	3,087	1,465	2,685	188	101	189
Wine, fermented .. ..	'000 gal.	1,106	1,333	1,313	602	723	796
Wool .. .. .	'000 lb.	271,653	331,125	291,602	79,583	73,082	75,947
Zinc bars, etc. .. ..	ton	3,801	7,651	8,947	307	684	977
All other articles .. ..	"	..	..	..	16,865	17,503	17,029
<b>Total Exports (Australian Produce) ..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>219,373</b>	<b>253,428</b>	<b>243,662</b>

(a) 2,000 lb. (b) Excludes railway sleepers.

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. Imports into Australia include many commodities, such as tea, rice, raw coffee, unmanufactured tobacco, petroleum products, copra, timber, etc., which the United Kingdom cannot supply. These items, in addition to others not available from that country, have therefore been omitted from the following table.

The imports into Australia have been classified under nine headings, and the trade of the United Kingdom therein is compared with that of France, the Federal Republic of 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 each of the years 1957–58 to 1959–60 are shown in the following table.

## IMPORTS FROM THE UNITED KINGDOM AND ITS MAIN COMPETITORS.

(£'000.)

Nature of Imports.	Year.	United Kingdom.	France.	Federal Republic of Germany.	Japan.	United States of America.	All Countries.
Foodstuffs of animal origin	1957-58	1,442	5	180	1,368	934	8,395
	1958-59	1,276	..	189	1,552	594	7,834
	1959-60	1,812	2	288	1,709	675	10,107
Yarns and manufactured fibres, textiles and apparel	1957-58	46,973	3,191	4,909	15,722	771	108,499
	1958-59	36,947	2,294	3,980	18,423	799	96,973
	1959-60	37,652	2,382	4,577	23,230	6,206	111,073
Metals, metal manufactures and machinery	1957-58	176,870	3,524	20,832	1,284	51,208	282,404
	1958-59	168,120	5,579	23,204	2,387	58,815	292,937
	1959-60	187,139	6,976	29,987	5,513	78,201	355,349
Rubber and leather and manufactures thereof, and substitutes therefor	1957-58	2,945	226	144	28	4,119	17,406
	1958-59	2,714	305	134	..	3,892	17,677
	1959-60	3,471	323	196	113	5,300	25,462
Earthenware, cement, china, glass and stoneware	1957-58	7,289	372	642	1,331	811	13,347
	1958-59	7,599	576	695	1,686	1,064	14,360
	1959-60	8,365	558	795	2,166	1,270	16,656
Pulp, paper and board; paper manufactures and stationery	1957-58	21,574	77	818	268	2,101	45,089
	1958-59	21,680	143	925	449	2,815	48,219
	1959-60	20,137	261	1,090	696	4,859	55,046
Sporting material, toys, fancy goods, jewellery and time-pieces	1957-58	2,560	138	1,555	988	28	8,459
	1958-59	2,736	126	1,293	1,477	17	8,726
	1959-60	3,109	139	1,294	2,090	375	10,832
Optical, surgical and scientific instruments, etc.; photographic goods, n.e.i.	1957-58	5,517	97	2,133	601	2,228	12,134
	1958-59	5,618	97	1,898	728	2,563	12,305
	1959-60	5,748	117	2,967	1,594	3,547	15,613
Chemicals, medicinal and pharmaceutical products, essential oils and fertilizers	1957-58	18,515	1,244	4,506	728	3,516	37,549
	1958-59	18,954	1,127	5,103	826	4,596	39,855
	1959-60	20,790	1,307	5,815	855	7,974	47,824
Total, competitive imports	1957-58	283,685	8,874	35,719	22,318	65,716	533,282
	1958-59	265,644	10,247	37,421	27,528	75,155	538,886
	1959-60	288,223	12,065	47,009	37,966	108,407	647,962
Total imports (less bullion and specie) (a)	1957-58	325,006	10,332	41,516	23,815	104,453	789,261
	1958-59	307,435	11,724	42,954	29,949	108,503	794,388
	1959-60	329,901	13,742	53,868	41,533	149,631	923,830

(a) Includes outside packages.

The principal classes of competitive imports are metals, metal manufactures and machinery (value £355,349,000 in 1959-60) and manufactured fibres, textiles and apparel (value £111,073,000 in 1959-60). The value of goods included in these two groups represented 72.0 per cent. of the total value of competitive commodities during 1959-60. In 1959-60, the United Kingdom supplied 44.5 per cent. of the total value of competitive goods.

## § 10. Trade with Eastern Countries.

1. Merchandise Trade According to Countries.—The values of imports from and exports to Eastern countries during the years 1957-58 to 1959-60 are shown in the following table. The principal commodities imported in 1959-60 according to countries of origin were:—Borneo (British)—petroleum, £12,727,000, timber, hardwood, £2,633,000; Ceylon—tea, £9,807,000; India—bags and sacks, £4,682,000, cotton and linen piece-goods, £4,471,000,



hessian, £2,366,000, and tea, £1,415,000; Malaya—crude rubber, £10,124,000, latex, £2,351,000, timber, £2,135,000, and tin, £1,517,000; Japan—metals and metal manufactures, £3,474,000, cotton and linen piece-goods, £16,741,000, other textiles, £4,479,000, earthenware, china, glass, etc., £2,166,000, optical, etc., instruments, £1,594,000, and tinned fish, £1,513,000; Indonesia—petroleum spirit, £6,375,000, kerosene, £2,570,000, crude petroleum, £15,669,000, residual, solar and other mineral oils, £1,581,000, and tea, £1,661,000.

## MERCHANDISE TRADE WITH EASTERN COUNTRIES: AUSTRALIA.

(£'000.)

Country.	Imports.(a)			Exports.		
	1957-58.	1958-59.	1959-60.	1957-58.	1958-59.	1959-60.
<i>Commonwealth Countries—</i>						
Borneo (British) .. ..	13,222	13,000	15,830	1,009	996	1,350
Ceylon .. ..	8,772	10,457	11,238	5,939	5,832	7,711
Hong Kong .. ..	3,345	3,959	5,161	6,344	8,675	8,518
India .. ..	23,416	21,005	18,180	11,689	10,080	16,219
Malaya, Federation of ..	10,708	11,482	17,828	11,420	13,167	12,681
Pakistan .. ..	799	2,094	3,380	5,170	1,532	5,027
Singapore .. ..	912	1,322	1,560	12,548	9,855	10,948
<i>Foreign Countries—</i>						
Burma .. ..	16	51	9	1,525	1,448	1,888
Cambodia .. ..	1	5	2	38	29	400
China, Republic of—						
Formosa .. ..	63	49	108	503	1,070	1,353
Mainland .. ..	3,114	3,574	4,419	9,768	13,567	16,132
Indonesia .. ..	28,089	31,475	29,438	4,051	2,137	3,221
Japan .. ..	23,815	29,949	41,533	102,717	102,311	134,674
Korea, North .. ..	3	..	1	..	30	309
Korea, Republic of ..	1	3	1	1,557	2,963	3,992
Laos .. ..	..	..	1	15	5	4
Nepal .. ..	..	3	1	..	..	2
Philippines .. ..	176	153	269	4,873	4,157	4,918
Portuguese Dependencies—						
India (Portuguese) ..	..	..	..	139	170	185
Macao .. ..	35	1	3	3	1	10
Timor .. ..	17	18	..	220	49	82
Thailand .. ..	198	207	421	1,627	1,783	2,378
Viet-Nam, North .. ..	..	..	..	128	37	21
Viet-Nam, South .. ..	4	1	1	102	454	260
<b>Total .. ..</b>	<b>116,706</b>	<b>128,808</b>	<b>149,384</b>	<b>181,385</b>	<b>180,348</b>	<b>232,283</b>

(a) Includes outside packages.

The balance of trade with Eastern countries shows an excess of exports from Australia during each of the years 1957-58 to 1959-60.

2. Exports of Principal Articles.—The following table shows the value of exports (including re-exports) from Australia to Eastern countries for each of the years 1957-58 to 1959-60. The countries concerned in this trade are listed in the previous table.

## TOTAL EXPORTS FROM AUSTRALIA TO EASTERN COUNTRIES.

(£'000.)

