

## CHAPTER XIII.

## TRADE.

NOTE.—Values of Australian overseas trade shown throughout this chapter are expressed as £A. f.o.b. port of shipment, unless otherwise indicated.

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 *Overseas 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 Overseas Trade Statistics*, and a preliminary monthly statement on *Australian Overseas 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), *Overseas Trade with Major Groups of Countries* (quarterly), *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 Overseas Trade.

1. *General*.—The principal Acts affecting overseas trade at present in force are: the Customs Act 1901–1960; Customs Tariff 1933–1961; Customs Tariff (Canadian Preference) 1960–1961; Customs Tariff (Dumping and Subsidies) Act 1961; Customs Tariff (New Zealand Preference) 1933–1961; Customs Tariff (Papua and New Guinea Preference) 1936–1959; Customs Tariff (Federation of Rhodesia and Nyasaland Preference) 1960–1961; 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 1933–1961.

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, the Federation of Rhodesia and Nyasaland, 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 1933–1961.

(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 on finished or partly finished products; and other matters affecting the 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 (Dumping and Subsidies) Act 1961.

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 (Dumping and Subsidies) Act 1961 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. **Anti-dumping Legislation.**—A Customs Tariff (Dumping and Subsidies) Act 1961 provides protection for Australian industry against various forms of unfair trading. Under this Act dumping duty can be imposed on goods that are sold to Australia at an export price which is less than the normal value of the goods, where this causes or threatens material injury to an Australian industry.

Dumping duty can be levied only after inquiry and report by the Tariff Board.

The four criteria covering normal value are as follows:—

- (i) Fair market value in the country of export;
- (ii) Price in the country of export to a third country;
- (iii) Fair market value in a third country;
- (iv) Cost of production, plus f.o.b. charges, plus selling costs and profit.

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

Countervailing duty can be levied on goods in respect of which any subsidy, bounty, reduction, or remission of freight or other financial assistance has been, or is being, paid or granted directly or indirectly upon the production, manufacture, carriage or export of those goods.

The amount of the countervailing duty in respect of any goods is a sum equal to the amount of the subsidy, bounty, reduction or remission of freight or other financial assistance.

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 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.

For information concerning the Customs Tariff (Industries Preservation) Act 1921–1957 reference should be made to Official Year Book No. 47, page 483.

**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 was deemed 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 these regulations, which had continued in force after the war. The 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.

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, came into effect on 9th November, 1956. Briefly, this agreement preserves security for Australian exports in the United Kingdom market, but lowers the obligatory margins of preference which Australia extends to the United Kingdom (*see also* page 475).

(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.

(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 guarantees free entry for natural rubber so long as the Papua-New Guinea crop is absorbed, and the Federation is assured 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. It was provided that the Agreement would remain in force until 5th July, 1960, and thereafter unless prior notice of termination should be given by either Government.

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.

Since the Agreement was signed, Japanese imports of wool, tallow and dried fruits have been fully liberalized.

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. Following discussions on this and other aspects of the Agreement in October, 1960, and in October, 1961, operation of the Agreement was extended until September, 1962.

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.

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.

(vii) *Federal Republic of Germany.* This agreement was signed in October, 1959, and was operative initially for the period July, 1959, to December, 1961. It has been agreed to extend the agreement for a further year to 31st December, 1962, but with provision for it to be reviewed during that year. Under the agreement, annual import quotas are provided for Australian wheat, coarse grains, frozen mutton and lamb, 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, frozen beef, 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 was valid initially for the two years 1960 and 1961, and as with the Trade Agreement has been extended to 1962, with the provision for it to be reviewed during that year.

(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. Australia recognises the importance to Indonesia of its exports to Australia of tea and rubber.

(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 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 by reduction 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.

Five 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 it 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.

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 most 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 and obstacles to the expansion of trade of underdeveloped countries.

There are at present (January, 1962) 40 Contracting Parties to the Agreement comprising most of the world's larger trading nations, and 8 further 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 18th Session was held in May, 1961, and the 19th Session in November/December, 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 had 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 (operative since 9th November, 1956) 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 agreement shall be the subject of re-negotiation between the two Governments during the fifth year of its operation. (By agreement between the two Governments this re-negotiation has been postponed to 1962.)

#### § 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 December, 1961, there were 36 Trade Commissioner posts in 27 countries, new posts having been opened in Beirut (Lebanon), August, 1961, Lima (Peru), October, 1961, and Caracas (Venezuela), March, 1962. With the continuing need to take advantage of new markets the opening of additional 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), now located at Suva, 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, Lebanon, Peru and Venezuela), 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 oversea 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 oversea 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 oversea 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 31st December, 1961, the Corporation had 249 policies current to the value of over £30,000,000—compared with 159 policies current to the value of £22,500,000 on 31st December, 1960. The Corporation has issued policies covering exports to over 120 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.*—Oversea trade statistics are compiled from documents obtained under the Customs Act 1901–1960 and supplied to the Commonwealth Bureau of Census and Statistics by the Department of Customs and Excise. Certain items are excluded for which customs entries are not required. See para. 7 (viii) Balance of Payments, page 483.

2. **Customs Area.**—The 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 1960–61 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 1957 to 1961 inclusive.

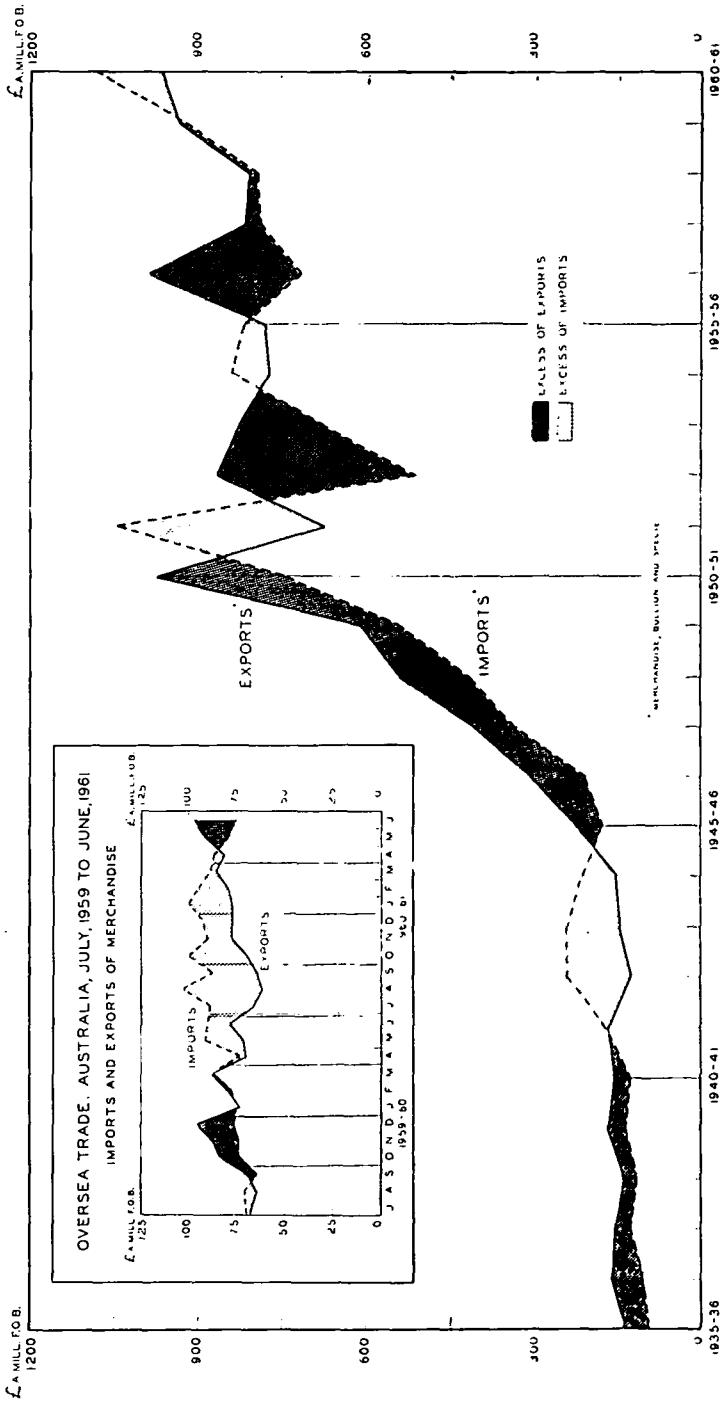
6. **Valuation.**—(i) *Imports.* The recorded value of goods imported from countries beyond Australia as shown in the following tables represents the amount on which duty is payable or would be payable if the duty were charged *ad valorem*.

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.

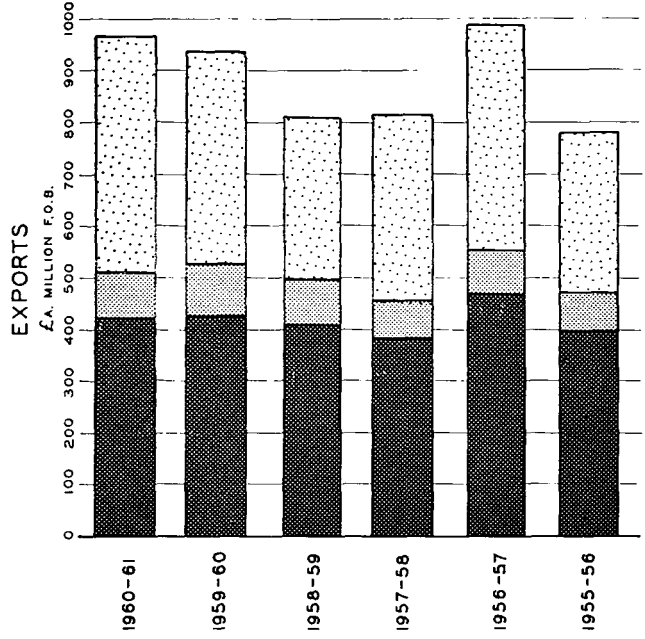
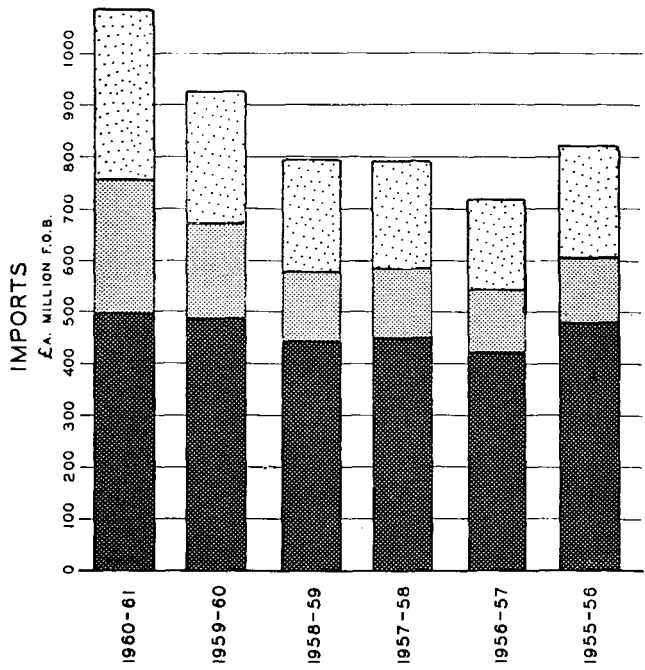
OVERSEA TRADE: AUSTRALIA, 1935-36 to 1960-61



