FOOD SUPPLY AND COST OF LIVING.

CONSIDERING the comparatively high rate of wages which prevails, food of all kinds is fairly cheap in Australasia, and articles of diet which in other countries are almost within the category of luxuries are largely used even by the poorer classes. The average quantities of the principal articles of common diet annually consumed in the various colonies are given below :—

Article.	New South Wales.	Victoria.	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.	Australasia.
Grain—	lb.	lb.	lb.	lb.	lb.	lb.	lb.	lb.
Wheat	356·3	340·6	336·1	380·0	558·5	448·1	450·1	375·1
Rice	10·0	7·2	17·5	10·8	21·3	6·9	8·6	9·9
Oatmeal	7·7	7·6	3·9	5·2	9·4	16·5	10·1	6·7
Potatoes	194·8	258·7	164·6	138·8	167·1	495·3	494·8	266·1
Sugar	103·0	92·3	129·9	98·8	114·3	84·9	88·9	99·6
Tea	7·8	7·2	7·7	7·7	10·0	6·1	6·3	7·3
Coffee	0·5	0·8	0·5	0·9	0·9	0·3	0·4	0·6
Cheese	4·1	3·3	4·1	2·6	6·6	3·8	4·5	3·8
Butter	18·3	12·3	11·4	11·9	27·8	12·3	19·0	15·5
Salt	42·0	40·6	57·8	27·0	17·8	18·3	32·4	30·8
Meat—								
Beef	162·7	126·2	280·0	...	149·0	135·5	90·0	150·0
Mutton	118·9	79·4	90·0	...	147·3	93·1	110·0	101·2
Pork and bacon	11·9	11·5	...	...	27·6	15·9	...	12·5

It will be seen that the consumption of wheat ranges from 336 lb. in Queensland and 340 lb. in Victoria to 558 lb. in Western Australia, the average consumption for Australasia being 375 lb. per head. The high figures for Western Australia are, of course, due to the large proportion of adult male population in that colony. There is in most of the colonies a tendency towards reducing the consumption of breadstuffs, the place of bread being taken by potatoes and other vegetables. In Western Australia and in Tasmania the large influx of miners during recent years has materially increased the consumption of breadstuffs to such an extent indeed as almost to counterbalance the decline in the other provinces. In all the colonies, also, there has been a decrease in the consumption of rice; at present the quantity used varies, ranging between 6·9 lb. in Tasmania and 21·3 lb. in Western Australia. The use of tea is universal in Australia, but there has been a perceptible decline in the quantity used during the last twelve years. The consumption is

largest in Western Australia, with 10·0 lb. per head, while New South Wales comes next with 7·8 lb. per head. Sugar also enters largely into consumption, the average in the two principal colonies being 103·0 lb. per head in New South Wales and 92·3 lb. in Victoria. Coffee is not a universal beverage in Australasia, the consumption being only one-twelfth that of tea. It is used most largely in Western Australia and South Australia, where the annual demand amounts to 0·9 lb. per head; but, like tea, the consumption of this beverage is not now so great as formerly.

In some of the colonies the consumption of potatoes per head of population is possibly less than is shown in the table. It is probable that the high average consumption of 495·3 lb. in Tasmania and 494·8 lb. in New Zealand is caused by the failure of the New South Wales and other continental markets to absorb the production of potatoes in excess of local requirements in those colonies, with the result that a quantity has to be given to live stock and poultry. Under these circumstances, it is impossible to determine with exactitude the quantity entering into the food consumption of the population.

The consumption of meat has been ascertained with exactness for five of the colonies, but these may be taken as fairly representing the whole group. The average quantity of beef consumed in the year amounts to 150·0 lb. per head; of mutton, to 101·2 lb.; and of pork, 12·5 lb.; in all, 263·7 lb. It would thus appear that each inhabitant of these colonies requires daily nearly three-quarters of a pound of meat, and that during the year two sheep are killed for each member of the community, and one bullock to every five persons. It is obvious, therefore, that much meat must be wasted.