Article.	1957-58.	1958-59.	1959-60.	Article.	1957-58.	1958-59.	1959-60.
Animal (except marine) oils and fats .. ..	2,470	2,558	2,959	Meats .. ..	4,309	2,998	3,944
Army stores .. ..	1,021	2,265	580	Metals and metal manufactures except zinc bars, etc. ..	14,391	15,468	16,634
Butter .. ..	1,688	1,634	1,829	Milk and cream .. ..	6,024	5,992	6,131
Cheese .. ..	397	397	664	Sugar (raw) .. ..	7,209	6,264	3,401
Fruit, fresh or preserved ..	1,293	1,399	1,397	Wool .. ..	88,749	83,025	118,064
Grains and cereals—				Zinc bars, blocks, etc. ..	2,153	2,710	2,191
Flour (wheaten), plain white ..	7,147	8,347	10,429	Other merchandise ..	21,934	24,344	33,087
Wheat .. ..	10,577	9,482	22,751				
Other (prepared and unprepared) .. ..	5,782	8,336	2,440	<b>Total Merchandise ..</b>	<b>181,385</b>	<b>180,348</b>	<b>232,283</b>
Infants' and invalids' foods ..	2,115	1,918	1,937	Gold and silver; bronze specie .. ..	6,231	3,291	756
Leather .. ..	798	841	854	<b>Total Exports .. ..</b>	<b>187,616</b>	<b>183,639</b>	<b>233,039</b>
Machines and machinery ..	3,328	2,370	2,991				

## § 11. 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 1959-60, and the totals for each State and Territory.

**OVERSEA TRADE AT PRINCIPAL PORTS, 1959-60.**  
(£'000.)

Port.	Imports.	Exports.	Port.	Imports.	Exports.
<b>NEW SOUTH WALES.</b>			<b>SOUTH AUSTRALIA.</b>		
Sydney, including Botany			Port Adelaide, including		
Bay .. .. .	400,681	227,020	Adelaide .. .. .	57,520	62,593
Newcastle, including Port			Port Pirie .. .. .	1,379	17,025
Stephens .. .. .	8,248	41,814	Port Lincoln .. .. .	417	6,417
Port Kembla .. .. .	5,717	12,161	Wallerawang .. .. .	176	1,821
Other .. .. .		170	Other .. .. .	255	2,970
Total .. .. .	414,646	281,165	Total .. .. .	59,747	90,826
<b>VICTORIA.</b>			<b>WESTERN AUSTRALIA.</b>		
Melbourne .. .. .	306,170	225,311	Fremantle, including Perth		
Geelong .. .. .	31,837	15,641	and Kwinana .. .. .	44,890	92,891
Portland .. .. .	1,342	3,118	Geraldton .. .. .	286	6,087
Total .. .. .	339,349	244,070	Bunbury .. .. .	630	5,730
<b>QUEENSLAND.</b>			Albany .. .. .	341	8,599
Brisbane .. .. .	47,730	116,645	Other .. .. .	35	2,576
Townsville .. .. .	1,559	29,605	Total .. .. .	46,182	115,883
Mackay .. .. .	81	10,155	<b>TASMANIA.</b>		
Cairns .. .. .	767	10,908	Hobart .. .. .	8,085	13,193
Bowen .. .. .	1	1,885	Launceston .. .. .	2,353	3,587
Rockhampton .. .. .	232	5,439	Burnie .. .. .	729	1,124
Gladstone .. .. .	460	4,495	Devonport .. .. .	2,864	5,961
Maryborough .. .. .	24	2,136	Total .. .. .	14,031	23,865
Other .. .. .	4	54	<b>NORTHERN TERRITORY.</b>		
Total .. .. .	50,858	181,322	Darwin .. .. .	1,485	551
			<b>AUSTRALIAN CAPITAL TERRITORY.</b>		
			Canberra .. .. .	95	
			Grand Total .. .. .	926,393	937,682

## § 12. 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 1957-58 to 1959-60.

**TOTAL OVERSEA TRADE, AUSTRALIA: CLASSES.**  
(£'000.)

Class.	Imports.			Exports.		
	1957-58.	1958-59.	1959-60.	1957-58.	1958-59.	1959-60.
I. Foodstuffs of animal origin, etc.	8,395	7,834	10,107	92,007	146,568	143,790
II. Foodstuffs of vegetable origin; non-alcoholic beverages, etc.	26,560	27,841	27,478	133,102	155,693	164,566
III. Alcoholic liquors, etc. ..	2,125	2,292	3,343	1,891	2,083	2,176
IV. Tobacco, etc. ..	15,453	14,510	13,778	707	461	354
V. Live animals and birds ..	721	551	636	1,843	1,242	2,036
VI. Animal substances, etc. ..	4,212	3,866	5,281	400,605	327,152	419,177
VII. Vegetable substances, etc. ..	19,424	19,809	20,235	1,076	993	1,130
VIII. Apparel, textiles, etc. ..	108,499	96,973	111,073	2,718	2,449	3,080
IX. Oils, fats and waxes ..	101,722	104,479	106,860	22,846	22,586	24,542
X. Pigments, paints and varnishes	7,595	6,766	6,574	897	912	1,089
XI. Rocks, minerals, etc. ..	7,320	7,165	7,770	28,099	21,252	29,059
XII. Metals, metal manufactures and machinery ..	282,404	292,937	355,349	81,606	81,606	87,227
XIII. Rubber and leather, etc. ..	17,406	17,677	25,462	4,385	4,596	5,403
XIV. Wood and wicker, etc. ..	16,737	15,482	20,689	4,535	4,350	3,878
XV. Earthenware, etc. ..	13,347	14,360	16,656	1,105	959	878
XVI. Paper and stationery ..	45,089	48,219	55,046	2,985	2,678	3,205
XVII. Jewellery, etc. ..	8,459	8,726	10,832	747	905	1,512
XVIII. Optical, surgical and scientific instruments ..	12,134	12,305	15,613	1,630	1,772	2,356
XIX. Chemicals, medicinal products, essential oils, fertilizers ..	37,549	39,855	47,824	6,517	7,468	7,645
XX. Miscellaneous ..	(a)54,110	(a)63,224	(a)63,224	21,002	20,980	22,858
XXI. Gold and silver; bronze specie	2,679	2,211	2,563	7,643	4,758	11,723
Total .. .. .	791,940	796,599	926,393	817,946	811,463	937,682

(a) Includes outside packages.

(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 for each of the years 1957–58 to 1959–60.

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

Class.	Australian Produce.			Re-exports.		
	1957–58.	1958–59.	1959–60.	1957–58.	1958–59.	1959–60.
I. Foodstuffs of animal origin, etc.	91,976	146,526	143,720	31	42	70
II. Foodstuffs of vegetable origin; non-alcoholic beverages, etc.	132,677	155,211	164,002	425	482	564
III. Alcoholic liquors, etc.	1,884	2,071	2,168	7	12	8
IV. Tobacco, etc.	509	355	284	198	106	70
V. Live animals and birds	1,694	1,180	1,886	149	62	150
VI. Animal substances, etc.	400,534	327,001	419,100	71	151	77
VII. Vegetable substances, etc.	1,055	975	1,100	21	18	30
VIII. Apparel, textiles, etc.	2,480	2,234	2,759	238	215	321
IX. Oils, fats and waxes	22,157	21,070	22,718	689	1,516	1,824
X. Pigments, paints and varnishes	868	876	1,028	29	36	61
XI. Rocks, minerals, etc.	28,022	21,110	28,948	77	142	111
XII. Metals, metal manufactures and machinery	76,774	76,266	81,831	4,832	5,340	5,396
XIII. Rubber and leather, etc.	4,345	4,557	5,353	40	39	50
XIV. Wood and wicker, etc.	4,453	4,268	3,753	82	82	123
XV. Earthenware, etc.	1,083	918	833	22	41	45
XVI. Paper and stationery	2,828	2,511	2,979	157	167	226
XVII. Jewellery, etc.	651	777	1,290	96	128	222
XVIII. Optical, surgical and scientific instruments	1,450	1,450	1,895	180	322	461
XIX. Chemicals, medicinal products, essential oils, fertilizers	6,251	7,126	7,316	266	342	329
XX. Miscellaneous	13,836	13,683	15,009	7,166	7,297	7,849
XXI. Gold and silver; bronze specie	7,626	4,744	11,716	17	14	7
Total	803,153	794,909	919,688	14,793	16,554	17,994

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 1957–58 to 1959–60.