# OVERSEA TRADE ACCORDING TO MONETARY GROUPS

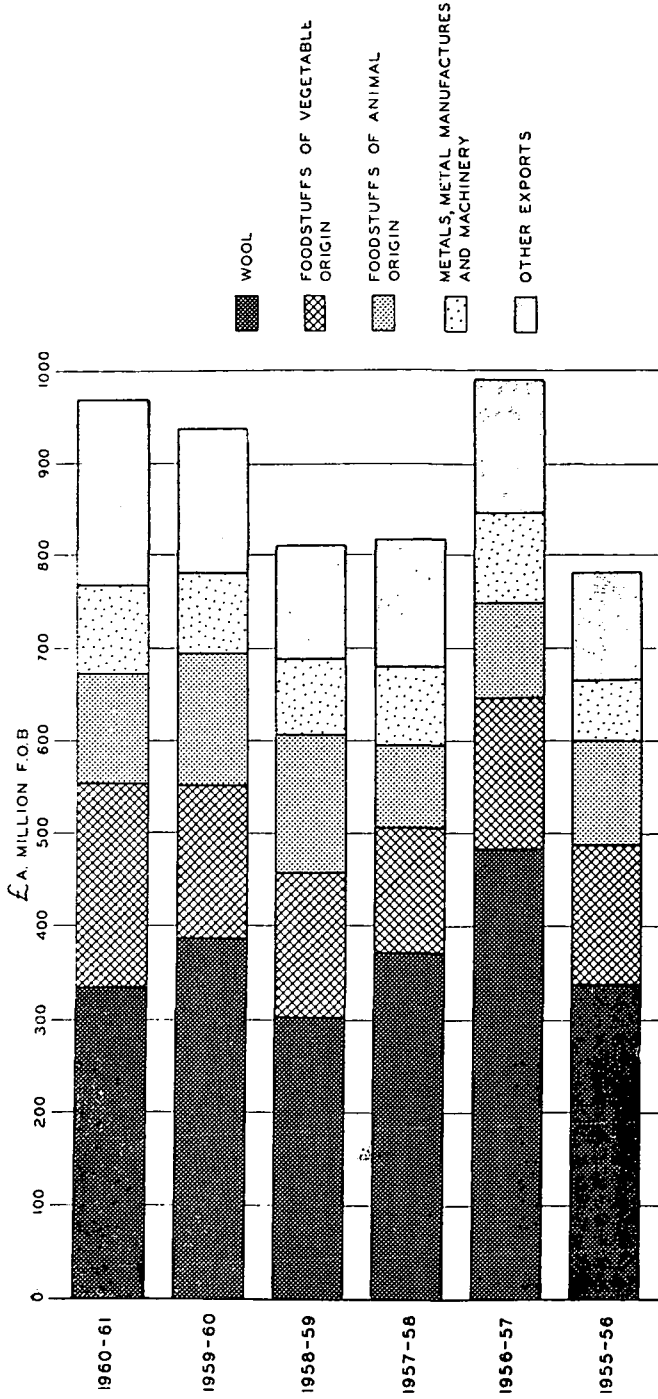
AUSTRALIA, 1955-56 TO 1960-61

STERLING AREA
  DOLLAR AREA
  OTHER NON-STERLING AREAS



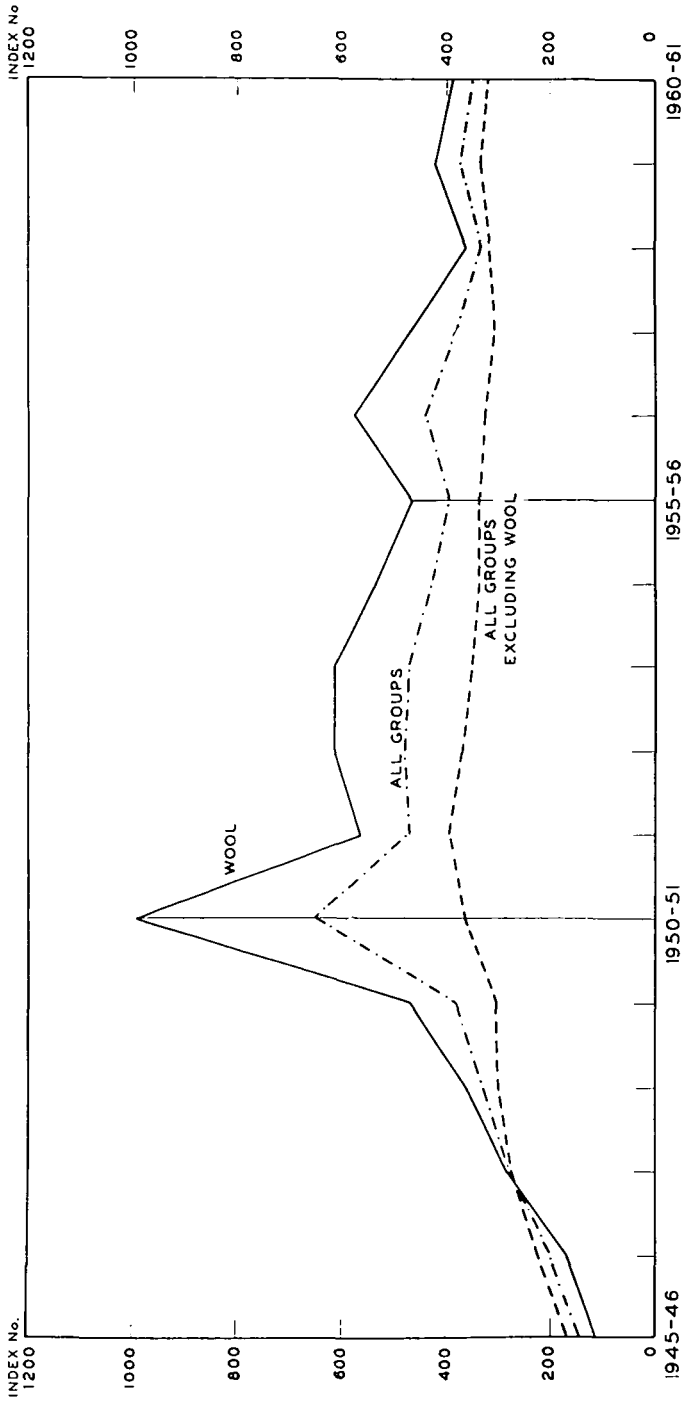
# EXPORTS OF PRINCIPAL COMMODITIES

AUSTRALIA, 1955-56 TO 1960-61



# EXPORT PRICE INDEX NUMBERS: AUSTRALIA, 1945-46 TO 1960-61

SIMPLE AGGREGATIVE INDEX: FIXED WEIGHTS  
(BASE: AVERAGE OF THREE YEARS ENDED JUNE, 1939=100)





(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 oversea buyers before export—the Australian 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 oversea 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) *Stores.* Prior to 1906, goods shipped in Australian ports on oversea 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 1956–57 is shown on page 496.

(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 oversea trade transactions.

(iv) *Currency.* Notes and coins are included in the oversea 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) *Direct Transit Trade.* Particulars of direct transit trade through Australia are not recorded.

(viii) *Balance of Payments.* Statistics relating to oversea trade only do not measure Australia's total balance of payments during the periods shown. Particulars of other transactions entering into the balance of payments, for example, freight charges and oversea travel, payment of dividends, profits and interest and Government expenditure overseas, are provided in the statistical bulletin "*Balance of Payments: Quarterly Summary*" issued by the Commonwealth Statistician (see also § 21, page 507). For items such as naval ships, merchant vessels trading overseas, aircraft for use on oversea 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.

8. *Countries.*—(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. "Country of origin" referred to in import tables should be taken to mean the country of production.

(ii) *Exports.* In the export sections of tables in this chapter, "country" refers to the country to which the goods were consigned so far as this can be determined at the time of export.

9. Quantities.—Where quantities are shown, they are generally, but not invariably, expressed in terms of the normal trade unit. Where "cental" is used, the unit is equivalent to 100 lb. avoirdupois. Quantities are not tabulated in respect of items for which there is no appropriate unit of quantity (e.g. an item which covers a number of commodities and cannot be recorded under a uniform unit of quantity).

10. 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 1960–61. 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.	Value.(£'000.)			Excess of Exports(+) or Imports(-) (£'000.)	Value per Head of Population.(£)		
	Imports.	Exports.	Total.		Imports.	Exports.	Total.
<b>Annual Average—</b>							
1901 to 1905 ..	35,689	51,237	86,926	+ 15,548	9.1	13.1	22.2
1906 to 1910 ..	46,825	(a)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
<b>Year—</b>							
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	88.2	83.9	172.1
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	80.1	81.6	161.7
1959–60 ..	927,091	937,682	1,864,773	+ 10,591	91.2	92.3	183.5
1960–61 ..	1,087,577	968,843	2,056,420	- 118,734	104.7	93.2	197.9

(a) 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 1956–57 to 1960–61, see table on p. 496.

A graph showing the overseas trade of Australia from 1935–36 to 1960–61 appears on page 479.

2. **Excluding Gold.**—The fluctuations in recent years in merchandise trade (including silver and bronze 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.
1956-57.. ..	716,720	978,679	1,695,399	75.2	102.7	177.9
1957-58.. ..	789,308	811,594	1,600,902	81.0	83.3	164.3
1958-59.. ..	794,422	808,184	1,602,606	79.9	81.2	161.1
1959-60.. ..	924,568	927,471	1,852,039	91.0	91.2	182.2
1960-61.. ..	1,085,374	928,884	2,014,258	104.5	89.4	193.9

**§ 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 1958-59 to 1960-61, according to country of origin and consignment respectively.

**COUNTRIES OF ORIGIN OR CONSIGNMENT OF AUSTRALIAN IMPORTS AND EXPORTS.**  
(EXCLUDING GOLD.)  
(£'000.)

Country.	Imports.			Exports.		
	1958-59.	1959-60.	1960-61.	1958-59.	1959-60.	1960-61.
<i>Commonwealth Countries—</i>						
United Kingdom .. ..	307,436	330,302	340,531	256,935	237,946	200,063
Australian Territories .. ..	10,420	11,226	11,217	16,698	18,236	19,848
Canada .. ..	23,173	29,653	45,664	16,460	13,905	17,027
Ceylon .. ..	10,457	11,238	10,166	5,899	7,711	7,180
India .. ..	21,005	18,180	22,707	10,080	16,219	13,884
Malaya, Federation of .. ..	11,482	17,828	15,195	13,167	12,681	11,993
New Zealand .. ..	12,219	15,319	16,965	49,603	54,273	61,890
Singapore .. ..	1,322	1,560	1,856	9,855	10,948	12,185
Other Commonwealth Countries	39,810	47,274	49,592	43,236	47,832	49,703
<i>Total, Commonwealth Countries</i>	<i>437,324</i>	<i>482,580</i>	<i>513,893</i>	<i>421,933</i>	<i>419,751</i>	<i>393,773</i>
<i>Foreign Countries—</i>						
Arabian States .. ..	29,467	36,490	35,517	2,852	2,597	3,762
Belgium-Luxembourg .. ..	6,731	8,470	11,176	23,571	24,296	22,761
China, Republic of—Mainland	3,574	4,419	3,974	13,567	16,132	39,857
France .. ..	11,724	13,743	16,722	46,661	60,325	51,072
Germany, Federal Republic of	42,954	53,869	66,176	28,905	38,333	26,755
Indonesia .. ..	31,475	29,438	28,105	2,137	3,221	5,133
Italy .. ..	9,720	13,011	15,779	32,244	46,574	47,725
Japan .. ..	29,949	41,533	65,445	102,311	134,674	161,488
Netherlands .. ..	12,978	18,682	17,010	8,468	5,856	6,258
Sweden .. ..	12,229	14,286	17,930	2,677	2,146	2,255
United States of America	108,503	150,031	217,041	60,725	75,927	72,471
Other Foreign Countries .. ..	57,232	57,217	75,732	56,649	91,827	86,993
<i>Total, Foreign Countries</i>	<i>356,536</i>	<i>441,189</i>	<i>570,607</i>	<i>380,767</i>	<i>501,908</i>	<i>526,530</i>
<i>Country unknown</i> .. ..	<i>562</i>	<i>799</i>	<i>874</i>	<i>5,484</i>	<i>5,812</i>	<i>8,581</i>
<b>Total .. ..</b>	<b>794,422</b>	<b>924,568</b>	<b>1,085,374</b>	<b>808,184</b>	<b>927,471</b>	<b>928,884</b>

