

EXTERNAL TRADE

OVERSEAS TRADE

Legislation and agreements

Introduction

Of the three components of Victoria's trade, namely, transactions within the State, those with other Australian States, and those with countries outside Australia, the first two are, in practice, free of control or restriction ; trade with overseas countries is subject to the customs laws of the Australian Government.

By the Australian Constitution Act, the power to make laws about trade and commerce with other countries was conferred on the Australian Parliament, and by the same Act, the collection and control of customs and excise duties passed to the Executive Government of Australia on 1 January 1901.

The first Australian Customs Tariff was introduced by Resolution on 8 October 1901, from which date uniform duties came into effect throughout Australia. 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 specified imports from certain Commonwealth countries. Some goods, generally those of a luxury nature, are subject to duty for revenue purposes. Customs collections are a major source of revenue, and the protective character of the tariff has an important influence on the Australian economy.

The present Australian tariff, operative since 1 July 1965, provides for general and preferential rates of duty, and its structure is based on the "Brussels Nomenclature" which has its origins in the Convention on Nomenclature for the Classification of Goods in Customs Tariffs, signed in Brussels on 15 December 1950.

Preferential rates apply to goods, produce, or manufacture of the United Kingdom, Ireland, Canada, New Zealand, and Papua New Guinea, and certain goods, the produce or manufacture of specified countries, provided that such goods comply with the laws in force at the time affecting the grant of preference. With the termination on 31 January 1973 of the United Kingdom-Australia Trade Agreement existing preferential rates applicable to United Kingdom goods came under review.

General rates apply to goods from all countries which do not qualify for preferential rates of duty under a particular tariff classification.

Primage duty

In addition to duties imposed by the Customs Tariff, primage duties at five per cent or ten per cent are charged on some goods according to the type of goods and their origin. These duties were introduced in the 1930s as a means of raising revenue, not for protective purposes. Goods produced or manufactured by New Zealand, Norfolk Island, Fiji, Cocos (Keeling) Islands, Christmas Island (Indian Ocean), and Papua New Guinea are exempt from primage duty.

Anti-dumping duties

The *Customs Tariff (Dumping and Subsidies) Act 1961–1965* provides protection for Australian industry against various forms of unfair trading. Under this Act dumping duty may be imposed on goods that are sold to Australian importers at a price which is less than the normal value of the goods, where this causes or threatens substantial injury to an Australian industry.

Industries Assistance Commission

The Industries Assistance Commission is a statutory authority whose general purpose is to advise the Australian Government on the assistance which should be given to domestic industries. This advice is given in public reports which are based on public inquiries into the industries concerned. The Commission formally came into existence on 1 January 1974, as a result of the passing of the *Industries Assistance Commission Act 1973*. The Commission replaced the Tariff Board—a statutory authority which since 1921 had advised the Government on the assistance which should be given to industries in the secondary sector of the economy, by means of tariffs or bounties.

The Commission's field of inquiry is potentially much wider than that of its predecessor, the Tariff Board. Industries in the primary, secondary, or tertiary sectors can be referred to the Commission by the Government, and numerous different forms of assistance can be examined by the Commission. The Act requires the Commission to report annually to the Government on its own operations and on the general structure of industry assistance in Australia and its effects on the economy.

The Act states that the Commission shall consist of from five to nine Commissioners, appointed by the Governor-General for renewable terms of up to five years. It provides also for the appointment of Associate Commissioners, either for the purpose of particular inquiries or, like the Commissioners, for renewable terms of up to five years. The Commissioners are supported by an office which is staffed by members of the Australian Public Service.

Bilateral trade agreements

Australia has numerous trade agreements with overseas countries. The principal ones are outlined in the following pages :

Country	Main features of agreement
CANADA	Dated 1960. Provides not only for each side to give the other preferences on specific goods but also for the exchange of preferences in each country's tariff derived from the preferential