**PRINCIPAL ARTICLES IMPORTED: AUSTRALIA.**

Article.	Unit of Quantity.	Quantity.			Value. (£'000.)		
		1957–58.	1958–59.	1959–60.	1957–58.	1958–59.	1959–60.
Aircraft and parts	..	..	..	..	10,893	17,309	20,733
Aluminium Manufactures	cwt.	266,056	372,486	598,977	3,864	4,713	7,717
Leaf and foil	'000 lb.	5,496	5,724	7,520	1,769	1,704	2,176
Apparel—	..	..	..	..	..	..	..
Blouses, skirts, costumes, etc.	..	..	..	..	733	906	1,133
Gloves	doz. prs.	484,196	431,704	513,312	1,327	1,092	1,175
Headwear	..	..	..	..	846	716	850
Men's and boys' outer clothing	..	..	..	..	467	411	541
Socks and stockings	..	..	..	..	377	338	552
Trimmings and ornaments	..	..	..	..	4,371	3,731	4,718
Other apparel and attire	..	..	..	..	2,187	1,985	2,256
Arms, explosives, military stores, etc.	..	..	..	..	5,446	5,645	9,371
Bags and sacks	..	..	..	..	8,191	8,204	6,973
Carpets and carpeting	..	..	..	..	5,076	4,732	5,734
Chemicals, drugs, fertilizers	..	..	..	..	37,549	39,855	47,824
Cotton, raw	'000 lb.	42,578	43,984	41,519	5,954	5,354	5,172
Crockery, etc.	..	..	..	..	3,546	3,873	3,604
Electrical machinery and appliances	..	..	..	..	36,410	35,797	43,258
Fibres	..	..	..	..	12,582	13,078	12,868
Glass and glassware	..	..	..	..	6,198	6,470	8,515
Iron and steel—	..	..	..	..	..	..	..
Pipes, tubes and fittings	cwt.	362,722	310,473	503,518	2,108	1,777	2,459
Plate and sheet	..	2,109,090	1,825,442	1,987,545	12,366	11,204	9,311
Other	..	..	..	..	8,004	8,677	12,210
Machines and machinery (except dynamo electrical)—	..	..	..	..	..	..	..
Agricultural	..	..	..	..	2,766	3,326	3,553
Metal-working	..	..	..	..	11,119	11,735	14,884
Motive Power—	..	..	..	..	..	..	..
Diesel engines	..	..	..	..	2,523	3,054	3,452
Steam engines, turbines and parts	..	..	..	..	1,950	1,743	4,237
Tractors and parts	..	..	..	..	20,963	16,356	22,512
Other	..	..	..	..	14,279	13,604	17,440
Other	..	..	..	..	59,742	64,913	72,677

PRINCIPAL ARTICLES IMPORTED: AUSTRALIA—*continued*.

Article.	Unit of Quantity.	Quantity.			Value. (£'000.)		
		1957-58.	1958-59.	1959-60.	1957-58.	1958-59.	1959-60.
Motor vehicles, chassis, bodies and parts .. .. .	..	..	..	..	59,227	66,579	82,994
Oils—	..	..	..	..	..	..	..
Linseed .. .. .	'000 gal.	2,797	2,537	1,425	1,617	1,482	778
Petroleum and shale—	..	..	..	..	..	..	..
Crude (a) .. .. .	mill. gal.	2,421	2,531	2,794	68,521	69,911	72,979
Kerosene .. .. .	'000 gal.	104,508	97,676	105,849	5,625	5,352	5,766
Lubricating (mineral) .. .. .	..	39,447	46,698	48,619	5,643	6,244	6,544
Petroleum and shale spirit .. .. .	..	179,030	234,360	205,692	11,004	13,743	12,075
Residual and solar .. .. .	..	28,442	16,365	23,807	1,472	846	1,096
Paper, printing .. .. .	..	..	..	..	16,762	17,139	19,339
Piece-goods—	..	..	..	..	..	..	..
Canvas and duck .. .. .	'000 sq. yds.	7,021	7,153	8,404	951	915	1,015
Cotton and linen .. .. .	..	..	..	..	41,992	39,070	43,589
Silk and man-made fibre-yarn .. .. .	..	..	..	..	8,657	7,617	8,755
Woolen and containing wool .. .. .	..	..	..	..	1,482	1,305	1,725
All other piece-goods .. .. .	..	..	..	..	7,806	7,890	10,007
Plastic materials .. .. .	..	..	..	..	9,510	8,603	11,830
Rubber and rubber manufactures .. .. .	..	..	..	..	16,636	16,783	24,248
Stationery and paper manufactures .. .. .	..	..	..	..	12,922	13,929	14,725
Tea .. .. .	'000 lb.	55,762	62,423	62,515	12,132	15,085	13,372
Timber, undressed, including logs(b) .. .. .	'000 sup. ft.	304,814	307,311	376,612	12,748	11,964	17,077
Tobacco .. .. .	'000 lb.	43,432	39,046	24,140	14,884	13,943	12,607
Yarns—	..	..	..	..	..	..	..
Cotton .. .. .	..	8,038	6,843	7,907	3,703	2,935	3,233
Man-made fibres .. .. .	..	18,394	12,521	18,098	10,260	5,539	7,535
Woolen .. .. .	..	147	124	375	203	135	379
Other .. .. .	..	1,322	1,867	1,718	563	483	436
All other articles .. .. .	..	..	..	..	184,014	176,805	206,384
Total Imports .. .. .	..	..	..	..	791,940	796,599	926,393

(a) Includes once-run distillate. super. feet.

(b) Excludes dunnage and undressed timber not measured in

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 1957-58 to 1959-60.

## EXPORTS OF PRINCIPAL ARTICLES OF AUSTRALIAN PRODUCE.

Article.	Unit of Quantity.	Quantity.			Value. (£'000.)		
		1957-58.	1958-59.	1959-60.	1957-58.	1958-59.	1959-60.
Butter .. .. .	ton	50,794	77,316	76,969	15,639	24,956	28,646
Cheese .. .. .	..	9,230	14,411	18,479	1,854	4,467	4,989
Chemicals, drugs, fertilizers .. .. .	..	..	..	..	6,251	7,125	7,316
Coal .. .. .	ton	836,336	645,249	1,087,844	3,391	2,676	4,327
Copper .. .. .	..	18,655	27,490	21,203	3,996	7,011	6,131
Fruit—	..	..	..	..	..	..	..
Dried .. .. .	..	60,299	77,309	52,945	9,142	12,743	9,065
Fresh, including frozen .. .. .	'000 bus.	7,992	6,559	6,892	13,060	9,413	9,294
Preserved in airtight containers .. .. .	ton	73,732	87,511	89,231	12,357	12,950	12,381
Gold .. .. .	..	..	..	..	6,353	3,279	10,211
Grains and cereals—	..	..	..	..	..	..	..
Barley .. .. .	ton	430,017	667,945	558,319	9,474	16,898	11,541
Flour (wheaten), plain white .. .. .	ton(a)	459,677	447,198	535,958	14,349	13,331	15,143
Wheat .. .. .	ton	1,060,055	1,463,337	2,444,251	28,493	38,381	61,680
Other .. .. .	..	..	..	..	6,353	13,985	12,710
Hides and skins .. .. .	..	..	..	..	25,353	23,525	32,759
Iron and steel .. .. .	..	..	..	..	17,560	18,459	23,211
Lead, pig .. .. .	ton	164,061	143,828	121,420	15,820	12,561	10,878
Lead, bullion .. .. .	..	48,546	59,691	49,265	5,582	6,218	5,260
Machines and machinery (except dynamo electrical) .. .. .	..	..	..	..	9,635	6,915	8,682
Meats preserved by cold process—	..	..	..	..	..	..	..
Beef and veal .. .. .	ton	125,895	227,822	186,897	21,571	55,485	55,138
Lamb .. .. .	..	28,729	40,711	26,457	6,132	8,151	4,389
Mutton .. .. .	..	18,870	33,326	32,037	2,253	5,851	4,719
Other .. .. .	..	..	..	..	7,322	9,693	8,237
Meats, tinned .. .. .	ton	58,854	56,719	48,058	15,100	15,434	13,319
Milk and cream .. .. .	'000 lb.	111,578	137,768	144,792	9,303	10,238	10,942
Ores and concentrates .. .. .	ton	670,230	630,679	763,760	21,737	16,948	22,358
Petroleum and shale oils .. .. .	'000 gal.	302,592	286,751	298,016	15,385	14,702	15,914
Sugar (cane) .. .. .	ton	707,804	802,971	701,319	34,996	32,163	26,671
Wool (b) .. .. .	'000 lb.	1,197,446	1,314,229	1,523,509	373,397	302,212	386,142
All other articles .. .. .	..	..	..	..	91,295	89,139	97,635
Total Exports (Australian Produce) .. .. .	..	..	..	..	803,153	794,909	919,688

(a) 2,000 lb.

(b) Quantity in terms of greasy wool.

A graph showing exports in principal commodity groups in each of the years 1954-55 to 1959-60 will be found on page 481.

4. Imports of Merchandise and Bullion and Specie.—The table hereunder shows the value of imports into Australia during each of the years 1955-56 to 1959-60, grouped under the headings—Merchandise, and Bullion and Specie. The imports of merchandise are shown under the sub-headings of "free" and "dutiable" goods.

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

(£'000.)

Year.	Merchandise.			Bullion and Specie.	Total Imports.
	Free Goods.	Dutiable Goods.	Total.		
1955-56.. ..	421,208	397,085	818,293	2,795	821,088
1956-57.. ..	403,496	313,186	716,682	2,309	718,991
1957-58.. ..	426,206	363,055	789,261	2,679	791,940
1958-59.. ..	464,274	330,114	794,388	2,211	796,599
1959-60.. ..	509,824	414,006	923,830	2,563	926,393

5. Exports of Merchandise and Bullion and Specie.—The next table shows the value of exports from Australia during each of the years 1955-56 to 1959-60, grouped under the headings—Merchandise, and Bullion and Specie. The exports of Australian produce and re-exports are shown separately.