(ii) *Proportions.* In view of the fluctuations in the total values of imports and exports, it is somewhat difficult to ascertain from the preceding table the relative importance of the various countries in the trade of Australia. A better idea of the proportions of imports supplied by the various countries and of their relative importance as markets for Australian exports during the years 1958-59 to 1960-61 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.		
	1958-59.	1959-60.	1960-61.	1958-59.	1959-60.	1960-61.
<i>Commonwealth Countries—</i>						
United Kingdom .. ..	38.70	35.72	31.38	31.79	25.65	21.54
Australian Territories .. ..	1.31	1.21	1.03	2.07	1.97	2.14
Canada .. .. .	2.92	3.21	4.21	2.04	1.50	1.83
Ceylon .. .. .	1.32	1.22	0.94	0.73	0.83	0.77
India .. .. .	2.64	1.97	2.09	1.25	1.75	1.50
Malaya, Federation of .. ..	1.45	1.93	1.40	1.63	1.37	1.29
New Zealand .. .. .	1.54	1.66	1.56	6.14	5.85	6.66
Singapore .. .. .	0.17	0.17	0.17	1.22	1.18	1.31
Other Commonwealth Countries	5.00	5.11	4.57	5.34	5.16	5.35
<i>Total, Commonwealth Countries</i>	<i>55.05</i>	<i>52.20</i>	<i>47.35</i>	<i>52.21</i>	<i>45.26</i>	<i>42.39</i>
<i>Foreign Countries—</i>						
Arabian States .. .. .	3.71	3.95	3.27	0.35	0.28	0.41
Belgium-Luxembourg .. ..	0.85	0.91	1.03	2.92	2.62	2.45
China, Republic of—Mainland	0.45	0.48	0.36	1.68	1.74	4.29
France .. .. .	1.48	1.49	1.54	5.77	6.50	5.50
Germany, Federal Republic of	5.41	5.83	6.10	3.58	4.13	2.88
Indonesia .. .. .	3.96	3.18	2.59	0.26	0.35	0.55
Italy .. .. .	1.22	1.41	1.45	3.99	5.02	5.14
Japan .. .. .	3.77	4.49	6.03	12.66	14.52	17.39
Netherlands .. .. .	1.63	2.02	1.57	1.05	0.63	0.67
Sweden .. .. .	1.54	1.55	1.65	0.33	0.23	0.24
United States of America ..	13.66	16.23	20.00	7.51	8.19	7.80
Other Foreign Countries ..	7.20	6.18	6.98	7.01	9.90	9.37
<i>Total, Foreign Countries</i> ..	<i>44.88</i>	<i>47.72</i>	<i>52.57</i>	<i>47.11</i>	<i>54.11</i>	<i>56.69</i>
<i>Country unknown</i> .. .. .	<i>0.07</i>	<i>0.08</i>	<i>0.08</i>	<i>0.68</i>	<i>0.63</i>	<i>0.92</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 Major Groups of Countries.—The following table shows the trade of Australia with major groups of countries during the years 1959-60 and 1960-61.

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), Iceland, and the Republic of South Africa.

The United States of America and Canada have now been shown separately in lieu of the area previously referred to as "Dollar".

The European Economic Community group consists of Belgium-Luxembourg, France, Federal Republic of Germany, Greece, Italy and the Netherlands (including Netherlands New Guinea).

The European Free Trade Association group in the following table consists of the following countries: Norway and Portugal and their dependencies, Austria, Denmark, Finland, Sweden and Switzerland.

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

**OVERSEA TRADE OF AUSTRALIA WITH MAJOR GROUPS OF COUNTRIES.**  
(INCLUDING GOLD.)  
(£'000.)

Major Groups of Countries.	1959-60.	1960-61.
<b>STERLING.</b>		
<b>Imports—</b>		
From—United Kingdom .. .. .	330,302	340,531
Other Countries .. .. .	155,262	154,431
Total .. .. .	485,564	494,962
<b>Exports—</b>		
To—United Kingdom .. .. .	247,321	231,591
Other Countries .. .. .	170,957	188,081
Total .. .. .	418,278	419,672
<b>Excess of Exports (+) or Imports (-)</b> .. .. .	-67,286	-75,290
<b>NON-STERLING.</b>		
<b>Imports—</b>		
From—United States of America(a) .. .. .	150,032	217,046
Canada .. .. .	29,653	45,664
Total .. .. .	179,685	262,710
<b>Exports—</b>		
To—United States of America(a) .. .. .	76,802	73,330
Canada .. .. .	13,905	17,027
Total .. .. .	90,707	90,357
<b>Excess of Exports (+) or Imports (-)</b> .. .. .	-88,978	-172,353
<b>Imports—</b>		
From—European Economic Community .. .. .	109,667	128,614
European Free Trade Association(b) .. .. .	48,310	49,503
Other Countries .. .. .	103,865	151,788
Total .. .. .	261,842	329,905
<b>Exports—</b>		
To—European Economic Community .. .. .	180,122	160,824
European Free Trade Association(b) .. .. .	10,220	12,492
Other Countries .. .. .	238,355	285,498
Total .. .. .	428,697	458,814
<b>Excess of Exports (+) or Imports (-)</b> .. .. .	+166,855	+128,909
<b>ALL MONETARY GROUPS.</b>		
<b>Total Imports</b> .. .. .	927,091	1,087,577
<b>Total Exports</b> .. .. .	937,682	968,843
<b>Excess of Exports (+) or Imports (-)</b> .. .. .	+10,591	-118,734
<p style="text-align: center;">(a) Includes Alaska and Hawaiian Islands.      (b) Excludes United Kingdom.</p>		

A graph showing the overseas trade of Australia according to monetary areas for the years 1955-56 to 1960-61 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 1958-59 to 1960-61.

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

Class.	Imports.			Exports.		
	1958-59.	1959-60.	1960-61.	1958-59.	1959-60.	1960-61.
I. Foodstuffs of animal origin, etc.	1,241	1,700	1,989	87,969	70,086	48,304
II. Foodstuffs of vegetable origin; non-alcoholic beverages, etc.	794	700	1,226	63,578	57,844	62,504
III. Alcoholic liquors, etc. . .	1,932	3,300	3,334	746	811	764
IV. Tobacco, etc. . . . .	395	454	405	1	..	1
V. Live animals and birds . . .	175	103	176	18	77	17
VI. Animal substances, etc. . .	565	925	1,258	75,303	78,697	58,302
VII. Vegetable substances, etc. . .	1,663	1,607	1,463	110	137	81
VIII. Apparel, textiles, etc. . .	36,947	37,652	39,483	259	399	187
IX. Oils, fats and waxes . . . .	1,745	2,034	2,187	1,774	1,077	1,504
X. Pigments, paints and varnishes	3,928	3,596	3,617	15	13	13
XI. Rocks, minerals, etc. . . . .	687	739	758	3,192	3,655	4,843
XII. Metals, metal manufactures and machinery . . . . .	168,090	187,067	194,719	16,182	15,770	15,857
XIII. Rubber and leather, etc. . .	2,715	3,471	4,616	2,520	3,098	2,269
XIV. Wood and wicker, etc. . . .	367	361	489	440	898	949
XV. Earthenware, etc. . . . .	7,599	8,365	9,397	20	21	11
XVI. Paper and stationery . . . .	21,628	20,087	20,574	307	312	305
XVII. Jewellery, etc. . . . .	2,736	3,109	3,321	90	195	450
XVIII. Optical, surgical and scientific instruments . . . . .	5,618	5,748	5,741	360	553	820
XIX. Chemicals, medicinal products, essential oils, fertilizers . . . .	18,989	20,902	21,867	542	513	624
XX. Miscellaneous . . . . .	(a)29,621	(a)28,381	(a)23,910	2,200	2,453	2,188
XXI. Gold and silver; bronze specie . . . . .	2	1	1	1,309	10,712	31,598
<b>Total . . . . .</b>	<b>307,437</b>	<b>330,302</b>	<b>340,531</b>	<b>256,935</b>	<b>247,321</b>	<b>231,591</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 1958-59 to 1960-61.

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

Article.	1958-59.	1959-60.	1960-61.	Article.	1958-59.	1959-60.	1960-61.
Arms and ammunition, military, naval and air force stores . . . . .	4,643	4,615	3,702	Optical, surgical and scientific instruments . . . . .	3,953	4,028	4,203
Aluminium—				Paper, printing . . . . .	6,597	4,628	3,466
Plates, sheets, strips . . . . .	868	1,681	1,490	Piece-goods—			
Leaf and foil . . . . .	1,388	1,870	1,691	Cotton and linen . . . . .	9,325	7,701	6,338
Apparel . . . . .	3,981	4,290	4,933	Silk and rayon(a) . . . . .	1,998	1,751	1,577
Books, magazines, etc. . . . .	7,708	7,426	8,234	All other piece-goods . . . . .	4,230	5,035	5,450
Carpets . . . . .	3,885	4,670	6,026	Plastics materials . . . . .	4,717	5,796	3,556
Chemicals, medicinal products, essential oils and fertilizers . . . . .	18,989	20,902	21,867	Rubber and rubber manufactures . . . . .	2,047	2,690	3,542
Crockery . . . . .	2,650	2,119	2,168	Sewing and other cottons, threads, etc. . . . .	2,263	2,237	2,939
Electrical machinery and appliances . . . . .	21,877	25,673	24,450	Stationery and paper manufactures . . . . .	10,212	9,760	10,810
Glass and glassware . . . . .	3,193	3,887	4,255	Tools of trade . . . . .	2,073	2,292	2,481
Iron and steel—				Vehicles, parts and accessories . . . . .	44,860	54,841	49,997
Plate and sheet . . . . .	8,912	5,459	7,066	Vessels (ship) including parts . . . . .	5,668	2,255	467
Other . . . . .	4,910	7,072	11,739	Whisky . . . . .	1,789	3,103	3,086
Linoleums . . . . .	2,196	2,418	2,320	Yarns—			
Machines and machinery (except dynamo electrical)—				Cotton . . . . .	2,867	3,054	2,919
Agricultural . . . . .	1,780	1,531	1,527	Rayon . . . . .	3,634	3,470	4,015
Metal-working . . . . .	5,851	7,683	7,793	Other . . . . .	339	595	828
Motive-power . . . . .	19,981	25,507	22,001	All other articles(b) . . . . .	54,818	55,597	60,438
Other . . . . .	33,235	34,666	43,157	<b>Total Imports . . . . .</b>	<b>307,437</b>	<b>330,302</b>	<b>340,531</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 1958–59 to 1960–61.

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

Article.	Unit of Quantity.	Quantity.			Value. (£'000.)		
		1958–59.	1959–60.	1960–61.	1958–59.	1959–60.	1957–58.
Butter .. .. .	ton	69,119	59,419	50,795	22,105	21,749	15,611
Cheese .. .. .	"	11,574	15,473	13,073	3,519	3,634	2,580
Eggs .. .. .	"	..	..	..	1,069	2,023	3,048
Fruit, dried .. .. .	ton	39,760	26,731	28,964	7,002	4,601	4,685
" fresh .. .. .	'000 bus.	4,364	4,007	4,303	5,973	5,189	5,820
" preserved in airtight containers .. .. .	ton	77,594	78,896	60,991	11,543	11,031	8,748
Gold .. .. .	'000 fine oz.	..	600	2,017	..	9,375	31,528
Grains and cereals—							
Barley .. .. .	ton	84,173	104,985	194,425	2,123	2,205	3,438
Flour (wheaten), plain white .. .. .	ton(a)	45,548	46,255	56,135	1,316	1,235	1,459
Wheat .. .. .	ton	568,551	562,106	734,205	14,708	13,919	18,472
Other .. .. .	..	..	..	..	3,642	2,316	1,451
Hides and skins .. .. .	..	..	..	..	1,957	2,550	2,349
Lead bullion .. .. .	ton	59,691	49,265	53,741	6,218	5,260	5,330
" pig .. .. .	"	70,112	63,694	66,790	5,852	5,436	5,271
Leather .. .. .	..	..	..	..	2,497	3,061	2,240
Meats preserved by cold process—							
Beef and veal .. .. .	ton	152,918	81,650	40,631	30,915	20,192	9,622
Lamb .. .. .	"	33,941	18,876	19,894	6,686	2,741	3,637
Mutton .. .. .	"	13,099	9,382	7,947	1,776	1,158	1,509
Rabbit and hare .. .. .	..	..	..	..	2,583	2,492	2,339
Meats, tinned .. .. .	ton	41,107	34,570	19,883	10,769	9,318	5,981
Milk and cream .. .. .	'000 lb.	50,256	42,004	2,927	1,894	1,863	103
Silver bullion .. .. .	'000 fine oz.	3,300	3,266	168	1,300	1,333	68
Sugar (cane) .. .. .	ton	346,268	365,486	329,251	15,364	15,586	17,676
Tallow, inedible .. .. .	..	6,793	8,118	2,289	524	482	132
Timber, undressed(b) .. .. .	'000 super ft.	1,465	2,685	6,351	101	189	445
Wine, fermented .. .. .	'000 gal.	1,333	1,313	1,362	723	796	736
Wool .. .. .	'000 lb.	331,125	291,602	237,851	73,082	75,947	55,559
Zinc bars, etc. .. .. .	ton	7,651	8,947	3,243	684	977	339
All other articles .. .. .	..	..	..	..	17,503	17,004	17,255
Total Exports (Australian Produce) .. .. .	..	..	..	..	253,428	243,662	227,431