Country	Main features of agreement
CANADA (<i>continued</i>)	agreements that each had with Britain. The termination of these agreements with Britain created a need for Canada and Australia to review their own preferential trading arrangements. An Exchange of Letters governing the future operation of the 1960 Agreement was completed between Canada and Australia on 25 October 1973. The Exchange provides for a continuation of the tariff preferences, but on a more flexible basis, with some modifications, particularly those relating to indirect shipment of goods and to anti-dumping procedures.
NEW ZEALAND	Dated 1966. Provides for free trade in certain scheduled goods. Provision is made for addition of items to the schedule. The 1933 Agreement continues in force as part of the 1966 Agreement except as superseded or modified by it. Following the termination in January 1973 of the trade agreements which they had with Britain, Australia and New Zealand entered into an arrangement on 7 May 1973 to guarantee tariff preferences in each other's market. This Agreement continues in force until 30 September 1974 unless extended or replaced before that date.
MALAYSIA	Dated 1958. Under the Agreement Malaya undertook to accord to Australia preferences on certain specified goods, to extend to Australia any other preferences in the Malaysian tariff and to protect Australian wheat and flour against preferences to Malaya on certain specified goods and to protect Malaysian tin and rubber against dumped or subsidised competition. Australia guaranteed free entry for natural rubber so long as the Papua New Guinea crop was absorbed, and assured the Federation that natural rubber would not be at a disadvantage compared with synthetic rubber in respect of tariff or import licensing treatment. The Agreement continues to apply between Australia and that portion of Malaysia known previously as the Federation of Malaya.
REPUBLIC OF KOREA	Dated 1965. Provides for the exchange of non-discriminatory most favoured nation treatment while recognising existing preferences. The Agreement had an initial life of one year but contained provision for automatic extension. Both Governments undertook to use their best endeavours to increase the volume of trade between the two countries.
PHILIPPINES	Dated 1965. Provides for the exchange of non-discriminatory most favoured nation treatment while recognising existing preferences. The Agreement had an initial life of one year and will continue until one Government gives ninety days notice of its intention to terminate it.
PAPUA NEW GUINEA	Dated 1973. Known as the Memorandum of Understanding Relating to Interim Trade and Commercial Arrangements between Australia and Papua New Guinea. Provides that Papua New Guinea will continue to receive preferential treatment in the Australian tariff and that Australia receive most favoured nation treatment in Papua New Guinea.
INDONESIA	Dated 1959, with a re-negotiation signed on 14 November 1972. The new Agreement is a most favoured nation Agreement which establishes the G.A.T.T. principles as the basis governing the conduct of bilateral trade. The Agreement expresses support for international commodity agreements, encouragement of Australian investment in Indonesia, and activities by Australian consultants and contractors. Other provisions refer to Australian support for trade initiatives in the Association of South East Asian Nations (A.S.E.A.N.) and to consultation on shipping matters.

Country	Main features of agreement
JAPAN	Dated 1963. Mutual exchange of most favoured nation treatment. Japan to accord preferential treatment to Australian wool and wheat as well as expanded opportunities for imports into Japan of other Australian primary produce and motor vehicles. Australia to consult Japan on temporary protection cases affecting Japanese products.
PEOPLE'S REPUBLIC OF CHINA	Dated 1973. The Agreement provides for reciprocal most favoured nation treatment, while recognising existing preferences. It expresses support for the conclusion of bilateral commercial long-term commodity contracts, encourages trade promotional activities in both countries, and establishes a Joint Trade Committee to examine the implementation of the Agreement, and to explore measures aimed at the expansion of mutually beneficial trade.
GERMAN DEMOCRATIC REPUBLIC	Dated 1974. It provides for the exchange of most favoured nation treatment, the encouragement and facilitation of trade and economic, industrial, and technical co-operation. It includes indicative lists of goods each country is interested in exporting to the other. The Agreement also establishes a Mixed Commission to review the state of trade and discuss measures for its expansion.
EASTERN EUROPE	Australia has signed trade agreements with seven East European countries : U.S.S.R. (15 October 1965), Poland (20 June 1966), Bulgaria (22 June 1966), Romania (18 May 1967), Hungary (5 December 1967), Yugoslavia (21 July 1970), and Czechoslovakia (16 May 1972). These agreements provide basically mutual exchange of most favoured nation treatment with provision for consultation on request of either party.

General Agreement on Tariffs and Trade (G.A.T.T.)

The General Agreement on Tariffs and Trade, to which Australia was one of the original contracting parties, is an international trade agreement which has been in operation since 1 January 1948. At the end of January 1973, eighty-one countries, whose foreign trade represents well over 80 per cent of the total volume of world trade, were full contracting parties to the Agreement, two had acceded provisionally, and thirteen applied the Agreement on a *de facto* basis.

Six series of tariff negotiations have been conducted, as a result of which Australia has obtained tariff concessions on almost all the principal products of which Australia is an actual or potential exporter to the individual countries concerned.

In June 1966 a new Part IV of G.A.T.T. came legally into force, embodying commitments to individual and joint action by contracting parties to assist developing countries through the field of international trade.

Excise Tariff

The Excise Tariff applies to certain articles which can only be manufactured under licence and subject to certain conditions. The tariff relates to beer, spirits, amylic alcohol and fusel oil, saccharin, liqueurs, flavoured spirituous liquors, tobacco, cigars, cigarettes, snuff, coal, certain petroleum, shale, or coal tar distillates, playing cards, cigarette papers, matches, wine (certain types), and canned fruit.