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

(£'000.)

Year.	Merchandise.			Bullion and Specie.			Total Exports.
	Australian Produce.	Re-exports.	Total.	Australian Produce.	Re-exports.	Total.	
1955-56 ..	757,100	13,737	770,837	10,990	37	11,027	781,864
1956-57 ..	959,348	13,650	972,998	19,896	12	19,908	992,906
1957-58 ..	795,527	14,776	810,303	7,626	17	7,643	817,946
1958-59 ..	790,165	16,540	806,705	4,744	14	4,758	811,463
1959-60 ..	907,971	17,988	925,959	11,716	7	11,723	937,682

6. Imports and Net Customs Revenue.—The percentage of net customs revenue, excluding net primage, collected to the total value of all merchandise imported in each of the years 1955-56 to 1959-60 was as follows:—1955-56, 9.7 per cent.; 1956-57, 8.9 per cent.; 1957-58, 8.8 per cent.; 1958-59, 8.8 per cent.; and 1959-60, 8.9 per cent. Primage duty was in force during these years, and if this is added to net customs revenue the percentages become:—1955-56, 10.7 per cent.; 1956-57, 9.6 per cent.; 1957-58, 9.1 per cent.; 1958-59, 9.0 per cent.; and 1959-60, 9.1 per cent. The percentages of net customs revenue, excluding primage, to the total value of dutiable goods only were: 1955-56, 20.1 per cent.; 1956-57, 20.4 per cent.; 1957-58, 19.1 per cent.; 1958-59, 21.0 per cent.; and 1959-60, 19.9 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.

## § 13. Ships' and Aircraft Stores.

Prior to 1906, goods shipped in Australian ports on board oversea vessels as ships' stores were included in the general exports. From 1906, ships' and subsequently aircraft stores have been specially recorded as such, and have been omitted from the export figures. The value of these stores during each of the years 1955-56 to 1959-60, with oils separate, is shown in the following table:—

**VALUE OF STORES LOADED ON OVERSEA SHIPS AND AIRCRAFT: AUSTRALIA.**  
(£'000.)

Item.	1955-56.	1956-57.	1957-58.	1958-59.	1959-60.
Oils .. .. .	7,970	9,059	8,383	6,704	7,817
All Stores (including oils) ..	13,539	14,208	12,798	10,876	12,413

In addition to oils, the principal items supplied to oversea ships and aircraft in 1959-60 were:—Meats, £1,488,234; fruit and vegetables, £388,558; eggs, £178,829; butter, £145,921; ale, porter, beer, etc., £308,856; sea food, £162,188; coal, £25,380; flour, £44,497; rice, £21,353; milk and cream, £26,792.

## § 14. Movement of Bullion and Specie.

1. **Imports and Exports.**—The following table shows the values of gold and silver bullion and specie and of bronze specie imported into and exported from Australia during each of the years 1957-58 to 1959-60.

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

Item.	Imports.			Exports.		
	1957-58.	1958-59.	1959-60.	1957-58.	1958-59.	1959-60.
Gold—Bullion ..	2,631,443	2,175,729	2,518,819	6,352,070	3,276,087	10,207,274
Specie ..	707	942	4,080	..	3,000	4,000
<i>Total</i> ..	<i>2,632,150</i>	<i>2,176,671</i>	<i>2,522,899</i>	<i>6,352,070</i>	<i>3,279,087</i>	<i>10,211,274</i>
Silver—Bullion ..	34,319	24,493	36,147	1,219,187	1,400,219	1,400,562
Specie ..	11,784	9,320	3,459	71,552	77,996	109,767
<i>Total</i> ..	<i>46,103</i>	<i>33,813</i>	<i>39,606</i>	<i>1,290,739</i>	<i>1,478,215</i>	<i>1,510,329</i>
Bronze—Specie ..	425	337	824	734	396	1,304
Total— Australian Pro- duce ..	..	..	..	7,626,405	4,743,943	11,716,148
Re-exports ..	..	..	..	17,138	13,755	6,759
<i>Grand Total</i> ..	<i>2,678,678</i>	<i>2,210,821</i>	<i>2,563,329</i>	<i>7,643,543</i>	<i>4,757,698</i>	<i>11,722,907</i>

2. Imports and Exports by Countries.—The next table shows the imports and exports of bullion and specie from and to various countries during the year 1959–60:—

**IMPORTS AND EXPORTS OF BULLION AND SPECIE BY COUNTRIES:  
AUSTRALIA, 1959–60.**

(£.)

Country.	Imports.			Exports.		
	Bullion.	Specie.	Total.	Bullion.	Specie.	Total.
<i>Commonwealth Countries—</i>						
Australia (re-imported)	..	642	642	..	..	..
United Kingdom ..	266	963	1,229	10,707,721	3,919	10,711,640
<i>Australian Territories—</i>						
New Guinea ..	804,696	..	804,696	..	84,080	84,080
Norfolk Is. ..	..	..	..	..	528	528
Papua ..	624	..	624	..	16,181	16,181
Hong Kong ..	..	..	..	756,568	..	756,568
New Zealand ..	558,331	6,757	565,088	111,166	4,515	115,681
<i>Pacific Islands (British)—</i>						
Fiji ..	1,190,413	..	1,190,413	4,648	..	4,648
Gilbert and Ellice Is. ..	..	..	..	..	448	448
New Hebrides ..	..	..	..	..	75	75
Solomon Is. ..	575	..	575	..	4,150	4,150
Tonga ..	..	..	..	..	588	588
<i>Total Commonwealth Countries ..</i>	<i>2,554,905</i>	<i>8,362</i>	<i>2,563,267</i>	<i>11,580,103</i>	<i>114,484</i>	<i>11,694,587</i>
<i>Foreign Countries—</i>						
Germany, Federal Republic of ..	61	..	61	..	..	..
Italy ..	..	..	..	26,151	..	26,151
United States of America ..	..	1	1	1,582	587	2,169
<i>Total, Foreign Countries</i>	<i>61</i>	<i>1</i>	<i>62</i>	<i>27,733</i>	<i>587</i>	<i>28,320</i>
<i>Grand Total ..</i>	<i>2,554,966</i>	<i>8,363</i>	<i>2,563,329</i>	<i>11,607,836</i>	<i>115,071</i>	<i>11,722,907</i>

**§ 15. Exports According to Industries.**

1. Classification.—The following table provides an analysis of the total recorded value of Australian exports for the years 1957–58 to 1959–60. This analysis is designed to show fluctuations in the value of exports of Australian produce dissected according to the main industry of their origin, although any such classification is necessarily arbitrary in some respects.

## EXPORTS OF AUSTRALIAN PRODUCE ACCORDING TO INDUSTRIAL GROUPS.

Industrial Group.	Value. (£'000.)			Proportion of Value of Exports of Australian Produce (excluding Gold). (Per cent.)		
	1957-58.	1958-59.	1959-60.	1957-58.	1958-59.	1959-60.
<b>Agriculture, Horticulture and Viticulture—</b>						
Unprocessed .. ..	56,495	77,991	94,220	7.1	9.8	10.4
Processed .. ..	77,028	78,213	70,918	9.7	9.9	7.8
Total .. ..	133,523	156,204	165,138	16.8	19.7	18.2
<b>Pastoral—</b>						
Unprocessed .. ..	388,386	366,510	442,966	48.7	46.3	48.7
Processed .. ..	74,384	67,044	75,180	9.3	8.5	8.3
Total .. ..	462,770	433,554	518,146	58.0	54.8	57.0
<b>Dairy and Farmyard—</b>						
Unprocessed .. ..	3,442	2,019	1,513	0.4	0.3	0.2
Processed .. ..	30,274	41,681	47,454	3.8	5.2	5.2
Total .. ..	33,716	43,700	48,967	4.2	5.5	5.4
<b>Mines and Quarries (other than Gold)—</b>						
Unprocessed .. ..	25,552	19,309	26,940	3.2	2.4	2.9
Processed .. ..	32,296	32,750	29,638	4.1	4.1	3.3
Total (a) .. ..	57,848	52,059	56,578	7.3	6.5	6.2
<b>Fisheries—</b>						
Unprocessed .. ..	3,961	4,322	4,839	0.5	0.5	0.5
Processed .. ..	1,789	1,249	960	0.2	0.2	0.1
Total .. ..	5,750	5,571	5,799	0.7	0.7	0.6
<b>Forestry—</b>						
Unprocessed .. ..	740	522	619	0.1	0.1	0.1
Processed .. ..	3,932	3,866	3,340	0.5	0.5	0.3
Total .. ..	4,672	4,388	3,959	0.6	0.6	0.4
<b>Total Primary Produce—</b>						
Unprocessed .. ..	478,576	470,673	571,097	60.0	59.4	62.8
Processed .. ..	219,703	224,803	227,490	27.6	28.4	25.0
Total .. ..	698,279	695,476	798,587	87.6	87.8	87.8
<b>Manufactures .. ..</b>	72,583	70,988	83,352	9.2	9.0	9.2
<b>Refined Petroleum Oils .. ..</b>	15,385	14,702	15,914	1.9	1.9	1.7
<b>Unclassified .. ..</b>	10,554	10,465	11,623	1.3	1.3	1.3
<b>Total Australian Produce (excluding Gold) .. ..</b>	<b>796,801</b>	<b>791,631</b>	<b>909,476</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Re-exports (excluding Gold) .. ..</b>	<b>14,793</b>	<b>16,553</b>	<b>17,995</b>	<b>..</b>	<b>..</b>	<b>..</b>
<b>Gold Exports(a) .. ..</b>	<b>6,352</b>	<b>3,279</b>	<b>10,211</b>	<b>..</b>	<b>..</b>	<b>..</b>
<b>Total Recorded Value of Exports .. ..</b>	<b>817,946</b>	<b>811,463</b>	<b>937,682</b>	<b>..</b>	<b>..</b>	<b>..</b>

(a) The value of refined newly-won gold was £17,301,000 in 1957-58, £16,645,000 in 1958-59, and £16,770,000 in 1959-60.