(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 1958–59 to 1960–61 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	1958-59	1,241	..	189	1,552	527	7,732
	1959-60	1,700	2	288	1,709	628	9,947
	1960-61	1,989	10	285	2,320	1,514	13,338
Yarns and manufactured fibres, textiles and apparel	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
	1960-61	39,483	2,992	4,836	25,933	12,205	132,477
Metals, metal manufactures and machinery	1958-59	168,090	5,579	23,147	2,387	58,805	292,793
	1959-60	187,067	6,976	29,831	5,480	78,140	354,935
	1960-61	194,719	8,830	38,164	21,983	113,282	435,751
Rubber and leather and manufactures thereof, and substitutes therefor	1958-59	2,714	305	134	..	3,892	17,677
	1959-60	3,471	323	196	113	5,300	25,462
	1960-61	4,616	493	518	255	6,895	25,539
Earthenware, cement, china, glass and stoneware	1958-59	7,599	576	695	1,686	1,064	14,360
	1959-60	8,365	558	795	2,166	1,270	16,656
	1960-61	9,397	690	1,034	2,861	2,432	20,798
Pulp, paper and board; paper manufactures and stationery	1958-59	21,628	143	925	449	2,815	48,158
	1959-60	20,087	261	1,090	696	4,859	54,991
	1960-61	20,574	309	1,838	1,560	10,323	70,176
Sporting material, toys, fancy goods, jewellery and timepieces	1958-59	2,736	126	1,293	1,447	17	8,726
	1959-60	3,109	139	1,294	2,090	375	10,832
	1960-61	3,321	169	1,647	2,460	961	13,019
Optical, surgical and scientific instruments, etc.; photographic goods, n.e.i.	1958-59	5,618	97	1,898	728	2,563	12,305
	1959-60	5,748	117	2,953	1,594	3,533	15,533
	1960-61	5,741	104	3,067	1,729	5,011	17,499
Chemicals, medicinal and pharmaceutical products, essential oils and fertilizers	1958-59	18,989	1,127	5,103	826	4,663	39,956
	1959-60	20,902	1,307	5,815	855	8,021	47,984
	1960-61	21,867	1,341	7,122	1,433	11,496	56,817
Total, competitive imports	1958-59	265,562	10,247	37,364	27,498	75,145	538,680
	1959-60	288,101	12,065	46,839	37,933	108,332	647,413
	1960-61	301,707	14,938	58,511	60,534	164,119	785,414
Total imports (less bullion and specie) (a)	1958-59	307,435	11,724	42,954	29,949	108,503	794,388
	1959-60	330,301	13,742	53,868	41,533	150,031	924,528
	1960-61	340,530	16,722	66,176	65,445	217,041	1,085,331

(a) Includes outside packages.

The principal classes of competitive imports are metals, metal manufactures and machinery (value £435,751,000 in 1960-61) and manufactured fibres, textiles and apparel (value £132,477,000 in 1960-61). The value of goods included in these two groups represented 72.3 per cent. of the total value of competitive commodities during 1960-61. In 1960-61, the United Kingdom supplied 38.4 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 1958-59 to 1960-61 are shown in the following table. The principal commodities imported in 1960-61 according to countries of origin were:—Borneo (British)—petroleum, £8,824,000, timber, hardwood, £3,135,000; Ceylon—tea, £8,910,000; India—bags and sacks, £9,462,000, cotton and linen piece-goods, £3,849,000,



hessian, £3,259,000, and tea, £892,000; Malaya—crude rubber, £7,078,000, latex, £1,840,000, timber, £2,890,000, and tin, £1,360,000; Japan—metals and metal manufactures, £21,983,000, cotton and linen piece-goods, £17,865,000, other textiles, £4,639,000, earthenware, china, glass, etc., £2,861,000, optical, etc., instruments, £1,729,000, and tinned fish, £2,079,000; Indonesia—petroleum spirit, £3,176,000, kerosene, £2,020,000, crude petroleum, £16,738,000, residual, solar and other mineral oils, £1,718,000, and tea, £2,721,000.

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

Country.	Imports.(a)			Exports.		
	1958-59.	1959-60.	1960-61.	1958-59.	1959-60.	1960-61.
<i>Commonwealth Countries—</i>						
Borneo (British) .. ..	13,000	15,830	12,329	996	1,350	1,359
Ceylon .. ..	10,457	11,238	10,166	5,899	7,711	7,180
Hong Kong .. ..	3,959	5,161	6,243	8,675	8,518	10,511
India .. ..	21,005	18,180	22,707	10,080	16,219	13,884
Malaya, Federation of ..	11,482	17,828	15,195	13,167	12,681	11,993
Pakistan .. ..	2,094	3,380	5,501	1,532	5,027	4,921
Singapore .. ..	1,322	1,560	1,856	9,855	10,948	12,185
<i>Foreign Countries—</i>						
Burma .. ..	51	9	17	1,448	1,888	1,701
Cambodia .. ..	5	2	4	29	400	93
China, Republic of—						
Formosa .. ..	49	108	224	1,070	1,353	2,008
Mainland .. ..	3,574	4,419	3,974	13,567	16,132	39,857
Indonesia .. ..	31,475	29,438	28,105	2,137	3,221	5,133
Japan .. ..	29,949	41,533	65,445	102,311	134,674	161,488
Korea, North .. ..	..	..	1	30	309	1,909
Korea, Republic of ..	3	1	75	2,963	3,992	1,721
Laos .. ..	..	1	..	5	4	46
Nepal .. ..	3	1	..	..	2	2
Philippines .. ..	153	269	406	4,157	4,918	3,696
<i>Portuguese Dependencies—</i>						
India (Portuguese) ..	..	..	..	170	185	158
Macao .. ..	1	3	3	1	10	304
Timor .. ..	18	..	..	49	82	90
Thailand .. ..	207	421	443	1,783	2,378	1,887
Viet-Nam, North .. ..	..	..	1	37	21	6
Viet-Nam, South .. ..	1	1	16	454	260	216
<b>Total .. ..</b>	<b>128,808</b>	<b>149,383</b>	<b>172,711</b>	<b>180,415</b>	<b>232,283</b>	<b>282,348</b>

(a) Includes outside packages.

The balance of trade with Eastern countries shows an excess of exports from Australia during each of the years 1958-59 to 1960-61.

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 1958-59 to 1960-61. The countries concerned in this trade are listed in the previous table.

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

Article.	1958-59.	1959-60.	1960-61.	Article.	1958-59.	1959-60.	1960-61.
Animal (except marine) oils and fats .. ..	2,558	3,135	2,389	Meats .. ..	2,998	3,806	4,431
Army stores .. ..	2,265	568	599	Metals and metal manufactures except zinc bars, etc. ..	15,468	16,331	19,758
Butter .. ..	1,634	1,824	2,570	Milk and cream .. ..	5,992	6,122	6,294
Cheese .. ..	397	569	899	Sugar (raw) .. ..	6,264	3,401	5,472
Fruit, fresh or preserved ..	1,399	1,304	1,303	Wool .. ..	83,025	118,041	120,385
<i>Grains and cereals—</i>				Zinc bars, blocks, etc .. ..	2,710	2,194	3,092
Flour (wheaten), plain white ..	8,347	10,454	13,137	Other merchandise .. ..	24,411	33,876	41,540
Wheat .. ..	9,482	22,745	44,782	<b>Total Merchandise ..</b>	<b>180,415</b>	<b>232,283</b>	<b>282,348</b>
Other (prepared and unprepared) .. ..	8,336	2,415	8,787	Gold and silver; bronze specic .. ..	3,291	756	7,978
Infants' and invalids' foods ..	1,918	2,192	2,478	<b>Total Exports .. ..</b>	<b>183,706</b>	<b>233,039</b>	<b>290,326</b>
Leather .. ..	841	800	782				
Machines and machinery .. ..	2,370	2,506	3,650				

## § 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 1960-61, and the totals for each State and Territory.

OVERSEA TRADE AT PRINCIPAL PORTS, 1960-61.  
(£'000.)

Port.	Imports.	Exports.	Port.	Imports.	Exports.
NEW SOUTH WALES.			SOUTH AUSTRALIA.		
Sydney, including Botany Bay .. .. .	454,204	227,190	Port Adelaide, including Adelaide .. .. .	68,483	56,937
Newcastle, including Port Stephens .. .. .	11,535	42,285	Port Pirie .. .. .	311	18,867
Port Kembla .. .. .	13,745	12,350	Port Lincoln .. .. .	953	7,921
Other .. .. .	..	100	Wallaroo .. .. .	446	8,095
Total .. .. .	479,484	282,125	Other .. .. .	1,189	7,459
VICTORIA.			WESTERN AUSTRALIA.		
Melbourne .. .. .	368,053	216,147	Fremantle, including Perth and Kwinana .. .. .	53,626	124,917
Geelong .. .. .	30,989	26,255	Geraldton .. .. .	282	9,118
Portland .. .. .	930	4,569	Bunbury .. .. .	796	6,504
Total .. .. .	399,972	246,971	Albany .. .. .	542	11,136
QUEENSLAND.			TASMANIA.		
Brisbane .. .. .	57,965	97,669	Hobart .. .. .	9,525	12,238
Townsville .. .. .	1,614	34,580	Launceston .. .. .	3,775	4,921
Mackay .. .. .	179	13,443	Burnie .. .. .	4,365	2,977
Cairns .. .. .	782	6,239	Devonport .. .. .	1,209	1,158
Bowen .. .. .	1	1,753	Total .. .. .	18,874	21,294
Rockhampton .. .. .	277	2,690	NORTHERN TERRITORY.		
Rockhampton .. .. .	409	2,229	Darwin .. .. .	1,206	435
Gladstone .. .. .	35	1,725	AUSTRALIAN CAPITAL TERRITORY.		
Maryborough .. .. .	15	3,745	Canberra .. .. .	116	..
Other .. .. .	..	..	Grand Total .. .. .	1,087,577	968,843
Total .. .. .	61,277	164,073			

## § 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 1958-59 to 1960-61.

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

Class.	Imports.			Exports.		
	1958-59.	1959-60.	1960-61.	1958-59.	1959-60.	1960-61.
I. Foodstuffs of animal origin, etc.	7,732	9,947	13,338	146,329	143,553	117,745
II. Foodstuffs of vegetable origin; non-alcoholic beverages, etc.	27,841	27,478	30,280	155,693	164,566	219,840
III. Alcoholic liquors, etc. ..	2,292	3,743	3,878	2,083	2,176	2,247
IV. Tobacco, etc. ..	14,510	14,178	13,362	461	354	415
V. Live animals and birds ..	551	636	715	1,242	2,036	1,453
VI. Animal substances, etc. ..	3,866	5,281	6,725	327,152	419,177	362,963
VII. Vegetable substances, etc. ..	19,809	20,235	20,418	993	1,130	971
VIII. Apparel, textiles, etc. ..	96,973	111,073	132,477	2,449	3,080	3,650
IX. Oils, fats and waxes ..	104,479	106,757	111,638	22,586	24,542	26,707
X. Pigments, paints and varnishes	6,828	6,629	6,803	912	1,089	1,233
XI. Rocks, minerals, etc. ..	7,165	7,770	8,680	21,252	29,059	37,641
XII. Metals, metal manufactures and machinery .. .. .	292,793	354,935	435,751	81,606	87,227	94,624
XIII. Rubber and leather, etc. ..	17,677	25,462	25,539	4,596	5,403	4,500
XIV. Wood and wicker, etc. ..	15,482	20,689	23,824	4,350	3,876	3,782
XV. Earthenware, etc. ..	14,360	16,656	20,798	959	878	1,268
XVI. Paper and stationery ..	48,158	54,991	70,176	2,678	3,205	3,938
XVII. Jewellery, etc. ..	8,726	10,832	13,019	905	1,512	2,143
XVIII. Optical, surgical and scientific instruments .. .. .	12,305	15,533	17,499	1,772	2,356	3,159
XIX. Chemicals, medicinal products, essential oils, fertilizers ..	39,956	47,984	56,817	7,707	7,882	9,000
XX. Miscellaneous .. .. .	(a)52,885	(a)63,719	(a)73,594	20,980	22,858	30,761
XXI. Gold and silver; bronze specie	2,211	2,563	2,246	4,758	11,723	40,803
Total .. .. .	796,599	927,091	1,087,577	811,463	937,682	968,843

(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 1958–59 to 1960–61.