Customs (Import Licensing) Regulations

Import licensing, introduced at the beginning of the Second World War, was relaxed progressively after the war so that by March 1952 goods from the non-dollar area (except Japan, to which special conditions applied until 1957) were virtually free from import licensing controls. A fall in the price of wool and a large increase in imports in the year 1951-52 so endangered Australia's external financial position that in March 1952 the import restrictions were again intensified. The war-time regulations were subsequently replaced by regulations made under the *Customs Act* 1901-1954.

Between March 1952 and February 1960 import restrictions were varied broadly in line with Australia's balance of trade position.

After the changes made in February 1960 only about 10 per cent of imports remained subject to control. The remaining restrictions were removed in October 1962 for all commodities, with the exception of a small group which were retained under control for reasons of association with the protection of the Australian industries concerned.

Trade services

Export incentives

The Australian Government provides financial concessions as incentives to export. A special market development allowance for export market development expenditure is designed to encourage firms to incur promotion expenditure in advance of export sales and to assist exporters and potential exporters to expand sales in existing markets and to enter new overseas markets. The allowance is in the form of a special income tax deduction additional to the ordinary taxation deduction allowable in respect of specified expenses. Export incentive grants based on pay-roll tax are made to employers whose export sales of goods or property rights have increased above their average annual level in a base period. The grant is available in the first place to firms who are producers for export; but a producer for export may pass on grants to another firm who has supplied components embodied in the final product or to an export merchant.

The Government announced in December 1973 that these incentives would expire on 30 June 1974, to be replaced by a new market development grants scheme after that date. This scheme is intended to provide taxable grants payable on eligible export promotion expenditure generally as defined under the existing market development allowance and is designed to encourage firms to seek out and develop overseas markets and to participate in Australian Government sponsored trade promotions. These grants will be available at two rates and there will be a ceiling on payments to any one firm or group of firms.

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. Since the Second World War the Service has increased steadily, and by mid-1974 there were over 170 Trade Commissioners and Assistant Trade Commissioners in 56 posts in 41 countries.

Trade Commissioners are responsible for commercial intelligence in their territories. Particular facilities provided for Australian exporters and export organisations include: surveys of market prospects; advice on

selling and advertising methods ; arranging introductions with buyers and agents ; providing reports on the standing of overseas firms ; advice and assistance to business visitors ; helping to organise and carry through trade missions, trade displays, newspaper supplements, and other promotion and publicity media ; providing information on import duties, import licensing, economic conditions, quarantine and sanitary requirements, and other factors affecting the entry and sale of goods ; and 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, Trade Commissioners are called upon to act as the Australian representative.

Trade Commissioners, Assistant Trade Commissioners, and Trainee Trade Commissioners are drawn from both private enterprise and the public service, and applications for entry are invited periodically by public advertisement. Recruitment is generally at the Trainee Trade Commissioner or Assistant Trade Commissioner level and officers selected are promoted to higher grades or to Trade Commissioner as experience and performance warrant. In the majority of posts the Trade Commissioner is supported by an Assistant Trade Commissioner and, in some cases, also by another Trade Commissioner.

The Trade Commissioner Service is administered by the Department of Overseas Trade (as distinct from the diplomatic and consular services administered by the Department of Foreign 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 (Minister Commercial, Commercial Counsellor, Commercial Secretary, or Commercial Attaché).

Trade missions

Up to the end of April 1974 the Australian Government had sent ninety-two trade and survey missions and five trade ships abroad as part of the campaign to increase exports. The experience acquired has indicated the need for flexibility in techniques to suit particular products or markets. At present the following types of trade missions are in use :

Survey missions. These are organised to obtain precise knowledge about the export trade potential for specific products in one or more overseas markets. Such methods are used to explore export prospects in new or developing areas where commercial intelligence is not readily available or where a complex industry is involved and the industry requires special export knowledge.

Specialised and general trade missions. Arrangements are made for specific industries or groups of firms representing a number of industries to participate in a planned selling campaign in overseas markets with known sales potential. The mission visits the market, publicises its products and negotiates sales.

Trade displays, fairs, exhibitions, and store promotions

Since 1949 Australia has participated in numerous major trade fairs, exhibitions, and displays in Africa, Asia, Europe, the Americas, and the Pacific Area.

Initially the emphasis was on participation in general trade fairs directed at the public and the general commercial community. With the development of export promotion techniques and the greater diversity of goods available for export, more emphasis is now being placed on individual Australian trade displays and participation in specialised trade shows directed almost entirely at the business community. In addition, display rooms in Trade Commissioner offices are currently in use in Singapore, Kuala Lumpur, Manila, Hong Kong, and Jakarta.