The quantity of meat used by the Australasian people, as shown by the above figures, is the most remarkable feature of their diet. The consumption per inhabitant in Germany is 64 lb., while in Australia it is four times that quantity. In the United States, a meat exporting country, the consumption is little more than half that of Australasia. The following table shows the meat consumption per head for the principal countries of the world :—

Country	Per inhabitant.	Country	Per inhabitant.
	lb.		b
Great Britain	109	Holland	57
France	77	Sweden	62
Germany	64	Norway	78
Russia	51	Denmark	64
Austria	61	Switzerland	62
Italy	26	United States	150
Spain	71	Canada	90
Belgium	65	Australasia	264

Judged by the standard of the food consumed, the lot of the population of Australasia appears to be far more tolerable than that of the people of most other countries. This will be seen most clearly from the following table, the particulars given in which, with the exception of the figures referring to Australasia, have been taken from Mulhall's *Dictionary of Statistics*:—

Country.	Lb. per Inhabitant.						Tea and Coffee—Oz.
	Grain.	Meat.	Sugar.	Butter and Cheese.	Potatoes.	Salt.	
United Kingdom	378	109	75	19	380	40	91
France	540	77	20	8	570	20	66
Germany	550	64	18	8	1,020	17	78
Russia	635	51	11	5	180	19	6
Austria	460	61	18	7	560	14	28
Italy	400	26	8	4	50	18	20
Spain	480	71	6	3	20	17	6
Portugal.....	500	49	12	3	40	17	18
Sweden	560	62	22	11	500	28	112
Norway	440	78	13	14	500	40	144
Denmark	560	64	22	22	410	25	140
Holland	560	57	35	15	820	20	240
Belgium	590	65	27	15	1,050	...	142
Switzerland	440	62	26	11	140	...	110
Roumania	400	82	4	9	80	...	8
Servia.....	400	84	4	9	80	...	8
United States ...	370	150	53	20	170	39	162
Canada	400	90	45	22	600	40	72
Australasia	392	264	100	19	266	31	126

Taking the articles in the foregoing list, with the exception of tea and coffee, and reducing them to a common basis of comparison, it will be found that the amount of thermo-dynamic power capable of being generated by the food consumed in Australasia is only exceeded by that eaten in Germany, Holland, and Belgium. For the purpose of comparison the figures of Dr. Edward Smith, F.R.S., in his well known work on *Foods*, have been used, and the heat developed has been reduced to the equivalent weight lifted 1 foot high. In estimating the thermo-dynamic effect

of food, grain has been reduced to its equivalent in flour, and regard has been paid to the probable nature of the meat consumed. The figures for potatoes are given as they appear in the *Dictionary of Statistics;* but it is a probable supposition that but a small proportion of the quantity over 400 lb. set down for any country is required for human consumption, and the figures relating to some of the countries—notably the three just mentioned—are therefore excessive. The substances specified above are largely supplemented by other foods, both in America and in Europe, but not more so than in these colonies, and the figures in the table may be taken as affording an accurate view of the comparative quantity and food value of the articles of consumption in the countries mentioned. To make such a comparison perfectly just, however, the average amount of work which each individual in the community is called upon to perform should be taken into consideration. In Australasia the proportion of women and children engaged in laborious occupations is far smaller than in Europe and America, and the hours of labour of all persons are also less, so that the amount of food-energy required is reduced in proportion. In his *Dictionary of Statistics*, under the heading of "Diet," Mulhall gives a measure of the aggregate amount of work performed by persons doing physical and mental labour, and it would appear that when burnt in the body the food of an average man should be equal to at least 3,300 foot tons of work daily; of a woman, 2,200; and of a child, 1,100 foot tons. For Australasia the average of all persons would be about 2,125 foot tons, whereas from the table just given it would appear that the amount of work to which the daily food consumed by each individual in the colonies is equivalent is not less than 4,184 foot tons.