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

Class.	Australian Produce.			Re-exports.		
	1958–59.	1959–60.	1960–61.	1958–59.	1959–60.	1960–61.
I. Foodstuffs of animal origin, etc.	146,287	143,483	117,707	42	70	38
II. Foodstuffs of vegetable origin; non-alcoholic beverages, etc.	155,211	164,002	219,401	482	564	439
III. Alcoholic liquors, etc.	2,071	2,168	2,234	12	8	13
IV. Tobacco, etc.	355	284	351	106	70	64
V. Live animals and birds	1,180	1,886	1,295	62	150	158
VI. Animal substances, etc.	327,001	419,100	362,819	151	77	144
VII. Vegetable substances, etc.	975	1,100	918	18	30	53
VIII. Apparel, textiles, etc.	2,234	2,759	3,158	215	321	492
IX. Oils, fats and waxes	21,070	22,718	24,807	1,516	1,824	1,900
X. Pigments, paints and varnishes	876	1,028	1,172	36	61	61
XI. Rocks, minerals, etc.	21,110	28,948	37,526	142	111	115
XII. Metals, metal manufactures and machinery	76,266	81,831	89,175	5,340	5,396	5,449
XIII. Rubber and leather, etc.	4,557	5,353	4,443	39	50	57
XIV. Wood and wicker, etc.	4,268	3,753	3,643	82	123	139
XV. Earthenware, etc.	918	833	1,222	41	45	46
XVI. Paper and stationery	2,511	2,979	3,671	167	226	267
XVII. Jewellery, etc.	777	1,290	1,842	128	222	301
XVIII. Optical, surgical and scientific instruments	1,450	1,895	2,438	322	461	721
XIX. Chemicals, medicinal products, essential oils, fertilizers	7,365	7,553	8,457	342	329	543
XX. Miscellaneous	13,683	15,009	15,529	7,297	7,849	15,232
XXI. Gold and silver; bronze specie	4,744	11,716	40,798	14	7	5
Total	794,909	919,688	942,606	16,554	17,994	26,237

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 1958–59 to 1960–61.

IMPORTS OF PRINCIPAL ARTICLES: AUSTRALIA.

Article.	Unit of Quantity.	Quantity.			Value. (£'000.)		
		1958–59.	1959–60.	1960–61.	1958–59.	1959–60.	1960–61.
Aircraft and parts	.. ..	.. ..	.. ..	.. ..	17,309	20,733	13,806
Aluminium Manufactures	.. cwt.	372,486	598,977	635,091	4,713	7,717	8,224
Leaf and foil	.. '000 lb.	5,724	7,520	8,021	1,704	2,176	2,415
Apparel—							
Blouses, skirts, costumes, etc.	.. ..	.. ..	.. ..	.. ..	906	1,133	1,690
Gloves	.. doz. prs.	431,704	513,312	554,373	1,092	1,175	1,509
Headwear	.. ..	.. ..	.. ..	.. ..	716	850	1,278
Men's and boys' outer clothing	.. ..	.. ..	.. ..	.. ..	411	541	805
Socks and stockings	.. ..	.. ..	.. ..	.. ..	338	552	767
Trimmings and ornaments	.. ..	.. ..	.. ..	.. ..	3,731	4,718	6,300
Other apparel and attire	.. ..	.. ..	.. ..	.. ..	1,985	2,256	2,902
Arms, explosives, military stores, etc.	.. ..	.. ..	.. ..	.. ..	5,645	9,371	6,916
Bags and sacks	.. ..	.. ..	.. ..	.. ..	8,204	6,973	13,383
Carpets and carpeting	.. ..	.. ..	.. ..	.. ..	4,732	5,734	7,640
Chemicals, drugs, fertilizers	.. ..	.. ..	.. ..	.. ..	39,856	47,984	56,817
Cotton, raw	.. '000 lb.	43,984	41,519	41,842	5,354	5,172	4,477
Crockery, etc.	.. ..	.. ..	.. ..	.. ..	3,873	3,604	4,007
Electrical machinery and appliances	.. ..	.. ..	.. ..	.. ..	36,573	44,611	47,534
Fibres (excl. Cotton, raw)	.. ..	.. ..	.. ..	.. ..	7,724	7,696	7,995
Glass and glassware	.. ..	.. ..	.. ..	.. ..	6,471	8,515	9,832
Iron and steel—							
Pipes, tubes and fittings	.. cwt.	310,473	503,518	698,028	1,777	2,459	3,814
Plate and sheet	.. ..	1,825,442	1,987,545	7,770,918	11,204	9,311	28,063
Other	.. ..	.. ..	.. ..	.. ..	8,677	12,210	26,558
Machines and machinery (except dynamo electrical)—							
Agricultural	.. ..	.. ..	.. ..	.. ..	3,326	3,553	3,522
Metal-working	.. ..	.. ..	.. ..	.. ..	11,735	14,884	17,146
Motive Power—							
Diesel engines	.. ..	.. ..	.. ..	.. ..	3,054	3,452	3,323
Steam engines, turbines and parts	.. ..	.. ..	.. ..	.. ..	1,743	4,237	3,004
Tractors and parts	.. ..	.. ..	.. ..	.. ..	16,356	22,512	24,072
Other	.. ..	.. ..	.. ..	.. ..	13,604	17,440	17,156
Other	.. ..	.. ..	.. ..	.. ..	64,769	72,182	98,827

IMPORTS OF PRINCIPAL ARTICLES: AUSTRALIA—*continued.*

Article.	Unit of Quantity.	Quantity.			Value. (£'000.)		
		1958-59.	1959-60.	1960-61.	1958-59.	1959-60.	1960-61.
Motor vehicles, chassis, bodies and parts .. .. .	..	..	..	..	66,579	82,994	74,238
Oils—	..	..	..	..	..	..	..
Linseed .. .. .	'000 gal.	2,537	1,425	789	1,482	778	433
Petroleum and shale—	..	..	..	..	..	..	..
Crude (a) .. .. .	mill. gal.	2,531	2,794	3,108	69,911	72,877	76,354
Kerosene .. .. .	'000 gal.	97,676	105,849	117,531	5,352	5,766	6,022
Lubricating (mineral) .. .. .	..	46,698	48,619	52,159	6,244	6,544	7,438
Petroleum and shale spirit .. .. .	..	234,360	205,692	222,215	13,743	12,075	11,848
Residual and solar .. .. .	..	16,365	23,807	22,703	846	1,096	979
Paper, printing .. .. .	..	..	..	..	17,139	19,339	23,666
Piece-goods—	..	..	..	..	..	..	..
Canvas and duck .. .. .	'000 sq. yds.	7,153	8,404	6,795	915	1,015	902
Cotton and linen .. .. .	..	..	..	..	39,070	43,589	45,209
Silk and man-made fibre-yarn .. .. .	..	..	..	..	7,617	8,755	8,623
Woolen and containing wool .. .. .	..	..	..	..	1,305	1,725	2,133
All other piece-goods .. .. .	..	..	..	..	7,890	10,007	12,699
Plastic materials .. .. .	..	..	..	..	8,603	11,830	14,974
Rubber and rubber manufactures .. .. .	..	..	..	..	16,783	24,248	23,645
Stationery and paper manufactures .. .. .	..	..	..	..	13,867	14,670	17,515
Tea .. .. .	'000 lb.	62,423	62,515	61,701	15,085	13,372	12,824
Timber, undressed, including logs(b) .. .. .	'000 sup. ft.	307,311	376,612	397,293	11,969	17,077	19,348
Tobacco .. .. .	'000 lb.	39,046	37,597	36,322	13,943	13,007	12,059
Yarns—	..	..	..	..	..	..	..
Cotton .. .. .	..	6,843	7,907	9,067	2,935	3,233	3,901
Man-made fibres .. .. .	..	12,757	18,092	21,352	5,720	7,535	9,553
Woolen .. .. .	..	124	375	841	135	379	640
Other .. .. .	..	1,631	1,724	2,356	303	436	604
All other articles .. .. .	..	..	..	..	181,581	210,993	279,197
Total Imports .. .. .	..	..	..	..	796,599	927,091	1,087,577

(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 1958-59 to 1960-61.

## EXPORTS OF PRINCIPAL ARTICLES OF AUSTRALIAN PRODUCE.

Article.	Unit of Quantity.	Quantity.			Value. (£'000.)		
		1958-59.	1959-60.	1960-61.	1958-59.	1959-60.	1960-61.
Butter .. .. .	ton	77,316	76,969	61,137	24,956	28,646	19,651
Cheese .. .. .	..	14,411	18,927	18,037	4,467	4,990	4,608
Chemicals, drugs, fertilizers .. .. .	..	..	..	..	7,007	7,882	9,000
Coal .. .. .	ton	645,249	1,087,844	1,888,415	2,676	4,327	7,682
Copper .. .. .	..	27,490	21,203	35,909	7,011	6,131	10,003
Fruit—	..	..	..	..	..	..	..
Dried .. .. .	..	77,331	52,952	60,320	12,748	9,066	9,097
Fresh, including frozen .. .. .	'000 bus.	6,559	6,876	7,454	9,413	9,294	10,369
Preserved in airtight containers .. .. .	ton	87,511	89,270	67,850	12,950	12,385	9,773
Gold .. .. .	..	..	..	..	3,279	10,211	39,959
Grains and cereals—	..	..	..	..	..	..	..
Barley .. .. .	ton	667,945	558,319	756,704	16,898	11,541	14,329
Flour (wheat), plain white .. .. .	ton(a)	447,198	536,022	658,029	13,331	15,143	18,979
Wheat .. .. .	ton	1,463,352	2,444,251	4,098,081	38,381	61,680	102,426
Other .. .. .	..	..	..	..	13,985	12,710	14,423
Hides and skins .. .. .	..	..	..	..	23,572	31,779	27,194
Iron and steel .. .. .	..	..	..	..	25,183	31,288	27,511
Lead, pig .. .. .	ton	143,828	121,420	128,106	12,561	10,878	10,541
Lead, bullion .. .. .	..	59,691	49,265	53,741	6,218	5,260	5,330
Machines and machinery (except dynamo electrical) .. .. .	..	..	..	..	8,639	10,557	12,968
Meats preserved by cold process—	..	..	..	..	..	..	..
Beef and veal .. .. .	ton	227,822	188,293	134,014	55,495	55,464	40,110
Lamb .. .. .	..	40,711	26,460	28,778	8,151	4,390	5,793
Mutton .. .. .	..	33,326	32,037	37,087	5,851	4,719	7,437
Other .. .. .	..	..	..	..	9,512	7,914	7,074
Meats, tinned .. .. .	..	56,719	48,073	30,357	15,434	13,341	9,374
Milk and cream .. .. .	'000 lb.	137,768	144,792	108,554	10,238	10,942	9,152
Ores and concentrates .. .. .	ton	630,679	763,763	1,051,181	16,948	22,368	27,943
Petroleum and shale oils .. .. .	'000 gal.	304,348	320,044	463,073	16,196	17,719	21,693
Sugar (cane) .. .. .	ton	802,971	708,084	796,531	32,163	26,671	35,074
Wool (b) .. .. .	'000 lb.	1,314,354	1,430,470	1,382,979	302,243	386,153	334,442
All other articles .. .. .	..	..	..	..	79,403	86,239	90,671
Total Exports (Australian Produce) .. .. .	..	..	..	..	794,909	919,688	942,606

(a) 2,000 lb.