Market assistance

The Australian Government established a Market Assistance Section in the Department of Overseas Trade in January 1974 to advise and assist developing countries with centrally planned economies in the marketing of their products in Australia. The Section, which is located in Canberra, is supported by two experienced Australian Trade Commissioners, one located in Sydney and the other in Melbourne, to maintain contact with the commercial sector and provide direct practical assistance.

Export of consulting services

Australian professional consultants have been increasingly successful in obtaining overseas commissions and are contributing significantly to Australia's foreign exchange earnings.

The Australian Professional Consultants Council consists of members of the Royal Australian Planning Institute, the Institute of Surveyors of Australia, the Royal Australian Institute of Architects, the Association of Consulting Engineers of Australia, the Institute of Quantity Surveyors, the Institute of Agricultural Science, and the Snowy Mountains Engineering Corporation. The Council assists the members of the professions concerned in obtaining overseas commissions. The Council also acts as a liaison body for the government in its efforts to promote the export of consulting services.

Most opportunities for Australian professional consultants arise through development projects financed by international aid and lending organisations such as the International Bank for Reconstruction and Development, the United Nations Development Programme, and the Asian Development Bank. However, Australian consultants are continuing to have significant successes in securing commissions from the private sector, particularly in the south-east Asian countries.

Construction contracts overseas

The Australian Overseas Construction Council which was formed by the Master Builders' Federation of Australia and the Australian Federation of Construction Contractors assists construction contractors in winning contracts overseas. It has close liaison with the Department of Overseas Trade which provides information on construction opportunities abroad.

Export Payments Insurance Corporation

The Export Payments Insurance Corporation was established by the Australian Government in 1956 with the objective of encouraging exports by providing insurance against risks of non-payment of overseas accounts. The Corporation is charged to be self-supporting, i.e., over a period its income should be adequate to cover the expenses of operation and any payments of claims which may be incurred.

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 difficulties; the imposition of government regulations which prevent the import of the goods into the buyer's country; and war, revolution, or civil disturbance in the buyer's country. For most political risks insurance cover is available to a maximum of 90 per cent of the amount of loss in the pre-shipment period and a maximum of 95 per cent in the post-shipment period. The rate of cover for commercial risks is fixed at 90 per cent.

The Corporation may submit to the Government, for consideration in the national interest, applications for payment of insurance which are commercially unacceptable to the Corporation. In considering such applications the Government takes account of both political and economic factors.

An amendment to the *Export Payments Insurance Corporation Act 1956* in November 1964 gave the E.P.I.C. the authority to issue guarantees of payments to commercial lending institutions on money raised for the purpose of financing exports. The existence of E.P.I.C. guarantees has facilitated the raising of finance by exporters.

In addition to providing the above facilities, the Corporation insures, on behalf of the Australian Government, eligible Australian investments in overseas countries against the main non-commercial risks associated with investing overseas, e.g., expropriation, exchange transfer difficulties, and war damage. For an investment to be eligible it must confer benefits on both Australia and the investment host country. At 31 December 1973, 107 policies had been written for 35 investments, mainly in South-East Asia. The face value of these policies was \$50m.

Since the first policy was issued in September 1957 Australian exporters have made increasing use of the facilities of the E.P.I.C. At 31 December 1973 the Corporation had 1,090 policies current on its commercial account (i.e., not including government business) with a face value of over \$696m. The majority of transactions have been on a short or medium-term basis using a supplier credit facility (i.e., insured credit being extended to the overseas buyer by the exporter with the financial support of private lending institutions). The Corporation has issued policies covering exports to over 150 countries and has insured a wide range of Australian exports.

A Consultative Council, composed of two government members and eight leading figures in the fields of banking, commerce, and industry, advises the Corporation on its activities. The council meets two or three times a year and is appointed for a term of three years.

For further information on the E.P.I.C., including a table on the business of the Corporation for each of the years 1968-69 to 1972-73, refer to pages 603-4.

Victoria's pattern of trade, 1964

Recorded value of imports and exports

All values in overseas trade statistics are determined on a "free on board (f.o.b.) port of shipment" basis. This means that all charges (in particular the cost of freight and insurance) incurred after the goods have been exported from the port of shipment are excluded. Only transport and service charges incurred, or usually incurred, prior to export are included in the determination of trade values.