**2. Relative Importance of Industrial Groups.**—In the year 1959-60, Australian produce (other than gold) exported amounted to approximately £909 million. Of this, £799 million or 88 per cent. was mainly produce of primary industries, comprising £571 million of unprocessed produce and £228 million of goods which had been processed in some degree before export. The values of the principal individual items of processed primary produce exported were:—Raw sugar, £26,671,000; flour, etc., £15,811,000; canned fruit, £12,381,000; dried fruit, £9,065,000; wool (scoured, tops, etc.), £49,045,000; canned meats, £13,319,000; butter, £28,646,000; milk (condensed, dried, etc.), £10,916,000; pig lead, £10,878,000; lead bullion, £5,260,000; zinc bars, blocks, etc., £3,402,000; copper ingots, £3,900,000; and undressed timber, £2,976,000.

The value of manufactures exported as classified above was £83 million, or approximately 9 per cent. of Australian produce (other than gold) exported in 1959-60. The values of principal individual items here included were:—Manufactures of metal, £48,133,000; implements and machinery, £8,682,000; drugs and chemicals, £6,230,000, and paper and stationery, £2,979,000.

The items enumerated indicate the arbitrariness of the line necessarily drawn between primary produce and manufactures in any classification of this kind. The value of processed primary products exported includes some element of value added by the simpler processes of manufacture, while the value shown for manufactures exported necessarily includes the value of raw materials (primary produce) used in those manufactures.



Refined petroleum oils exported are shown separately, as they consist of imported crude oils refined in Australia and re-exported in the refined form. The values of principal individual items shown as "unclassified" in 1959-60 were:—individual consignments of less than £50 in value, £4,639,000; and military equipment and stores and supplies for Australian projects overseas, £3,314,000.

## § 16. 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 the 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 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 the year concerned. 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, page 147.

After the 1914-18 War, however, the relative importance of different exports changed considerably. In addition, the pattern of exports varied 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 and the other using 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. 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 together with gold production.

4. **The Fixed Weights Index.**—(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 variations during the period in the 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 was 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; and 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" (Weights).	Percentage Distribution of Total Aggregate.			
			Base Period (1936-37 to 1938-39).		1959-60.	
			Excluding Gold.	Including Gold.	Excluding Gold.	Including Gold.
Wool .. ..	lb.	975,000,000	49.05	45.63	52.98	51.24
Wheat (a) .. ..	bushel	101,000,000	18.34	17.06	15.53	15.02
Butter .. ..	cwt.	2,140,000	12.21	11.36	9.78	9.46
Metals—						
Silver .. ..	oz.	7,300,000	0.68	0.64	7.99	7.72
Copper .. ..	(standard) ton	3,600	0.20	0.20		
Tin .. ..	"	1,300	0.31	0.28		
Zinc .. ..	"	99,000	2.05	1.90		
Lead .. ..	"	208,500	4.10	3.81		
Meats—						
Beef .. ..	lb.	182,000,000	2.56	2.38	7.84	7.58
Lamb .. ..	"	138,000,000	3.56	3.31		
Mutton .. ..	"	44,000,000	0.58	0.54		
Pork .. ..	"	16,000,000	0.43	0.40		
Sugar .. ..	ton	305,000	2.58	2.40	2.98	2.89
Dried Fruits—						
Sultanas .. ..	"	38,200	1.45	1.35	1.71	1.66
Raisins .. ..	"	3,000	0.12	0.11		
Currants .. ..	"	13,400	0.37	0.35		
Tallow .. ..	cwt.	600,000	0.69	0.64	0.53	0.51
Hides—						
Cattle .. ..	lb.	28,000,000	0.64	0.59	0.66	0.64
Calf .. ..	"	1,800,000	0.08	0.07		
Gold .. ..	fine oz.	937,000	..	6.98	..	3.28
			100.00	100.00	100.00	100.00

(a) Includes "wheat equivalent" of flour.

The percentage distributions of the "Total Aggregate" shown in the foregoing table are of importance, firstly, as showing their variations from time to time because of differential price movements as between the various commodities or groups, and secondly, as regards the effect on the indexes as a whole of the percentage price variations for each commodity or group.

(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.

(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 1959-60 and monthly from July, 1960, to March, 1961.

EXPORT PRICE INDEX: AUSTRALIA.

SIMPLE AGGREGATIVE INDEX: FIXED WEIGHTS.

INDIVIDUAL COMMODITIES, GROUPS OF COMMODITIES, AND ALL GROUPS COMBINED.

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

Period.	Wool.	Wheat.	Butter.	Metals. (a)	Meats. (b)	Sugar.	Dried Fruits. (c)	Tallow.	Hides. (d)	Gold.	All Groups.
Percentage Distribution of Base Aggregate(e) ..	45.63	17.06	11.36	6.83	6.63	2.40	1.81	0.64	0.66	6.98	100.00
1936-37 .. ..	122	123	92	120	98	104	103	122	113	99	115
1937-38 .. ..	99	111	107	96	106	92	103	100	100	98	102
1938-39 .. ..	79	66	101	84	96	104	94	78	87	103	83
1939-40 .. ..	98	82	108	92	102	126	94	76	120	118	98
1940-41 .. ..	101	102	110	95	103	137	95	82	98	121	104
1941-42 .. ..	101	105	110	101	109	137	106	114	133	120	106
1942-43 .. ..	117	106	114	100	112	152	112	119	145	119	114
1943-44 .. ..	117	116	114	113	113	159	121	123	151	119	117
1944-45 .. ..	117	154	147	129	122	172	128	151	147	120	130
1945-46 .. ..	117	213	147	196	123	213	137	161	152	122	146
1946-47 .. ..	173	305	173	308	139	264	152	361	334	122	203
1947-48 .. ..	287	420	193	372	146	320	157	436	364	122	283
1948-49 .. ..	365	413	233	478	171	343	162	499	421	122	332
1949-50 .. ..	473	400	250	421	196	369	176	400	479	164	383
1950-51 .. ..	999	432	271	689	209	410	226	356	752	176	654
1951-52 .. ..	564	436	291	811	263	464	302	451	486	184	473
1952-53 .. ..	616	445	313	504	314	501	297	358	369	186	483
1953-54 .. ..	615	411	325	450	338	479	287	321	336	179	474
1954-55 .. ..	538	357	313	511	344	445	267	349	218	178	431
1955-56 .. ..	464	324	320	562	355	450	286	353	238	178	397
1956-57 .. ..	578	327	250	545	368	501	319	357	240	178	444
1957-58 .. ..	471	357	218	398	333	518	341	368	240	178	385
1958-59 .. ..	362	350	230	386	394	475	383	367	335	178	339
1959-60 .. ..	425	333	315	428	432	452	(f) 348	302	365	178	(f) 378
1960-61—											
July .. ..	392	335	269	422	477	447	(f) 305	311	280	178	(f) 360
August .. ..	362	330	252	417	469	455	(f) 318	311	274	178	(f) 342
September .. ..	366	338	235	412	460	466	(f) 331	327	304	178	(f) 343
October .. ..	362	339	245	408	(g)	469	(f) 333	338	308	179	(f) 342
November .. ..	377	339	239	409	(g)	450	(f) 338	333	310	180	(f) 346
December .. ..	373	334	235	390	(g)	455	(f) 342	317	302	179	(f) 341
January .. ..	377	330	225	376	(g)	447	(f) 337	308	307	180	(f) 338
February .. ..	392	331	215	386	(g)	451	(f) 336	317	300	178	(f) 346
March .. ..	400	333	208	391	(g)	450	(f) 339	338	308	178	(f) 351

(a) Silver, copper, tin, zinc, lead. (b) Beef, lamb, mutton, pork. Guaranteed minimum prices are used when operative. (c) Sultanas, raisins, currants. (d) Cattle hides, calf skins. (e) 1936-37 to 1938-39. (f) Preliminary. (g) Actual prices realized not yet fully known; provisional series are included in "All Groups" Index.