(b) Quantity in terms of greasy wool.

A graph showing exports in principal commodity groups in each of the years 1955-56 to 1960-61 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 1956-57 to 1960-61, 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.		
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	414,704	924,528	2,563	927,091
1960-61.. ..	576,277	509,054	1,085,331	2,246	1,087,577

5. Exports of Merchandise and Bullion and Specie.—The next table shows the value of exports from Australia during each of the years 1956-57 to 1960-61, 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.	
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
1960-61 ..	901,809	26,232	928,041	40,797	5	40,802	968,843

6. Imports and Net Customs Revenue.—The ratio of net customs revenue collected, excluding net primage, to the total value of all merchandise imported in each of the years 1956-57 to 1960-61 was as follows:—1956-57, 8.9 per cent.; 1957-58, 8.8 per cent.; 1958-59, 8.8 per cent.; 1959-60, 8.9 per cent.; and 1960-61, 9.2 per cent. Primage duty was in force during these years, and if this is added to net customs revenue the percentages become:—1956-57, 9.6 per cent.; 1957-58, 9.1 per cent.; 1958-59, 9.0 per cent.; 1959-60, 9.1 per cent.; and 1960-61, 9.4 per cent. The ratios of net customs revenue, excluding primage, to the total value of dutiable goods only were:—1956-57, 20.4 per cent.; 1957-58, 19.1 per cent.; 1958-59, 21.0 per cent.; 1959-60, 19.9 per cent.; and 1960-61, 19.5 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 1956-57 to 1960-61, with oils separate, is shown in the following table.

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

Item.	1956-57.	1957-58.	1958-59.	1959-60.	1960-61.
Oils .. .. .	9,059	8,383	6,704	7,817	8,937
All Stores (including oils) ..	14,208	12,798	10,876	12,413	14,205

In addition to oils, the principal items supplied to oversea ships and aircraft in 1960-61 were:—Meats, £1,581,226; fruit and vegetables, £474,982; eggs, £189,011; butter, £111,142; ale, porter, beer, etc., £356,988; sea food, £221,376; flour, £59,162; rice, £22,736; milk and cream, £35,524; tobacco and cigarettes, £163,676.

## § 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 1958-59 to 1960-61.

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

Item.	Imports.			Exports.		
	1958-59.	1959-60.	1960-61.	1958-59.	1959-60.	1960-61.
Gold—Bullion ..	2,175,729	2,518,819	2,201,903	3,276,087	10,207,274	39,959,140
Specie ..	942	4,080	1,182	3,000	4,000	280
<i>Total</i> ..	<i>2,176,671</i>	<i>2,522,899</i>	<i>2,203,085</i>	<i>3,279,087</i>	<i>10,211,274</i>	<i>39,959,420</i>
Silver—Bullion ..	24,493	36,147	31,101	1,400,219	1,400,562	748,156
Specie ..	9,320	3,459	11,303	77,996	109,767	94,028
<i>Total</i> ..	<i>33,813</i>	<i>39,606</i>	<i>42,404</i>	<i>1,478,215</i>	<i>1,510,329</i>	<i>842,184</i>
<i>Bronze—Specie</i> ..	<i>337</i>	<i>824</i>	<i>518</i>	<i>396</i>	<i>1,304</i>	<i>859</i>
Total— Australian Pro- duce ..	..	..	..	4,743,943	11,716,148	40,797,511
Re-exports ..	..	..	..	13,755	6,759	4,952
<b>Grand Total</b> ..	<b>2,210,821</b>	<b>2,563,329</b>	<b>2,246,007</b>	<b>4,757,698</b>	<b>11,722,907</b>	<b>40,802,463</b>

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 1960-61.

IMPORTS AND EXPORTS OF BULLION AND SPECIE BY COUNTRIES:  
AUSTRALIA, 1960-61.

(£.)

Country.	Imports.			Exports.		
	Bullion.	Specie.	Total.	Bullion.	Specie.	Total.
<i>Commonwealth Countries—</i>						
Australia (re-imported) ..	..	9,540	9,540	..	..	..
United Kingdom ..	268	518	786	31,595,464	2,556	31,598,020
<i>Australian Territories—</i>						
Nauru ..	..	..	..	..	336	336
New Guinea ..	610,577	..	610,577	..	72,128	72,128
Norfolk Is. ..	..	..	..	..	168	168
Papua ..	..	..	..	..	15,741	15,741
Hong Kong ..	..	..	..	7,977,038	..	7,977,038
New Zealand ..	429,144	2,000	431,144	137,153	1,871	139,024
<i>Pacific Islands (British)—</i>						
Fiji ..	1,192,435	..	1,192,435	7,304	..	7,304
Gilbert and Ellice Is. ..	..	..	..	..	560	560
New Hebrides ..	..	99	99	..	..	..
Solomon Is. ..	526	..	526	..	685	685
<i>Total Commonwealth Countries ..</i>	<i>2,232,950</i>	<i>12,157</i>	<i>2,245,107</i>	<i>39,716,959</i>	<i>94,045</i>	<i>39,811,004</i>
<i>Foreign Countries—</i>						
France ..	16	..	16	13,072	..	13,072
Switzerland ..	..	281	281	354,229	..	354,229
United States of America ..	38	565	603	3,170	1,122	4,292
" For Orders " ..	..	..	..	619,866	..	619,866
<i>Total, Foreign Countries</i>	<i>54</i>	<i>846</i>	<i>900</i>	<i>990,337</i>	<i>1,122</i>	<i>991,459</i>
<b>Grand Total ..</b>	<b>2,233,004</b>	<b>13,003</b>	<b>2,246,007</b>	<b>40,707,296</b>	<b>95,167</b>	<b>40,802,463</b>

§ 15. Exports According to Industries.

1. Classification.—The following table provides an analysis of the total recorded value of Australian exports for the years 1958-59 to 1960-61. 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.)		
	1958-59.	1959-60.	1960-61.	1958-59.	1959-60.	1960-61.
<b>Agriculture, Horticulture and Viticulture—</b>						
Unprocessed .. ..	77,991	94,220	139,227	9.8	10.4	15.4
Processed .. ..	78,213	70,918	81,258	9.9	7.8	9.0
<b>Total .. ..</b>	<b>156,204</b>	<b>165,138</b>	<b>220,485</b>	<b>19.7</b>	<b>18.2</b>	<b>24.4</b>
<b>Pastoral—</b>						
Unprocessed .. ..	366,510	442,966	384,686	46.3	48.7	42.6
Processed .. ..	67,044	75,180	57,170	8.5	8.3	6.4
<b>Total .. ..</b>	<b>433,554</b>	<b>518,146</b>	<b>441,856</b>	<b>54.8</b>	<b>57.0</b>	<b>49.0</b>
<b>Dairy and Farmyard—</b>						
Unprocessed .. ..	2,019	1,513	2,083	0.3	0.2	0.2
Processed .. ..	41,681	47,454	38,055	5.2	5.2	4.2
<b>Total .. ..</b>	<b>43,700</b>	<b>48,967</b>	<b>40,138</b>	<b>5.5</b>	<b>5.4</b>	<b>4.4</b>
<b>Mines and Quarries (other than Gold)—</b>						
Unprocessed .. ..	19,309	26,940	34,327	2.4	2.9	3.8
Processed .. ..	32,750	29,638	35,546	4.1	3.3	3.9
<b>Total (a) .. ..</b>	<b>52,059</b>	<b>56,578</b>	<b>69,873</b>	<b>6.5</b>	<b>6.2</b>	<b>7.7</b>
<b>Fisheries—</b>						
Unprocessed .. ..	4,322	4,839	5,026	0.5	0.5	0.6
Processed .. ..	1,249	960	946	0.2	0.1	0.1
<b>Total .. ..</b>	<b>5,571</b>	<b>5,799</b>	<b>5,972</b>	<b>0.7</b>	<b>0.6</b>	<b>0.7</b>
<b>Forestry—</b>						
Unprocessed .. ..	522	619	586	0.1	0.1	0.1
Processed .. ..	3,866	3,340	3,925	0.5	0.3	0.4
<b>Total .. ..</b>	<b>4,388</b>	<b>3,959</b>	<b>4,511</b>	<b>0.6</b>	<b>0.4</b>	<b>0.5</b>
<b>Total Primary Produce—</b>						
Unprocessed .. ..	470,673	571,097	565,935	59.4	62.8	62.7
Processed .. ..	224,803	227,490	216,900	28.4	25.0	24.0
<b>Total .. ..</b>	<b>695,476</b>	<b>798,587</b>	<b>782,835</b>	<b>87.8</b>	<b>87.8</b>	<b>86.7</b>
<b>Manufactures .. ..</b>	<b>70,988</b>	<b>83,352</b>	<b>88,237</b>	<b>9.0</b>	<b>9.2</b>	<b>9.8</b>
Refined Petroleum Oils .. ..	14,702	15,914	19,811	1.9	1.7	2.2
Unclassified .. ..	10,465	11,624	11,764	1.3	1.3	1.3
<b>Total Australian Produce (excluding Gold) .. ..</b>	<b>791,631</b>	<b>909,477</b>	<b>902,647</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Re-exports (excluding Gold) .. ..</b>	<b>16,553</b>	<b>17,994</b>	<b>26,237</b>	<b>..</b>	<b>..</b>	<b>..</b>
<b>Gold Exports(a) .. ..</b>	<b>3,279</b>	<b>10,211</b>	<b>39,959</b>	<b>..</b>	<b>..</b>	<b>..</b>
<b>Total Recorded Value of Exports .. ..</b>	<b>811,463</b>	<b>937,682</b>	<b>968,843</b>	<b>..</b>	<b>..</b>	<b>..</b>

(a) The value of refined newly-won gold was £16,645,000 in 1958-59, £16,770,000 in 1959-60, and £16,203,000 in 1960-61.



2. *Relative Importance of Industrial Groups.*—In the year 1960–61, Australian produce (other than gold) exported amounted to approximately £903 million. Of this, £783 million or 87 per cent. was mainly produce of primary industries, comprising £566 million of unprocessed produce and £217 million of goods which had been processed in some degree before export. The values of the principal individual items of processed Australian primary produce exported were:—Raw sugar, £34,227,000; flour, etc., £19,637,000; canned fruit, £9,773,000; dried fruit, £9,097,000; wool (scoured, tops, etc.), £38,234,000; canned meats, £9,374,000; butter, £19,651,000; milk (condensed, dried, etc.), £9,152,000; pig lead, £10,541,000; lead bullion, £5,330,000; zinc bars, blocks, etc., £3,178,000; copper ingots, £7,028,000; and undressed timber, £2,495,000.

The value of manufactures exported as classified above was £88 million, or approximately 10 per cent. of Australian produce (other than gold) exported in 1960–61. The values of principal individual items here included were:—Manufactures of metal, £46,823,000; implements and machinery, £10,768,000; drugs and chemicals, £6,874,000; and paper and stationery, £3,671,000.

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 1960–61 were:—individual consignments of less than £50 in value, £5,516,000; and military equipment and stores and supplies for Australian projects overseas, £1,311,000.

## § 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 used in the old series of annual index numbers. The most important change was the use of actual (or calculated) export prices 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 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 were based on the average annual exports (production in the case of gold) during the three years 1933-34 to 1935-36. Whilst these group weights are still retained, the individual items comprising the meats group have been altered from October, 1960. For October, 1960, and subsequent months the meats group index has been varied by the movement in prices of beef, lamb, mutton and canned meats weighted according to their average annual exports during 1956-57 to 1960-61. Consideration is being given to a general revision of the weighting pattern of the index and to enlargement of the index to cover additional items.