The procedure adopted to value exports and imports is as follows :

Exports. The recorded value of goods exported includes the cost of the outside package and has been determined, since July 1937, as follows :

(a) Goods sold to overseas buyers before export are valued at the Australian f.o.b. port of shipment equivalent of the actual price at which the goods were sold.

(b) Goods shipped on consignment are valued at the Australian f.o.b. port of shipment equivalent of the price paid for similar goods of Australian origin in the principal markets of the country to which they are dispatched for sale.

Imports. The recorded value of goods imported is the "value for duty" as laid down for Customs purposes, that is, the sum of :

(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.

In the case of goods consigned for sale in Australia the "value for duty" shall be the amount which would be the "value for duty" if the goods were at date of exportation sold to an Australian importer instead of being consigned for sale in Australia.

"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".

"Special deduction" is defined as "any discount or other deduction allowed to the Australian importer which would not ordinarily have been allowed to any and every purchaser at the date of exportation of an equal quantity of identically similar goods".

"Leasing arrangements". The recorded value of goods under leasing arrangements is defined as the f.o.b. value, i.e., not the value of the lease receipts or payments. However, for balance of payments purposes large items of equipment under lease are normally excluded from export and import figures, and therefore from the balance of trade, since no change of ownership has occurred.

Statistics of Australia's overseas trade passing through Victorian ports are compiled from documents obtained under the Customs Act.

VICTORIA—OVERSEAS TRADE : RECORDED VALUES OF IMPORTS INTO
AND EXPORTS FROM VICTORIAN PORTS
(\$'000 f.o.b.)

Year	Imports	Exports			Excess of imports
		Australian produce	Re-exports	Total	
1968-69	1,182,747	688,402	19,177	707,579	475,168
1969-70	1,347,053	883,768	28,828	912,596	434,457
1970-71	1,458,583	995,867	39,041	1,034,908	423,675
1971-72	1,431,076	1,103,230	36,501	1,139,731	291,345
1972-73	1,472,602	1,461,778	33,595	1,495,373	-22,771

NOTE. Minus (—) sign denotes excess of exports.

VALUE OF AUSTRALIAN TRADE, AND PROPORTION
HANDLED AT VICTORIAN PORTS

Year	Australian trade			Proportion of Australian trade handled at Victorian ports		
	Imports	Exports	Total	Imports	Exports	Total
	\$'000 f.o.b.	\$'000 f.o.b.	\$'000 f.o.b.	per cent	per cent	per cent
1968-69	3,468,505	3,374,263	6,842,768	34.1	21.0	27.6
1969-70	3,881,227	4,137,222	8,018,449	34.7	22.1	28.2
1970-71	4,150,028	4,375,757	8,525,785	35.1	23.6	29.2
1971-72	4,008,365	4,896,381	8,904,746	35.7	23.3	28.9
1972-73	4,120,727	6,213,704	10,334,431	35.7	24.6	28.7

Classification of overseas imports and exports

From July 1965 imports have been classified according to the new Australian Import Commodity Classification. This classification is based on the Standard International Trade Classification, Revised (S.I.T.C.), which is closely related to the Brussels Tariff Nomenclature used in the new Australian Customs Tariff. A new Australian Export Commodity Classification based on S.I.T.C. was introduced in July 1966.

VICTORIA—CLASSIFICATION OF OVERSEAS IMPORTS AND EXPORTS
(\$'000 f.o.b.)

Division number	Description	Imports		Exports	
		1971-72	1972-73	1971-72	1972-73
00	Live animals	2,152	2,470	2,234	2,787
01	Meat and meat preparations	367	471	177,693	260,631
02	Dairy products and eggs	3,505	4,820	74,580	103,396
03	Fish and fish preparations	11,905	13,591	12,774	15,244
04	Cereals and cereal preparations	1,776	1,983	138,998	93,140
05	Fruit and vegetables	9,458	9,395	55,485	79,461
06	Sugar and sugar preparations and honey	1,390	1,215	702	1,038
07	Coffee, tea, cocoa, spices, and manufactures thereof	23,032	24,073	6,772	7,842
08	Feeding-stuff for animals (except unmilled cereals)	1,181	1,074	8,579	10,277
09	Miscellaneous preparations chiefly for food	2,490	1,371	842	802
11	Beverages	3,201	3,578	2,582	2,889
12	Tobacco and tobacco manufactures	13,460	12,099	1,070	1,240
21	Hides, skins and fur skins, undressed	809	1,183	39,589	81,234
22	Oil-seeds, oil nuts and oil kernels	372	1,604	1,091	1,415
23	Crude rubber (including synthetic and reclaimed)	12,123	13,487	520	537
24	Wood, timber and cork	9,548	12,921	90	226
25	Pulp and waste paper	8,390	10,655	40	34
26	Textile fibres and their waste	27,620	32,711	193,203	382,307
27	Crude fertilisers and crude minerals (except coal, petroleum, and precious stones)	11,428	11,668	259	454
28	Metalliferous ores and metal scrap	338	381	17,446	18,855
29	Crude animal and vegetable materials, n.e.s.	5,071	7,894	9,785	9,712
32	Coal, coke and briquettes	40	88	603	1,199
33	Petroleum and petroleum products	44,907	33,119	32,997	25,256
34	Petroleum gases and other gaseous hydrocarbons	13	12	(a)	(a)
41	Animal oils and fats	169	159	14,584	11,617
42	Fixed vegetable oils and fats	2,956	3,253	21	50