A graph showing index numbers for All Groups (including Gold) and for wool appears on page 482.

The group indexes in the table above show 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 effect on the "All Groups" Index of movements in prices of the other components. For this reason "Wool" and "All Groups Excluding Wool" are shown separately in the table following. The movement of the weighted average index for "All Groups Excluding Wool" contrasts with the pronounced fluctuations in prices of wool. Index numbers for "All Groups Excluding Gold" and for "All Groups Excluding Gold and Wool" are also shown in the table.

## EXPORT PRICE INDEX: WOOL AND "OTHER GROUPS", AUSTRALIA.

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

Period.	Wool.	All Groups.			All Groups.
		Excluding Wool.	Excluding Gold.	Excluding Gold and Wool.	
1936-37 .. .. .	122	108	116	110	115
1937-38 .. .. .	99	105	102	106	102
1938-39 .. .. .	79	87	82	84	83
1939-40 .. .. .	98	98	96	95	98
1940-41 .. .. .	101	106	103	104	104
1941-42 .. .. .	101	110	105	108	106
1942-43 .. .. .	117	112	114	111	114
1943-44 .. .. .	117	118	117	117	117
1944-45 .. .. .	117	141	130	144	130
1945-46 .. .. .	117	171	148	178	146
1946-47 .. .. .	173	228	209	243	203
1947-48 .. .. .	287	280	296	303	283
1948-49 .. .. .	365	305	348	332	332
1949-50 .. .. .	473	308	399	329	383
1950-51 .. .. .	999	365	690	393	654
1951-52 .. .. .	564	397	495	428	473
1952-53 .. .. .	616	371	505	399	483
1953-54 .. .. .	615	356	496	383	474
1954-55 .. .. .	538	342	450	366	431
1955-56 .. .. .	464	342	414	366	397
1956-57 .. .. .	578	331	464	353	444
1957-58 .. .. .	471	313	400	332	385
1958-59 .. .. .	362	320	351	341	339
1959-60 .. .. .	425	(a) 339	(a) 393	(a) 363	(a) 378
1960-61—					
July .. .. .	392	(a) 332	(a) 373	(a) 355	(a) 360
August .. .. .	362	(a) 326	(a) 355	(a) 348	(a) 342
September .. .. .	366	(a) 325	(a) 356	(a) 347	(a) 343
October .. .. .	362	(a) 324	(a) 354	(a) 346	(a) 342
November .. .. .	377	(a) 320	(a) 358	(a) 341	(a) 346
December .. .. .	373	(a) 315	(a) 354	(a) 335	(a) 341
January .. .. .	377	(a) 306	(a) 350	(a) 324	(a) 338
February .. .. .	392	(a) 308	(a) 359	(a) 327	(a) 346
March .. .. .	400	(a) 310	(a) 364	(a) 330	(a) 351

(a) Preliminary.

5. The Changing Weights Index.—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 prices ruling in particular months. The changing weights index numbers, shown below, take account of this factor. In computing these, the "quantity multipliers" are the quantities actually exported (sold, in some cases) 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 were 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 is 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 the whole or portion of a 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 months July, 1959, to March, 1961, and for trade year periods ending in those months:—

#### EXPORT PRICE INDEX: CHANGING WEIGHTS.

(Base: Corresponding month (or period) 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.	
	All Groups, Excluding Wool.	All Groups.	All Groups, Excluding Wool.	All Groups.
1959-60—				
July .. .. .	114	113	114	113
August .. .. .	111	117	113	115
September .. .. .	111	117	112	116
October .. .. .	109	120	111	118
November .. .. .	107	117	110	118
December .. .. .	109	122	110	118
January .. .. .	105	122	109	119
February .. .. .	107	116	109	118
March .. .. .	106	114	109	118
April .. .. .	104	104	108	117
May .. .. .	101	100	108	115
June .. .. .	(a) 98	(a) 102	(a) 107	(a) 114
1960-61—				
July .. .. .	(a) 96	(a) 96	(a) 96	(a) 96
August .. .. .	(a) 95	(a) 89	(a) 95	(a) 92
September .. .. .	(a) 97	(a) 89	(a) 96	(a) 91
October .. .. .	(a) 96	(a) 89	(a) 96	(a) 90
November .. .. .	(a) 95	(a) 91	(a) 96	(a) 90
December .. .. .	(a) 93	(a) 89	(a) 95	(a) 90
January .. .. .	(a) 92	(a) 89	(a) 95	(a) 90
February .. .. .	(a) 94	(a) 95	(a) 95	(a) 90
March .. .. .	(a) 95	(a) 96	(a) 95	(a) 91

(a) Preliminary.

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

### § 17. 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-Luxembourg 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.

2. "Special Trade" of Various Countries.—In the following table, the figures, which are expressed in Australian currency, relate as nearly as possible to imports cleared for home 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. Information for countries other than Australia has been extracted from publications of the United Nations.

**IMPORTS CLEARED FOR HOME CONSUMPTION, AND EXPORTS OF DOMESTIC PRODUCTS (MERCHANDISE ONLY)(a): VARIOUS COUNTRIES, 1959.**

Country.	Trade. (£A. Million.)			Trade per Head of Population.(£A.)		
	Imports Cleared. c.i.f.	Exports. f.o.b.	Total.	Imports Cleared.	Exports.	Total.
United States of America	(b)6,718.7	7,764.7	14,483.4	37.8	43.7	81.5
United Kingdom ..	(c)4,824.1	4,162.5	8,986.6	92.8	80.1	172.9
Germany, Federal Re-public of .. ..	3,784.8	4,377.2	8,162.0	71.7	82.9	154.6
Canada .. ..	(b)2,565.2	2,395.1	4,960.3	147.1	137.3	284.4
France .. ..	2,270.5	2,506.2	4,776.7	50.3	55.6	105.9
Netherlands .. ..	1,758.5	1,610.3	3,368.8	155.0	141.9	296.9
Japan .. ..	(d)1,607.1	1,543.3	3,150.4	17.3	16.6	33.9
Belgium-Luxembourg ..	1,536.6	1,471.0	3,007.6	163.0	156.0	319.0
Italy .. ..	1,491.5	1,292.4	2,783.9	30.4	26.3	56.7
Sweden .. ..	(d)1,073.7	984.8	2,058.5	144.0	132.1	276.1
Australia(e) .. ..	(b) 908.5	909.5	1,818.0	90.3	90.4	180.7
Switzerland .. ..	858.5	751.3	1,609.8	163.8	143.4	307.2
Denmark .. ..	(d) 715.2	624.1	1,339.3	157.3	137.3	294.6
Norway .. ..	(d) 590.6	361.6	952.2	166.1	101.7	267.8
Austria .. ..	511.2	432.1	943.3	72.5	61.3	133.8
Indonesia .. ..	204.9	389.3	594.2	2.3	4.3	6.6
Spain .. ..	354.9	224.6	579.5	11.9	7.5	19.4
Egypt .. ..	275.0	197.8	472.8	10.8	7.8	18.6
Chile .. ..	184.4	221.9	406.3	24.7	29.7	54.4
Turkey .. ..	197.8	158.0	355.8	7.4	5.9	13.3
Greece .. ..	253.1	91.1	344.2	30.6	11.0	41.6

(a) Includes silver. (b) f.o.b. (c) Covers goods imported less goods re-exported.  
(d) Covers goods imported as distinct from goods cleared for home consumption. (e) Year ended June, 1960.

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

For the purpose of comparison with countries which record overseas trade in calendar years, the following table has been compiled to show Australian imports and exports for each of the calendar years 1956 to 1960.

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

Year.	Merchandise.		Bullion and Specie.		Total.	
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.
1956 .. ..	764,597	823,422	3,235	22,236	767,832	845,658
1957 .. ..	751,543	981,694	2,509	13,891	754,052	995,585
1958 .. ..	792,891	738,913	2,541	4,083	795,432	742,996
1959 .. ..	827,653	898,623	2,174	3,339	829,827	901,962
1960(a) .. ..	826,233	892,571	2,177	3,338	828,410	895,909

(a) Subject to revision.

## § 19. Excise.

Although excise goods have no immediate bearing on oversea trade, the rate of excise duty is in some cases related to the import duty on similar goods. Moreover, as the Excise Acts are administered by the Department of Customs and Excise, 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 XXI.—Public Finance. The following table shows the quantities of spirits, beer, tobacco, etc., on which excise duty was paid in Australia during the years 1958–59 and 1959–60.