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).		1960-61.	
			Excluding Gold.	Including Gold.	Excluding Gold.	Including Gold.
Wool .. ..	lb.	975,000,000	49.05	45.63	52.31	50.46
Wheat .. ..	bushel	101,000,000	18.34	17.06	16.77	16.17
Butter .. ..	cwt.	2,140,000	12.21	11.36	7.65	7.38
<b>Metals—</b>						
Silver .. ..	oz. (standard)	7,300,000	0.68	0.64	} 7.98	7.70
Copper .. ..	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		
<b>Meats—</b>						
Beef .. ..	lb.	182,000,000	2.56	2.38	} 9.02 <sup>a</sup>	8.70 <sup>a</sup>
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	3.27	3.16
<b>Dried Fruits—</b>						
Sultanas .. ..	"	38,200	1.45	1.35	} 1.82	1.75
Raisins .. ..	"	3,000	0.12	0.11		
Currants .. ..	"	13,400	0.37	0.35		
Tallow .. ..	cwt.	600,000	0.69	0.64	0.61	0.59
<b>Hides—</b>						
Cattle Hides .. ..	lb.	28,000,000	0.64	0.59	} 0.57	0.56
Calf Skins .. ..	"	1,800,000	0.08	0.07		
Gold .. ..	fine oz.	937,000	..	6.98	..	3.53
			100.00	100.00	100.00	100.00

(a) From October, 1960, the items comprising the meats group have been altered (see paragraph 4 (ii) on page 500).

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 prices are calculated from information obtained 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 1960-61 and monthly from July, 1961, to March, 1962.

## 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	349	302	365	178	378
1960-61 .. ..	390	335	229	398	463	461	342	324	296	179	(f) 353
1961-62—											
July .. ..	(g) 422	341	209	382	486	499	343	299	306	179	368
August .. ..	422	344	208	381	477	464	330	302	318	178	366
September .. ..	415	343	207	368	470	434	328	282	320	178	360
October .. ..	400	346	207	365	467	417	314	257	316	178	353
November .. ..	392	345	219	353	455	405	312	250	304	178	348
December .. ..	392	355	241	358	(h)	411	314	246	307	178	354
January .. ..	392	359	241	354	(h)	427	308	244	309	178	354
February .. ..	415	361	240	345	(h)	409	308	242	301	178	364
March .. ..	422	360	240	351	(h)	416	308	240	305	178	367

(a) Silver, copper, tin, zinc, lead. (b) Beef, lamb, mutton and canned meats (see paragraph 4 (ii) on page 500).  
 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) Nominal. (h) Actual prices realized not yet  
 known; provisional series are included in "All Groups" Index.

A graph showing index numbers for All Groups, for wool, and for All Groups excluding 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	339	393	363	378
1960-61 .. .. .	390	(a) 322	(a) 366	(a) 343	(a) 353
1961-62—					
July .. .. .	(b) 422	(a) 322	(a) 382	(a) 343	(a) 368
August .. .. .	422	(a) 319	(a) 380	(a) 340	(a) 366
September .. .. .	415	(a) 315	(a) 374	(a) 335	(a) 360
October .. .. .	400	(a) 313	(a) 366	(a) 333	(a) 353
November .. .. .	392	(a) 312	(a) 361	(a) 331	(a) 348
December .. .. .	392	(a) 322	(a) 367	(a) 343	(a) 354
January .. .. .	392	(a) 322	(a) 367	(a) 343	(a) 354
February .. .. .	415	(a) 322	(a) 378	(a) 343	(a) 364
March .. .. .	422	(a) 321	(a) 382	(a) 342	(a) 367

(a) Preliminary. (b) Nominal.

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 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, 1960, to March, 1962, 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.
1960-61—				
July .. .. .	96	96	96	96
August .. .. .	95	89	96	92
September .. .. .	97	89	96	91
October .. .. .	97	89	96	90
November .. .. .	96	92	96	90
December .. .. .	94	89	96	90
January .. .. .	93	89	95	90
February .. .. .	95	95	95	91
March .. .. .	95	96	95	91
April .. .. .	98	99	96	92
May .. .. .	(a) 99	(a) 102	(a) 96	(a) 93
June .. .. .	(a) 99	(a) 100	(a) 96	(a) 94
1961-62—				
July .. .. .	(a) 98	(a) 101	(a) 98	(a) 101
August .. .. .	(a) 99	(a) 105	(a) 98	(a) 103
September .. .. .	(a) 96	(a) 105	(a) 98	(a) 104
October .. .. .	(a) 97	(a) 105	(a) 97	(a) 104
November .. .. .	(a) 98	(a) 102	(a) 97	(a) 104
December .. .. .	(a) 101	(a) 103	(a) 98	(a) 103
January .. .. .				
February .. .. .	(a) 104	(a) 104	(a) 99	(a) 104
March .. .. .	(a) 105	(a) 105	(a) 100	(a) 104

(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, 1960.**

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) 6,566.5	9,073.7	15,640.2	36.6	50.6	87.2
United Kingdom ..	(c) 5,521.4	4,444.2	9,965.6	105.9	85.2	191.1
Germany, Federal Republic of .. ..	4,510.3	5,096.0	9,606.3	84.5	95.5	180.0
France .. ..	2,801.7	3,063.4	5,865.1	61.5	67.3	128.8
Canada .. ..	(b) 2,529.0	2,483.4	5,012.4	142.0	139.4	281.4
Netherlands .. ..	2,022.8	1,798.2	3,821.0	176.2	156.6	332.8
Japan .. ..	(d) 2,004.9	1,810.3	3,815.2	21.5	19.4	40.9
Italy .. ..	2,107.6	1,629.4	3,737.0	42.7	33.0	75.7
Belgium-Luxembourg ..	1,766.5	1,685.3	3,451.8	187.9	179.2	367.1
Sweden .. ..	(d) 1,283.9	1,146.0	2,429.9	171.7	153.2	324.9
Australia(e) .. ..	(b) 1,103.7	902.7	2,006.4	106.2	86.9	193.1
Switzerland .. ..	1,001.3	839.3	1,840.6	185.0	155.1	340.1
Denmark .. ..	(d) 804.5	663.3	1,467.8	176.8	145.8	322.6
Austria .. ..	632.1	500.0	1,132.1	89.7	70.9	160.6
Norway .. ..	(d) 652.2	392.9	1,045.1	181.8	109.6	291.4
Spain .. ..	321.8	323.7	645.5	10.7	10.8	21.5
Indonesia .. ..	256.2	375.0	631.2	2.8	4.0	6.8
Egypt .. ..	297.8	253.6	551.4	11.7	10.0	21.7
Greece .. ..	313.4	90.6	404.0	37.9	11.0	48.9
Chile .. ..	223.2	218.7	441.9	29.2	28.7	57.9
Turkey .. ..	208.9	143.3	352.2	7.5	5.1	12.6

(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, 1961.

## § 18. Oversea Trade in Calendar Years.

For the purpose of comparison with countries which record oversea trade in calendar years, the following table has been compiled to show Australian imports and exports for each of the calendar years 1957 to 1961.

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

Year.	Merchandise.		Bullion and Specie.		Total.	
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.
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 .. ..	826,233	892,571	2,177	3,338	828,410	895,909
1961(a) .. ..	1,055,942	874,585	2,387	40,577	1,058,329	915,162

(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 1959–60 and 1960–61.

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

Article.	1959–60.	1960–61.	Article.	1959–60.	1960–61.
	gallons.	gallons.	Cigarettes—	lb.	lb.
Beer .. ..	223,695,660	227,760,154	Machine-made ..	38,536,804	40,802,271
	proof gallons.	proof gallons.	Petrol—	gallons.	gallons.
Spirits—			Aviation Petrol (By-law) ..	7,409,362	7,534,827
Brandy .. ..	819,254	810,215	Aviation Petrol (Non By-law) ..	12,402,026	6,638,725
Gin .. ..	359,806	351,478	Petrol, n.e.i. ..	992,692,169	1,055,561,277
Whisky .. ..	380,081	389,514	Total Petrol ..	1,012,503,557	1,069,734,829
Rum .. ..	584,795	564,850	Aviation Turbine Fuel ..	30,277,206	30,190,573
Liqueurs .. ..	61,238	60,890	Diesel Fuel .. ..	48,985,564	46,077,699
Other .. ..	32,392	39,208	Playing Cards ..	doz. packs.	doz. packs.
Total Spirits (Potable) ..	2,237,566	2,216,155		104,550	99,062
Spirits for—				60 papers or tubes.	60 papers or tubes.
Fortifying Wine ..	2,299,790	2,151,225	Cigarette Papers and Tubes .. ..	105,563,114	98,160,059
Industrial or Scientific purposes ..	257,004	255,422	Matches .. ..	8,640 matches.	8,640 matches.
Manufacture of—				3,465,463	3,403,569
Essences .. ..	103,929	100,435	Coal .. ..	tons.	tons.
Scents and Toilet Preparations ..	68,589	76,986		17,072,346	18,681,695
Vinegar .. ..	138,510	195,955	Cathode Ray Tubes ..	No.	No.
Tobacco .. ..	lb.	lb.		475,117	326,883
Snuff .. ..	15,647,777	14,609,832			
Cigars—					
Hand-made .. ..	12,965	8,288			
Machine-made ..	93,600	113,694			
Total Cigars ..	106,565	121,982			



## § 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.**—Estimates of a country's balance of payments are prepared for the purpose of providing a systematic record in money terms of the economic transactions which take place over a period between that country and all other countries. Such records are essential to the examination of influences which external factors have on the domestic economy. The Australian economy is subject to fairly large fluctuations in export income, and it is also affected in important respects by variations in the level of foreign investment and the demand for imports. Consequently, these estimates have always assumed particular importance in this country and they are mainly regarded as an analysis of those transactions which contribute directly to movements in the level of Australia's international reserves.

Official estimates of Australia's balance of payments covering the period 1928–29 to 1930–31 were included in the Appendix to Official Year Book No. 24, 1931. Except for the war years (1939 to 1945) estimates have since been published annually, and since 1950–51 they have been issued twice yearly in the form of a separate 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 1950–51*, provides also a description of the various items included and the sources from which the information is obtained. In February, 1962, an additional statistical statement was introduced giving details of Australia's balance of payments on a quarterly basis.

The form in which the Australian estimates are presented closely follows the pattern originally adopted by the International Monetary Fund. In this presentation a basic distinction is drawn between "current account" transactions and "capital account" transactions. Current account transactions are defined as those which involve changes in the ownership of goods, or, the rendering of services between residents of Australia and the rest of the world. They include such important items as exports, imports, shipping freights, dividends, profits and interest, travel and Government expenditure. The current account also includes transfers in the form of personal gifts and Government gifts of technical

assistance, for which there is no consideration. Capital account transactions are defined as those which involve claims to money and titles to investments between residents of one country and those of another country. For practical purposes they may therefore be divided, on the one hand, into investment items (including oversea investment in companies in Australia and Government loans raised abroad), and, on the other, into financing transactions (such as the recent purchase of £78 million from the International Monetary Fund and changes in the level of international reserves).

By definition, the balance of payments on current account is always equivalent to the balance on capital account and the change in international reserves is used as a control figure to which the net sum of all other figures must reconcile. In practice, errors and omissions may occur in the estimation of the amounts involved in various items included in both current and capital accounts, and in addition there are timing differences between the statistical recording of trade transactions and certain invisible items, and the relevant foreign exchange transactions. Therefore, in order to preserve the identity between the total shown in the current account and the total shown in the capital account, it is necessary to introduce a "balancing item". The "balancing item" is included in the capital account, but, as mentioned above, it may include discrepancies in the current account, and it does not, as is frequently supposed, include only errors and timing differences related to investment and financing transactions.