VICTORIA—CLASSIFICATION OF OVERSEAS IMPORTS AND EXPORTS—*continued*
(\$'000 f.o.b.)

Division number	Description	Imports		Exports	
		1971-72	1972-73	1971-72	1972-73
43	Animal and vegetable oils and fats, processed, and waxes of animal or vegetable origin	963	896	174	224
51	Chemical elements and compounds	38,677	42,425	4,161	4,606
52	Mineral tar and crude chemicals from coal, petroleum, and natural gas	1,903	1,043	4	88
53	Dyeing, tanning and colouring materials	13,050	14,907	2,615	2,540
54	Medicinal and pharmaceutical products	14,382	14,491	7,620	7,513
55	Essential oils and perfume materials; toilet, polishing and cleansing preparations	3,495	4,074	1,287	1,490
56	Fertilisers, manufactured	1,707	2,216	671	26
57	Explosives and pyrotechnic products	1,658	2,153	2,135	2,085
58	Plastic materials, regenerated cellulose and artificial resins	49,299	52,801	3,985	4,473
59	Chemical materials and products, n.e.s.	17,407	18,380	19,542	13,413
61	Leather, leather manufactures, n.e.s., and dressed fur skins	4,068	4,385	2,560	3,357
62	Rubber manufactures, n.e.s.	15,239	17,808	5,094	4,264
63	Wood and cork manufactures (except furniture)	6,436	7,666	754	1,603
64	Paper, paperboard, and manufactures thereof	39,369	43,170	3,205	3,193
65	Textile yarn, fabrics, made-up articles and related products	145,724	155,685	9,629	11,354
66	Non-metallic mineral manufactures, n.e.s.	26,683	32,188	5,409	6,332
67	Iron and steel	45,858	42,288	3,600	2,817
68	Non-ferrous metals	8,740	8,821	27,739	27,029
69	Manufactures of metal, n.e.s.	35,718	36,233	21,137	24,757
71	Machinery (except electric)	243,031	245,503	43,434	45,171
72	Electrical machinery, apparatus, and appliances	96,361	94,738	19,095	20,233
73	Transport equipment	220,063	211,391	85,939	111,474
81	Sanitary, plumbing, heating, and lighting fixtures and fittings	3,161	3,628	792	1,190
82	Furniture	2,457	2,847	577	487
83	Travel goods, handbags and similar articles	2,008	2,124	64	67
84	Clothing and clothing accessories; articles of knitted or crocheted fabric	17,811	22,012	4,839	6,305
85	Footwear, gaiters, and similar articles and parts therefor	10,123	9,464	389	439
86	Professional, scientific and controlling instruments; photographic and optical goods, watches and clocks	49,374	50,444	12,789	16,020
89	Miscellaneous manufactured articles, n.e.s.	60,645	68,300	12,564	10,462
9A	Commodities and transactions of merchandise not elsewhere classified	47,003	43,979	(b)23,797	(b)31,037
	Total merchandise	1,420,117	1,461,335	1,118,143	1,475,680
9B	Commodities and transactions not included in merchandise trade	10,959	11,267	21,588	19,693
	Total	1,431,076	1,472,602	1,139,731	1,495,373

(a) Included in Division 9A.

(b) Includes Division 34.

n.e.s. : not elsewhere specified.

Trade with countries

The value of trade with overseas countries from 1970-71 to 1972-73 is shown in the following table :

VICTORIA—OVERSEAS IMPORTS AND EXPORTS: COUNTRIES OF
ORIGIN AND CONSIGNMENT
(\$'000 f.o.b.)