It must be admitted, however, that the method of comparison adopted in the table is not entirely satisfactory, as the different functions of various kinds of food have not been considered. Experiments and observations made in Europe show that a standard may be set up by which the amount of nutrients required to maintain different classes of people may be measured. Professor Voit, of Munich, whose authority is accepted by European specialists, has ascertained that to sustain a labouring man engaged in moderately hard muscular work there are required 118 grams of protein and quantities of carbo-hydrates and fats sufficient with the protein to yield 3,050 calories of energy. There are 454 grams in a pound avoirdupois, and the calorie is the amount of heat that would raise the temperature of 4 lb. of water 1° Fahrenheit. Applying the ascertained values of the various foods, the consumption of which has just been given, it will be found that the daily consumption per inhabitant is equivalent to 105 grams of protein and 3,195 calories, or about the quantity Professor Voit declares to be sufficient for a labouring man. If allowance be made for the fact that only 40 per cent. of the population are adult males, 33 per cent. women, and 27 per cent. children, the quantity of food consumed in Australasia would appear to be far in excess of the actual requirements of the population, and though

the excess may be looked upon as waste, it is none the less evidence of the wealth of the people whose circumstances permit them to indulge in it.

The following table gives the annual consumption of tobacco in Australasia and the principal countries of the world. The use of tobacco appears to be more prevalent in Western Australia and Queensland than in any of the other colonies, while the smallest consumption is in Tasmania and South Australia. Compared with other parts of the world, the average consumption of Australasia will not appear excessive :—

Country.	lb.	Country.	lb.
Australasia	2·36	Austria-Hungary	3·77
New South Wales	2·53	Italy	1·34
Victoria	2·06	Spain	1·70
Queensland	2·86	Holland	6·92
South Australia	1·83	Belgium	3·15
Western Australia	5·08	Switzerland	3·24
Tasmania	1·80	Sweden	1·87
New Zealand	2·18	Denmark	3·70
United Kingdom	1·41	Turkey	4·37
France	2·05	United States	4·40
Germany	3·00	Canada	2·11
Russia	1·23	Brazil	4·37

All the colonies except Tasmania manufacture tobacco, and the following figures show the average consumption of the locally-made and of the imported article during the last three years. The average quantity of imported leaf used in the local manufacture is also shown :—

State.	Consumption of locally-made—			Consumption of imported—			Import of Leaf.
	Tobacco.	Cigars.	Cigarettes	Tobacco.	Cigars.	Cigarettes	
	lb.	lb.	lb.	lb.	lb.	lb.	lb.
New South Wales	1,978,893	5,008	238,846	904,755	192,001	83,861	1,085,795
Victoria	1,082,989	79,511	184,835	968,031	100,685	17,643	1,036,208
Queensland	573,900	2,618	16,529	656,567	60,026	56,006	44,164
South Australia	*	*	*	157,517	35,087		467,754
Western Australia	*	*	*	569,934	66,067	60,669	78,677
Tasmania	.....	.....	.....	300,293	16,093	14,888	.....
New Zealand	46,420	1,929		1,434,140	73,516	116,132	44,228

* Information not available.

Taking Australasia as a whole, it compares very favourably with most European countries in the average quantity of intoxicants consumed, as the following statement shows. The figures, which are reduced to

gallons of proof spirit from data given in Mulhall's *Dictionary of Statistics*, would appear even more favourable to Australasia were the fact of the large preponderance of males over females in these colonies made a feature of the comparison :—

Country.	Proof gallons.	Country.	Proof gallons.
United Kingdom	3·57	Portugal	3·00
France.....	5·10	Holland.....	4·00
Germany.....	3·08	Belgium	4·00
Russia.....	2·02	Denmark	5·00
Austria	2·80	Scandinavia.....	4·36
Italy	3·40	United States	2·65
Spain	2·85	Australasia	2·41

The following table shows the average consumption for all the colonies during the last three years :—