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

Article.	1958–59.	1959–60.	Article.	1958–59.	1959–60.
	gallons.	gallons.		lb.	lb.
Beer .. ..	214,800,013	223,695,660	Cigarettes— Machine-made ..	34,991,739	38,536,804
	proof gallons.	proof gallons.	Petrol— Aviation Petrol (By-law) ..	gallons.	gallons.
Spirits—			Aviation Petrol (Non By-law) ..	10,362,568	7,409,362
Brandy .. ..	753,881	819,254	Petrol, n.e.i. ..	908,319,895	12,402,026
Gin .. ..	353,706	359,806			992,692,169
Whisky .. ..	467,762	380,081	Total Petrol ..	918,682,463	1,012,503,557
Rum .. ..	570,755	584,795	Aviation Turbine Fuel ..	15,551,058	30,277,206
Liqueurs .. ..	58,008	61,238			
Other .. ..	24,831	32,392	Diesel Fuel .. ..	49,959,092	48,985,564
Total Spirits (Potable) ..	2,228,943	2,237,566			
Spirits for—			Playing Cards ..	doz. packs. 96,771	doz. packs. 104,550
Fortifying Wine ..	2,194,626	2,299,790		60 papers or tubes.	60 papers or tubes.
Industrial or Scientific purposes ..	235,059	257,004	Cigarette Papers and Tubes ..	111,245,931	105,563,114
Manufacture of—				per 8,640 matches.	per 8,640 matches.
Essences .. ..	98,485	103,929	Matches .. ..	3,362,949	3,465,463
Scents and Toilet Preparations ..	64,396	68,589		tons.	tons.
Vinegar .. ..	147,998	138,510	Coal .. ..	17,335,395	17,072,346
	lb.	lb.		No.	No.
Tobacco .. ..	16,561,594	15,647,777	Cathode Ray Tubes ..	340,000	475,117
Snuff .. ..	865	90			
Cigars—					
Hand-made .. ..	16,491	12,965			
Machine-made ..	94,150	93,600			
Total Cigars ..	110,641	106,565			

## § 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 last 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. A detailed collection for Queensland was re-introduced from July, 1953.

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.

Interstate trade statistics are now published in detail for Queensland, Western Australia and Tasmania, prepared by the Deputy Commonwealth Statisticians in those States. The Deputy Commonwealth Statistician in South Australia publishes some figures

for that State, made up from the records of Western Australia and Tasmania. 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.

## § 21. The Australian Balance of Payments.

1. **Introduction.**—Defining the balance of payments, the International Monetary Fund, in the second edition of its *Balance of Payments Manual* states "[It] . . . is a systematic record of all economic transactions during the period between residents of [a] country and residents of other countries." In a broad sense, therefore, statistics of the balance of payments summarize in money terms the economic relations existing between a national economy and the rest of the world, and are pre-requisite to any attempt to examine the influence of external factors on the domestic economy.

The Australian economy is subject to large fluctuations in the level of export income and is affected in important respects by movements of overseas capital. As a result, balance of payments estimates have always assumed a particular importance in Australia. Between 1948–49 and 1959–60, for example, the value of exports was equivalent to 21 per cent. of national income, fluctuating between 31 per cent. of national income in 1950–51, the year of record wool prices, and 16 per cent. in 1958–59, a year of relatively low wool prices.

Official balance of payments estimates for Australia were first published for the years 1928–29 to 1930–31 as an appendix to Official Year Book No. 24. Prior to that, the only estimates published by this Bureau related to the balance of trade, with some reference to international transactions. Since 1930–31, estimates of the balance of payments have been published each year, except during the war period 1939 to 1945. From the first half of the year 1950–51, statistics of the balance of payments have been issued twice yearly in the mimeograph publication *The Australian Balance of Payments*. This publication brings the estimates forward to the end of the most recent financial year or half year and, together with a printed volume *The Australian Balance of Payments, 1928–29 to 1951–52*, provides also (i) a description of the various items included in the official estimates, (ii) an indication of the sources from which the estimates are derived, and (iii) an explanation of the methods used in making them. The following paragraphs contain a brief description of the concepts adopted and a summary of the transactions for the years 1958–59 and 1959–60.

The form of the Australian balance of payments closely follows the pattern set out by the International Monetary Fund for the presentation of balance of payments statistics, although modifications have been introduced to accord with Australian conditions.

In the definitions adopted by the International Monetary Fund, a basic distinction is drawn between "current" transactions and "capital" transactions. Current transactions consist of all transactions involving the transfer of ownership of goods or the rendering of services between residents of one country and residents of another country. Also included are items such as donations, reparations, etc. Capital transactions consist of all transactions involving the transfer of money, claims to money, and titles to investments, between residents of one country and those of another country.

This distinction is maintained in the Australian balance of payments accounts. Thus, transactions involving the transfer of the ownership of goods, i.e., imports and exports, and services, such as freight and insurance, investment income, etc., are included in current account, while predominantly financial transactions are included in capital account.

By definition, and because of the method of constructing the accounts, the balance of payments on current account is always equivalent to the balance on capital account. In practice, however, there are "errors and omissions" in the estimates. These are referred to as the "balancing item". This item includes errors and omissions in the estimates made for all items in both current and capital accounts, short term financing transactions and other timing differences between the statistical recording of items such as imports, exports, transportation items, changes in share ownership, etc., and the crediting and debiting of payments for these transactions against Australia's international reserves.

Details of Australian balance of payments have been assembled from a variety of sources of which the following are the more important:—(i) Statistics of exports and imports, obtained in the first place from Australian trade statistics; (ii) information on particular invisible and capital items, obtained by regular inquiry from private organizations and government departments; (iii) details of receipts and payments of foreign exchange, provided by the banking system; (iv) information on dividends remitted, undistributed income and movements of private investment in companies, provided by statistics of overseas investment collected by this Bureau; and (v) information on international reserves, supplied by the Reserve Bank.



2. **Current Account.**—The balance of payments on current account is constructed in the form of a series of credit and debit entries, the former comprising all transactions which result in receipts of foreign exchange and the latter all those which result in payments in foreign exchange.

Within the current account, the most important single relationship is the balance of trade—the difference between the value of exports and the value of imports as adjusted for balance of payments estimates. The balance of trade showed a surplus of £14 million in 1958–59 and a deficit of £8 million in 1959–60.

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

Particulars.	1958–59.	1959–60.
<b>CREDITS.</b>		
1. Exports f.o.b.(a) .. .. .	810.3	937.4
2. Gold Production .. .. .	16.5	16.2
3. Transportation—		
Oversea ships .. .. .	70.0	79.0
Other .. .. .	8.0	8.4
	78.0	87.4
4. Travel .. .. .	8.0	9.9
5. Income from Investment—		
Undistributed Income .. .. .	2.5	3.8
Other .. .. .	22.1	21.7
	24.6	25.5
6. Government .. .. .	19.7	26.3
7. Miscellaneous .. .. .	8.7	9.5
8. Donations, etc.—		
Immigrants' Funds, etc. .. .. .	19.6	21.7
Other .. .. .	7.4	8.0
	27.0	29.7
<i>Total Credits</i> .. .. .	<i>992.8</i>	<i>1,141.9</i>
<b>DEBITS.</b>		
9. Imports f.o.b.(a) .. .. .	796.3	945.7
10. Transportation—(b)		
Freight .. .. .	114.0	127.0
Other .. .. .	19.4	22.8
	133.4	149.8
11. Travel .. .. .	28.6	36.3
12. Income from Investment—		
Public Authority Interest .. .. .	25.1	26.9
Direct Investment .. .. .	43.1	44.3
Undistributed Income .. .. .	63.4	66.6
Other .. .. .	11.2	9.6
	142.8	147.4
13. Government—		
Defence .. .. .	11.9	16.6
Papua and New Guinea .. .. .	13.4	15.7
Other .. .. .	14.3	16.0
	39.6	48.3
14. Miscellaneous .. .. .	32.3	36.8
15. Donations, etc.—		
Personal .. .. .	15.2	15.0
Colombo Plan, etc. .. .. .	4.1	4.1
Other .. .. .	8.8	10.5
	28.1	29.6
<i>Total Debits</i> .. .. .	<i>1,201.1</i>	<i>1,393.9</i>
<b>Balance on Current Account</b> .. .. .	<b>–208.3</b>	<b>–252.0</b>

(a) The amounts shown above for imports and exports exclude gold and represent the recorded figures adjusted for estimates of balance of payments. (b) Total freight and insurance on imports, whether payable overseas or in Australia, is estimated at £115 million in 1958–59 and £128 million in 1959–60.

Although there was a trade surplus in 1958–59, and the trade deficit in 1959–60 was only small, when the invisible transactions were taken into account there were substantial deficits in the balance of payments on current account in these years. These deficits amounted to £208 million in 1958–59 and £252 million in 1959–60.

The most important of the current account invisibles are transportation items. These appear on both the debit and credit sides, the principal component on the debit side being freight (mainly freight on imports into Australia), which amounted to £114 million in 1958–59 and £127 million in 1959–60.