Country	Imports			Exports		
	1970-71	1971-72	1972-73	1970-71	1971-72	1972-73
Belgium-Luxembourg	11,011	11,355	13,342	9,054	7,685	11,426
Canada	48,994	45,329	48,458	18,497	29,910	44,570
China	9,727	14,448	17,269	22,994	14,319	22,427
Taiwan	8,582	14,441	22,563	9,628	13,480	24,133
Czechoslovakia	2,947	3,115	3,105	823	1,947	4,032
Finland	7,190	5,194	8,932	331	297	890
France	29,419	29,195	34,683	34,065	36,698	67,543
Germany, Federal Republic of	133,932	132,814	124,029	28,252	28,774	43,921
Greece	1,563	2,112	1,865	5,247	11,066	8,593
Hong Kong	20,512	23,487	28,368	23,048	24,328	30,094
India	11,704	14,669	12,730	9,430	7,609	8,281
Indonesia	3,584	4,331	4,052	9,567	10,303	20,147
Iran	3,050	1,312	2,630	3,745	9,164	4,740
Iraq	9,240	13,989	13,571	554	1,750	931
Italy	31,937	30,588	31,737	18,684	21,400	33,105
Japan	204,072	227,989	267,520	176,793	202,316	326,451
Kuwait	11,756	12,952	6,719	1,838	2,522	2,390
Malaysia	9,015	9,573	13,012	17,937	18,426	21,803
Mexico	233	320	910	5,728	4,931	5,257
Netherlands	23,925	19,648	20,475	15,649	9,094	11,327
New Zealand	35,135	41,720	49,107	79,725	97,966	121,833
Pakistan	5,420	3,001	1,789	3,026	1,714	1,955
Papua New Guinea	6,686	5,861	7,286	25,124	31,165	26,865
Philippines	1,330	1,854	1,885	14,067	18,328	20,532
Poland	1,006	1,036	1,263	4,369	7,287	19,586
Qatar	730	590	..	328	282	317
Saudi Arabia	3,385	1,891	1,737	8,796	10,013	8,407
Singapore	4,455	6,592	7,923	36,155	29,901	26,314
South Africa	4,909	5,156	5,007	40,680	43,200	45,334
Spain	6,009	8,077	7,197	3,668	5,183	7,422
Sri Lanka	4,671	4,774	3,870	5,039	1,186	1,958
Sweden	24,703	26,193	33,013	3,762	3,599	6,397
Switzerland	20,639	23,360	21,189	2,000	2,760	3,027
Thailand	1,108	2,558	2,071	11,496	13,285	14,430
United Kingdom	328,811	305,469	283,361	114,360	92,594	146,358
United States of America	363,015	311,987	301,337	116,362	140,223	164,315
U.S.S.R.	992	622	745	24,301	20,772	29,811
Yugoslavia	319	207	250	9,918	5,631	23,863
Other and unknown	62,867	63,267	67,602	119,868	158,063	134,588
Total	1,458,583	1,431,076	1,472,602	1,034,908	1,139,171	1,495,373

INTERSTATE TRADE

Statistics of trade between Victoria and other Australian States are incomplete and relate mainly to seaborne trade. Although a substantial quantity of freight is carried by road and rail transport between Victoria and neighbouring States, complete details of this traffic are not available. A small tonnage of freight is carried interstate by air (see page 681).

Interstate trade by sea

In terms of quantity, the principal cargoes carried interstate by ship to and from Victorian ports are coal and briquettes, petroleum and petroleum products, steel, sugar and sugar preparations, and timber. However, there is also a considerable trade in foodstuffs, motor vehicles, and other manufactured goods, particularly through the Port of Melbourne.

Port of Melbourne

The Melbourne Harbor Trust altered its accounting period from a calendar year to a fiscal year from 1 January 1973. For the twelve month period ending 30 June 1973 total interstate exports were 2,535,095 tonnes and interstate imports totalled 3,018,426 tonnes. Due to the change in the accounting period of the Trust, principal commodity statistics are not available for 1972-73.

Port of Geelong

Total interstate exports during 1973 amounted to 897,877 tonnes, of which petroleum and petroleum products accounted for 836,482 tonnes. Total interstate imports for the same period amounted to 606,538 tonnes, and consisted mainly of petroleum and petroleum products, 104,074 tonnes; alumina, 161,464 tonnes; pig iron and steel, 276,031 tonnes; and gypsum, 43,801 tonnes.

Trade of Victoria with Western Australia and Tasmania

Details of trade between Victoria and other States are available only for trade with Western Australia and trade by sea with Tasmania.

Western Australia

Exports from Victoria to Western Australia are valued in terms of landed cost (i.e., c.i.f. basis) at port of entry. Imports from Western Australia are valued at the f.o.b. equivalent at the port of shipment of the price at which the goods were sold. The small proportion of goods received by rail is valued at the f.o.r. equivalent.