State.	Spirits.		Wine.		Beer, &c.		Equivalent in Alcohol (proof) per inhabitant
	Total.	Per inhabitant.	Total.	Per inhabitant.	Total.	Per inhabitant.	
	galls.	galls.	galls.	galls.	galls.	galls.	galls.
New South Wales.	951,548	0·73	858,477	0·66	12,446,932	9·58	2·17
Victoria	838,900	0·72	2,254,256	1·94	13,704,562	11·76	2·83
Queensland	444,772	0·98	249,622	0·55	5,278,665	11·58	2·64
South Australia ...	141,057	0·39	815,633	2·26	3,224,124	8·95	2·23
Western Australia.	268,363	1·85	155,062	1·07	3,453,343	23·84	5·24
Tasmania	66,658	0·39	15,842	0·09	1,238,155	7·33	1·37
New Zealand	470,132	0·65	104,043	0·14	5,900,349	8·18	1·75
Australasia.....	3,181,430	0·74	4,452,935	1·03	45,246,130	10·48	2·41

The largest consumption of spirits per inhabitant is in Western Australia, Queensland being second. Wine is used most freely in Victoria, South Australia, and Western Australia; and beer, in the colony of Western Australia. The average consumption of alcohol in all the colonies for the last three years amounted to 2·41 gallons of proof spirit per inhabitant, ranging from 5·24 gallons in Western Australia to 1·37 gallons in Tasmania. There was a great diminution in the quantity of alcohol consumed in Australasia from 1889 to 1895; but since that year an annual increase is again observable, which is probably in great part due to the improvement in the economic condition of the people. In 1889 the average consumption was 2·82 gallons of proof alcohol; in 1890 it was 2·90 gallons; in 1891, 2·94 gallons; in 1892, 2·63 gallons; in 1893, 2·19 gallons; in 1894, 2·13 gallons; in 1895, 2·10 gallons; in

1896, 2·33 gallons; in 1897, 2·41 gallons; in 1898, 2·47 gallons; and in 1899, 2·41 gallons. Part of the increased consumption in 1896, as compared with the preceding year, must be set down to the fact that it was for the first time possible in that year to calculate the Western Australian consumption exactly.

Several descriptions of Australian wines have a natural strength of 30 per cent. of proof spirit, while from analyses which have been made it would appear that the strength of these wines offered for sale varies from 24 to 37 per cent. of spirit. Imported beers range from 13·88 per cent. to 15·42 per cent. in the case of English, and from 9·58 per cent. to 11·76 per cent. of proof spirit in Lager, while the local manufacture varied according to the make from 11 to 14, the average being slightly below 13·5 per cent. Four of the colonies manufacture spirits, and five make wine, while beer is brewed in all the colonies; and as the locally-made article may be subjected to a lower duty under federation than the imported article, the average consumption of locally-manufactured spirits, wine, and beer for the last three years has been estimated, and will be found in the following statement:—

State.	Spirits.		Wine.		Beer, &c.	
	Total.	Per inhabitant.	Total.	Per inhabitant.	Total.	Per inhabitant.
	galls.	galls.	galls.	galls.	galls.	galls.
New South Wales	6,428	0·005	780,152	0·60	10,764,865	8·28
Victoria	189,231	0·16	2,218,364	1·90	13,210,880	11·34
Queensland	59,409	0·13	205,499	0·45	4,856,330	10·66
South Australia	23,141	0·06	810,796	2·25	3,056,391	8·49
Western Australia	.....	...	81,443	0·56	2,610,871	18·02
Tasmania	.....	...	.....	...	1,191,008	7·05
New Zealand	.....	...	.....	...	5,712,348	7·92
Australasia	278,209	0·06	4,096,254	0·95	41,402,693	9·59

If the figures in this table be subtracted from those in the table on the preceding page the consumption of imported goods will be found.

Cost of Living.