The items next in importance are those concerning income from investment. Debit entries under this heading include interest, dividends, rents, etc., payable overseas, while the credit entries include similar details of amounts receivable by Australian residents. These items include undistributed income. Since no monetary payment occurs in respect of the amounts included in this component, entries are also made in the capital account showing corresponding changes in the value of overseas or Australian investment. In total, investment income debits were £143 million in 1958–59 and £147 million in 1959–60. Credits in these periods amounted to £25 million and £26 million respectively.

The remaining items are much smaller than the two groups mentioned above. Government debits rose from £40 million in 1958–59 to £48 million in 1959–60, Government credits from £20 million to £26 million. Debits on account of donations, etc., were about £30 million, with credits generally slightly lower, but rising to the same level as debits in 1959–60.

**3. Capital Account.**—The capital account shows the annual movement in items which are regarded as Australian overseas assets and those which are regarded as Australian overseas liabilities.

On the assets side, by far the most important item is Australia's holdings of monetary gold and foreign exchange, usually referred to as international reserves. These reserves decreased by £9 million in 1958–59 and by £4 million in 1959–60.

On the liabilities side, the most important items are public authority debt and private investment in Australian companies.

In 1958–59, loan drawings from the International Bank, less repayments, resulted in an inflow of £2 million. In 1959–60, however, repayments exceeded drawings by £7 million. In 1958–59 and 1959–60, official loans other than from the International Bank showed substantial net inflows of £33 million and £42 million respectively from official borrowing in London, New York and Switzerland.

Items 2 and 8 relate to Australia's capital subscription to international monetary and finance agencies. On the assets side (Item 2) are shown increases in subscriptions to these institutions and on the liabilities side (Item 8) are shown corresponding increases in liabilities or changes in liabilities previously incurred. The liabilities take the form of bank balances and special non-negotiable, non-interest bearing securities payable in Australian currency but convertible by arrangement into foreign currency or gold. The principal movements in the years shown were associated with two increases of \$100 million each in Australia's quota to the International Monetary Fund in 1958–59 and 1959–60. In both instances, gold payments to the value of \$25 million were made to the Fund. The balance of the subscriptions represented liabilities to the Fund which were held in Australia in the form of the securities mentioned. In 1958–59 and 1959–60, under Items 2 and 8 there were net outflows of £20 million and £15 million. A more detailed account of these transactions is provided in *The Australian Balance of Payments 1958–59, 1959–60, and First Half 1960–61*.

In the periods shown, capital inflow resulting from overseas investment in Australian companies was substantially greater than net receipts from official loans raised overseas. Excluding life offices, overseas investment in Australian companies totalled £121 million in 1958–59 and in 1959–60 it rose to £188 million. These amounts included £20 million and £34 million respectively of portfolio investment and £101 million and £154 million of direct investment. The latter included substantial amounts of undistributed income which totalled £63 million in 1958–59 and £67 million in 1959–60.

As mentioned above, the balance on capital account is identical with the balance on current account, and the movement in international reserves reflects the combined movement of current and capital items. In practice, however, there is an unexplained residue which is included in the table below as the balancing item. This item includes errors and omissions in the estimates made for all items in both current and capital accounts, short term financing transactions and other timing differences between the statistical recording of items such as imports, exports, transportation items, changes in share ownership, etc., and the crediting and debiting of payments for these transactions against Australia's international reserves. The increase in this item in 1958–59 and the decrease in 1959–60 may have been associated to a greater degree than usual with such timing differences.

## BALANCE OF PAYMENTS ON CAPITAL ACCOUNT: AUSTRALIA.

(£A. million.)

Particulars.	1958-59.	1959-60.
<b>CHANGE IN ASSETS.</b>		
1. International Reserves .. .. .	— 9.0	— 4.4
2. International Agencies—I.M.F. .. .. .	44.6	44.6
—I.B.R.D., I.D.A. .. .. .	..	5.9
	44.6	50.5
3. Other Official .. .. .	— 6.0	— 8.5
4. Marketing Authorities .. .. .	6.0	— 0.3
5. Portfolio Investment .. .. .	— 1.4	— 4.4
6. Direct investment—		
Branches—		
Unremitted Profits .. .. .	1.1	0.1
Other .. .. .	4.1	0.9
Subsidiaries—		
Undistributed Profits .. .. .	1.4	3.7
Other .. .. .	3.8	3.2
	10.4	7.9
<i>Total—Change in Assets</i> .. .. .	44.6	40.8
<b>CHANGE IN LIABILITIES.</b>		
7. Official Loans—		
I.B.R.D. .. .. .	2.2	— 7.2
Other Commonwealth .. .. .	11.4	36.7
States .. .. .	22.1	6.0
Other .. .. .	— 0.2	— 0.2
Discounts, etc. .. .. .	— 0.7	— 0.5
	34.8	34.8
8. International Agencies—I.M.F. .. .. .	27.1	33.4
—I.B.R.D., I.D.A. .. .. .	— 2.8	2.4
	24.3	35.8
9. Foreign Banks .. .. .	1.0	— 0.9
10. Portfolio Investment—		
Government Securities .. .. .	— 4.5	— 2.3
Companies, etc. .. .. .	19.8	34.0
	15.3	31.7
11. Direct Investment—		
Branches—		
Unremitted Profits .. .. .	11.6	10.1
Other .. .. .	9.4	23.0
Subsidiaries—		
Undistributed Profits .. .. .	51.8	56.5
Other .. .. .	28.7	64.4
	101.5	154.0
12. Life Assurance .. .. .	— 5.0	— 2.4
13. Balancing Item .. .. .	81.0	39.8
<i>Total—Change in Liabilities</i> .. .. .	252.9	292.8
<b>Balance on Capital Account</b> .. .. .	<b>208.3</b>	<b>252.0</b>

4. Balance of Payments on Current Account—Monetary Area and Regions.—Estimates are also made of Australia's current account transactions with various countries.

The table below shows the balance on current account in 1958-59 and 1959-60 for sterling and non-sterling countries. The latter include the United States of America and Canada, the European Economic Community, the European Free Trade Association (excluding the United Kingdom), the Soviet Area and "other" countries.

**BALANCE OF PAYMENTS ON CURRENT ACCOUNT: AUSTRALIA**  
**MONETARY AREAS AND REGIONS.**

(£A. million.)

Particulars.	1958-59.	1959-60.
<b>Exports f.o.b.—</b>		
Sterling—		
United Kingdom .. .. .	261.5	246.3
Other .. .. .	149.7	176.6
Non-Sterling—		
U.S.A. and Canada .. .. .	78.1	91.8
European Economic Community .. .. .	145.1	179.3
European Free Trade Association(a) .. .. .	8.7	8.6
Soviet Area .. .. .	31.1	52.1
Other .. .. .	136.1	182.7
<b>Total</b> .. .. .	<b>870.3</b>	<b>937.4</b>
<b>Imports f.o.b.—</b>		
Sterling—		
United Kingdom .. .. .	-309.6	-331.5
Other .. .. .	-131.7	-153.0
Non-Sterling—		
U.S.A. and Canada .. .. .	-131.7	-199.7
European Economic Community .. .. .	-85.5	-109.4
European Free Trade Association(a) .. .. .	-31.2	-36.1
Soviet Area .. .. .	-7.5	-9.0
Other .. .. .	-99.1	-107.0
<b>Total</b> .. .. .	<b>-796.3</b>	<b>-945.7</b>
<b>Invisibles—</b>		
Sterling—		
United Kingdom .. .. .	-70.5	-74.9
Other .. .. .	-41.5	-45.3
Non-Sterling—		
U.S.A. and Canada .. .. .	-86.4	-98.5
European Economic Community .. .. .	-17.3	-21.8
European Free Trade Association(a) .. .. .	-0.6	1.9
Soviet Area .. .. .	-0.5	-1.0
Other .. .. .	-14.9	-13.0
International Agencies .. .. .	-7.1	-7.3
Gold Production .. .. .	16.5	16.2
<b>Total</b> .. .. .	<b>-222.3</b>	<b>-243.7</b>
<b>Balance on Current Account—</b>		
Sterling—		
United Kingdom .. .. .	-118.6	-160.1
Other .. .. .	-23.5	-21.7
Non-Sterling—		
U.S.A. and Canada .. .. .	-140.0	-206.4
European Economic Community .. .. .	42.3	48.1
European Free Trade Association(a) .. .. .	-23.1	-25.6
Soviet Area .. .. .	23.1	42.1
Other .. .. .	22.1	62.7
International Agencies .. .. .	-7.1	-7.3
Gold Production .. .. .	16.5	16.2
<b>Total</b> .. .. .	<b>-208.3</b>	<b>-252.0</b>

(a) Excludes United Kingdom.

NOTE.—Minus sign (—) denotes debits.