In the annual estimates originally issued for 1960-61, an important addition was made to the estimates by the inclusion of an Import Valuation Adjustment. This adjustment makes allowance for the estimated excess of the value of imports as recorded in statistics of oversea trade (based on value for duty) over the actual "selling price" to the importer as shown in invoices accompanying customs entries. This difference mainly arises from provisions of the Customs Act, whereby the value for duty is based on the current domestic value of the goods in the exporting country in cases where this value exceeds the actual selling price to the importer. The adjustment is estimated from samples of import entries, which do not permit of accurate estimates for particular commodities and individual countries. Consequently, only the total amount involved is shown. This was estimated at £35 million in 1960-61. As the introduction of the Import Valuation Adjustment resulted in substantial reductions in the size of the balancing items shown in previous years' estimates, a fully revised summary of Australia's balance of payments for the years 1945-46 to 1960-61 was included in the mimeograph publication issued in March, 1962. This summary provides estimates for all years of the Import Valuation Adjustment, together with small revisions to other current and capital account items.

Details of the estimates are assembled from a variety of sources of which the following are the more important:—(i) statistics of exports and imports obtained from Australian trade statistics; (ii) information on particular invisible current account items and capital movements 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 private investment in companies provided by statistics of oversea investment collected by this Bureau; (v) information on freight on imports and other items concerned with oversea shipping provided by statistics of shipping operations collected by this Bureau; and (vi) information on international reserves supplied by the Reserve Bank.

**2. Current Account.**—The balance of payments on current account is arranged to show a series of credit items and a corresponding series of debit items. Entries on the credit side include all current transactions which result in receipts of foreign exchange (for goods and services, investment income or donations), and on the debit side the similar transactions which result in payments of foreign exchange. The principal exceptions to this rule are the amounts shown for undistributed income. In this instance, no movement of foreign exchange takes place, the amounts concerned being treated as credits or debits in the relevant sections of the current account, and as corresponding outflows or inflows in the relevant sections of the capital account.

The largest items shown in the current account are exports and imports, and the difference between them represents the balance of visible trade. This is the most important and usually the most variable relationship in the balance of payments, and (excluding the Import Valuation Adjustment) resulted in deficits of £9 million in 1959-60 and £147 million in 1960-61. The deterioration between the two years was the result of a large increase in the value of imports.

## BALANCE OF PAYMENTS ON CURRENT ACCOUNT: AUSTRALIA.

(£A. million.)

Particulars.	1959-60.	1960-61.
<b>CREDITS.</b>		
1. Exports f.o.b.(a) .. .. .	937.4	936.7
2. Gold Production .. .. .	16.4	16.4
3. Transportation—		
Oversea ships .. .. .	77.0	86.0
Other .. .. .	8.7	9.0
	85.7	95.0
4. Travel .. .. .	9.9	13.5
5. Income from Investment—		
Undistributed Income .. .. .	3.3	2.7
Other .. .. .	23.6	25.9
	26.9	28.6
6. Government .. .. .	26.3	25.2
7. Miscellaneous .. .. .	9.5	13.0
8. Donations, etc.—		
Immigrants' Funds, etc. .. .. .	21.7	24.7
Other .. .. .	8.9	9.2
	30.6	33.9
<i>Total Credits</i> .. .. .	<i>1,142.7</i>	<i>1,162.3</i>
<b>DEBITS.</b>		
9. Imports f.o.b.(a) .. .. .	946.3	1,083.7
10. Transportation—(b)		
Freight .. .. .	127.0	150.0
Other .. .. .	20.9	23.0
	147.9	173.0
11. Travel .. .. .	36.3	41.7
12. Income from Investment—		
Public Authority Interest .. .. .	26.9	29.0
Direct Investment .. .. .	45.9	49.0
Undistributed Income .. .. .	69.2	62.3
Other .. .. .	7.6	8.0
	149.6	148.3
13. Government—		
Defence .. .. .	16.6	17.1
Papua and New Guinea .. .. .	15.7	17.9
Other .. .. .	16.0	17.6
	48.3	52.6
14. Miscellaneous .. .. .	36.8	35.1
15. Donations, etc.—		
Personal .. .. .	15.0	16.2
Colombo Plan, etc. .. .. .	4.1	4.5
Other .. .. .	10.5	10.6
	29.6	31.3
16. Import Valuation Adjustment .. .. .	—30.0	—35.0
<i>Total Debits</i> .. .. .	<i>1,364.8</i>	<i>1,530.7</i>
<b>Balance on Current Account</b> .. .. .	<b>—222.1</b>	<b>—368.4</b>

(a) The amounts shown represent the recorded trade totals adjusted in respect of coverage for purposes of balance of payments estimates. (b) Total freight and insurance on imports, whether payable overseas or in Australia, is estimated at £127 million in 1959-60 and £151 million in 1960-61.

A full evaluation of the overall position on current account, however, occurs only after invisible transactions have been taken into account. Whilst the balance of visible trade in the years 1959–60 and 1960–61 showed deficits of £9 million and £147 million, further deficits on invisible transactions in the same periods resulted in total deficits on current account of £222 million in 1959–60 and £368 million in 1960–61.

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 is estimated at £127 million in 1959–60 and £150 million in 1960–61.

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 for which, as mentioned above, no monetary payments occur. In total, investment income debits amounted to £150 million in 1959–60 and £148 million in 1960–61. Credits in these periods amounted to £27 million and £29 million respectively.

The remaining items are much smaller than those mentioned above. Government debits rose from £48 million in 1959–60 to £53 million in 1960–61. Government credits fell from £26 million in 1959–60 to £25 million in 1960–61. Debits on account of donations, etc., rose slightly from £30 million to £31 million, but in both years were more than offset by credits. The principal credit item is funds brought in by immigrants.

**3. Capital Account.**—The capital account shows the annual movements in assets and liabilities, a basic distinction being made between those items which are regarded as Australian residents' assets overseas and Australian liabilities to overseas residents.

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 £4 million in 1959–60, but rose by £39 million in 1960–61.

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

In 1959–60 and 1960–61, repayments to the International Bank exceeded drawings by £7 million and £8 million respectively. In both years, official borrowings other than from the International Bank showed substantial inflows of £42 million and £20 million respectively. This represented the net proceeds of new loan raisings and conversions less repayments and other sinking fund operations in London, New York, Canada and Switzerland.

Items 2 and 8 relate to Australia's transactions with 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. Liabilities comprise, on the one hand, bank balances and special non-negotiable, non-interest bearing securities, payable in Australian currency but convertible by arrangement into foreign currency or gold, related to capital subscriptions to the various agencies and, on the other, drawings from the International Monetary Fund. The principal movement in 1959–60 was an increase of \$100 million in Australia's quota to the International Monetary Fund, in respect of which a gold payment to the value of \$25 million was made to the Fund. The balance therefore represented an increase in the liabilities to the Fund held in Australia in the form of the securities mentioned. There were similar, but smaller, transactions with the International Bank. In 1960–61, the chief item was a drawing of £78 million from the Fund. A more detailed account of these transactions is provided in *The Australian Balance of Payments, 1958–59, 1959–60 and First Half 1960–61* and in Appendix II. of *The Australian Balance of Payments, 1956–57 to 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 insurance offices, overseas investment in Australian companies rose from £190 million in 1959–60 to £229 million in 1960–61. These amounts included £35 million and £48 million respectively of portfolio investment and £155 million and £181 million of direct investment. The latter included substantial amounts of undistributed income which totalled £69 million in 1959–60 and £62 million in 1960–61.

The balancing item includes errors and omissions and timing differences, referred to on page 508. The increase in the residual from a figure of £9 million in 1959–60 to £102 million in 1960–61 is thought also to have reflected some increases in short-term credits received in connexion with the financing of imports in that year.

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

Particulars.	1959-60.	1960-61.
<b>CHANGE IN ASSETS.</b>		
1. International Reserves .. .. .	- 4.4	38.8
2. International Agencies .. .. .	50.5	2.1
3. Other Official .. .. .	- 8.5	4.8
4. Marketing Authorities .. .. .	0.5	2.5
5. Portfolio Investment .. .. .	- 4.4	- 4.6
6. Direct investment—		
Branches—		
Unremitted Profits .. .. .	- 0.3	0.3
Other .. .. .	1.2	3.1
Subsidiaries—		
Undistributed Profits .. .. .	3.6	2.4
Other .. .. .	3.3	0.1
	<u>7.8</u>	<u>5.9</u>
<i>Total—Change in Assets</i> .. .. .	<u>41.5</u>	<u>49.5</u>
<b>CHANGE IN LIABILITIES.</b>		
7. Official Loans—		
International Bank for Reconstruction and Development .. .. .	- 7.2	- 7.6
Other Commonwealth States .. .. .	36.7	1.2
Other .. .. .	6.0	19.6
Other .. .. .	- 0.2	- 0.4
Discounts, etc. .. .. .	- 0.5	- 1.1
	<u>34.8</u>	<u>11.7</u>
8. International Agencies .. .. .	35.8	76.9
9. Foreign Banks .. .. .	- 0.9	0.5
10. Portfolio Investment—		
Government Securities Companies, etc. .. .. .	- 2.3	- 1.9
	34.8	47.1
	<u>32.5</u>	<u>45.2</u>
11. Direct Investment—		
Branches—		
Unremitted Profits .. .. .	9.5	6.4
Other .. .. .	22.0	21.6
Subsidiaries—		
Undistributed Profits .. .. .	59.7	55.9
Other .. .. .	63.9	97.5
	<u>155.1</u>	<u>181.4</u>
12. Life Assurance .. .. .	- 2.4	- 0.2
13. Balancing Item .. .. .	8.7	102.4
<i>Total—Change in Liabilities</i> .. .. .	<u>263.6</u>	<u>417.9</u>
<b>Balance on Capital Account</b> .. .. .	<b>222.1</b>	<b>368.4</b>

4. Balance of Payments on Current Account—Major Groups of Countries.—Estimates are also made of Australia's current account transactions with various countries.

The table following shows the balance on current account in 1959-60 and 1960-61 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. (See p. 486 for countries included in the several groups.)

**BALANCE OF PAYMENTS ON CURRENT ACCOUNT: AUSTRALIA.  
MAJOR GROUPS OF COUNTRIES.**

(£A. million.)

Particulars.	1959-60.	1960-61.
<b>Exports f.o.b.—</b>		
<b>Sterling—</b>		
United Kingdom .. .. .	246.3	208.5
Other .. .. .	169.8	178.6
<b>Non-Sterling—</b>		
North America .. .. .	91.8	89.3
European Economic Community .. .. .	180.1	160.0
European Free Trade Association .. .. .	8.8	9.1
Soviet Area .. .. .	52.1	66.2
Other .. .. .	188.5	225.0
<i>Total</i> .. .. .	937.4	936.7
<b>Imports f.o.b.—</b>		
<b>Sterling—</b>		
United Kingdom .. .. .	-331.9	-340.1
Other .. .. .	-152.7	-152.3
<b>Non-Sterling—</b>		
North America .. .. .	-200.0	-261.9
European Economic Community .. .. .	-109.6	-128.4
European Free Trade Association .. .. .	-40.0	-49.3
Soviet Area .. .. .	-9.0	-9.8
Other .. .. .	-103.1	-141.9
<i>Total</i> .. .. .	-946.3	-1,083.7
<b>Invisibles—</b>		
<b>Sterling—</b>		
United Kingdom .. .. .	-71.7	-66.5
Other .. .. .	-44.9	-45.0
<b>Non-Sterling—</b>		
North America .. .. .	-101.0	-107.4
European Economic Community .. .. .	-18.0	-18.1
European Free Trade Association .. .. .	0.6	-0.2
Soviet Area .. .. .	-1.0	-1.1
Other .. .. .	-16.3	-26.9
International Agencies .. .. .	-7.3	-7.6
Gold Production .. .. .	16.4	16.4
<i>Total</i> .. .. .	-243.2	-256.4
<b>Balance on Current Account—</b>		
<b>Sterling—</b>		
United Kingdom .. .. .	-157.3	-198.1
Other .. .. .	-27.8	-18.7
<b>Non-Sterling—</b>		
North America .. .. .	-209.2	-280.0
European Economic Community .. .. .	52.5	13.5
European Free Trade Association .. .. .	-30.6	-40.4
Soviet Area .. .. .	42.1	55.3
Other .. .. .	69.1	56.2
International Agencies .. .. .	-7.3	-7.6
Gold Production .. .. .	16.4	16.4
Import Valuation Adjustment .. .. .	30.0	35.0
<i>Total</i> .. .. .	-222.1	-368.4

NOTE.—Minus sign (—) denotes debits.