For the year 1972-73 the value of exports from Victoria to Western Australia totalled \$325.4m. Transport equipment \$56.7m, clothing and clothing accessories \$33.9m, machinery other than electric machinery \$33.6m, tobacco and tobacco manufactures \$11.7m, and rubber manufactures \$8.9m were the main types of commodities included in this total.

Imports from Western Australia during the same period were valued at \$46.3m. Petroleum and petroleum products \$4.8m, chemical elements and compounds \$10.7m, and textile fibres and their waste \$8.6m were the main types of commodities imported.

Detailed statistics of this trade appear in the publication *Statistics of Western Australia, Trade (Interstate and Overseas), 1972-73* issued by the Deputy Commonwealth Statistician, Perth.

Tasmania

Details of trade between Victoria and Tasmania are available only for trade by sea. Both exports and imports are valued on an f.o.b. basis.

In 1972-73 exports by sea from Victoria to Tasmania were valued at \$228.6m. Transport equipment \$31.3m, petroleum products \$21.4m, and tobacco and tobacco manufactures \$7.3m were the main types of commodities. The value of tourists' motor vehicles included in the total for the year was approximately \$25.3m.

Imports from Tasmania during this period amounted to \$206.9m. Preserved vegetables \$14.7m and timber \$17.0m were the main commodities imported. The value of tourists' motor vehicles included in the total was approximately \$27.0m.

CUSTOMS AND EXCISE REVENUE

The total gross customs duties collected by the Australian Government in Victoria in each of the three years 1970-71 to 1972-73 were \$181.1m, \$181.4m, and \$197.2m, respectively. Collections include duty received on account of goods transferred to other States for consumption and exclude duty in respect of goods imported into other States but consumed in Victoria.

The principal commodities produced in Victoria on which the Australian Government imposes excise duty are set out in the table below, together with the gross amount of duty collected on account of each item for each of the three years 1970-71 to 1972-73. As with customs duties, collections include duty levied on goods exported to other States for consumption and exclude duty in respect of goods produced in other States, but consumed in Victoria.

VICTORIA—GROSS EXCISE DUTY COLLECTED
ON PRINCIPAL COMMODITIES

Article and unit of quantity	Quantity on which duty was collected			Gross excise duty collected		
	1970-71	1971-72	1972-73	1970-71	1971-72	1972-73
	'000	'000	'000	\$'000	\$'000	\$'000
Spirits (potable) litre al.	1,708	1,801	2,108	6,572	6,879	8,005
Tobacco kg	609	508	524	3,209	2,945	3,107
Cigars and cigarettes kg	8,083	7,837	7,811	81,201	87,107	89,473
Petrol litre	2,850,568	3,197,018	3,343,915	93,068	119,174	127,236
All other articles (a)	..	..	..	121,823	130,554	134,617
Total	..	..	..	305,873	346,659	362,438

(a) Includes excise duty collected on beer, which is not available for separate publication.

The overseas trade and the gross revenue collected at Victorian ports during the year 1972-73 are shown in the following table :

VICTORIA—OVERSEAS TRADE AND GROSS REVENUE COLLECTED
AT VICTORIAN PORTS, 1972-73
(\$'000)

Particulars	Melbourne (a)	Geelong	Portland	Western Port	Total
Overseas trade—					
Imports	1,293,020	40,263	4,174	3,565	1,341,022
Exports	1,311,983	105,214	17,018	23,110	1,457,325
Total	2,605,003	145,477	21,192	26,675	2,798,347
Gross revenue—					
Customs	196,033	1,142	..	..	197,175
Excise	351,834	10,604	..	..	362,438
Total	547,867	11,746	..	..	559,613

(a) Includes Port of Melbourne, Melbourne Airport, and parcels post.

AUSTRALIA—VALUE OF OVERSEAS TRADE, GROSS CUSTOMS, AND EXCISE
DUTY COLLECTED BY STATES, 1972-73
(\$'000)

State	Imports	Exports	Excess of exports	Gross duty collected	
				Customs	Excise
New South Wales	1,810,086	1,420,990	-389,096	243,269	473,986
Victoria	1,472,602	1,495,373	22,771	197,175	362,438
Queensland	311,448	1,305,569	994,121	40,532	187,396
South Australia	199,978	521,720	321,742	30,746	110,516
Western Australia	227,305	1,154,359	927,054	25,715	106,060
Tasmania	45,045	218,712	173,667	4,469	33,280
Northern Territory	49,590	95,698	46,108	5,627	5,530
Australian Capital Territory	4,672	1,284	-3,388	208	27
Australia	4,120,727	6,213,704	2,092,977	547,741	1,279,232

NOTE. Minus (-) sign denotes excess of imports.