Sufficient data are not available to enable a calculation to be made of the cost of living in all the colonies, but with the materials to hand an estimate can be arrived at for New South Wales. In the year 1892 an estimate was made of the yearly expenditure of the population of that colony, and it was found that it amounted to £55,445,000; but during the following years there were a shrinkage in incomes and a falling-off in the consumption of articles of luxury, and a revision of the figures in 1894 brought out a total some 16 per cent. lower. Since the year 1895 a material improvement has, however, taken place in the economic

condition of the people, and a revision of the figures made for the year 1899 gave a total expenditure of £52,563,000, or only about 5 per cent. less than in 1892. The following figures show the average expenditure per inhabitant, distributed under the principal heads, for 1899 :—

Division of Expenditure.	Per Inhabitant. £ s. d.
Food and non-alcoholic beverages	13 15 2
Fermented and spirituous liquors	3 4 2
Tobacco	0 16 10
Clothing and drapery	5 10 3
Furniture	0 11 0
Rent or value of buildings used as dwellings	4 8 10
Locomotion	1 7 5
Fuel and light	1 10 1
Personal attendance, service, and lodging	1 17 5
Medical attendance, medicine, and nursing	1 3 5
Religion, charities, education (not including State expenditure)	0 14 7
Art and amusement	0 17 2
Books, newspapers, etc.	0 12 5
Postage and telegrams, not incidental to earning the incomes	0 4 5
Direct taxes not falling on trade	0 11 4
Household expenses not included elsewhere	1 11 0
Miscellaneous expenses	0 19 5
Total	£39 14 11

The expenditure for the year, viz., £39 14s. 11d. per head, was at the rate of 2s. 2d. per day. The daily expenditure may be thus distributed:—

Division of Expenditure.	Per day.	Proportion of Expenditure.
	d.	per cent.
Food	9·0	34·6
Fermented and spirituous liquors	2·1	8·1
Clothing and drapery	3·6	13·9
Rent	2·9	11·2
Direct taxes	0·4	1·4
Sundries	8·1	30·8
Total	26·1	100·0

In certain colonies (Western Australia and Queensland) where there is a large adult male population the expenditure was probably higher, but in the others less than in New South Wales.

The conditions of life and the standard of living are much the same in all the colonies, but it would undoubtedly be incorrect to assume that the average expenditure throughout Australasia is equal to that of New South Wales. Making a reduction on the New South Wales rates for some of the colonies and an increase for others, such as the

circumstances seem to warrant, the expenditure for Australasia would be as follows :—

Division of Expenditure.	Total Expenditure. £	Per Inhabitant. £ s. d.
Food and non-alcoholic beverages	56,164,000	12 15 11
Fermented and spirituous liquors	13,101,000	2 19 8
Tobacco	3,433,000	0 15 7
Clothing and drapery	22,507,000	5 2 7
Furniture	2,251,000	0 10 3
Rent or value of buildings used as dwellings	18,117,000	4 2 7
Locomotion	5,584,000	1 5 6
Fuel and light	6,162,000	1 8 1
Personal attendance, service, and lodging	7,634,000	1 14 10
Medical attendance, medicine, and nursing	4,775,000	1 1 9
Religion, charities, education (not including State expenditure)	2,970,000	0 13 6
Art and amusement	3,494,000	0 15 11
Books, newspapers, etc.	2,528,000	0 11 6
Postage and telegrams, not incidental to earning the incomes	904,000	0 4 2
Direct taxes not falling on trade	2,309,000	0 10 6
Household expenses not included elsewhere	6,328,000	1 8 10
Miscellaneous expenses	3,998,000	0 18 3
Total	£162,259,000	36 19 5

According to Mulhall, the expenditure per inhabitant in the leading countries of Europe and in America is as follows :—

Country.	Expenditure per Inhabitant. £ s. d.	Country.	Expenditure per Inhabitant. £ s. d.
United Kingdom	29 14 9	Norway	19 0 0
France	23 19 4	Denmark	28 11 5
Germany	20 3 4	Holland	20 17 4
Russia	10 1 11	Belgium	25 8 2
Austria	14 4 9	Switzerland	18 0 0
Italy	11 11 0	United States	32 16 2
Spain	15 12 6	Canada	23 6 2
Portugal	11 5 6		
Sweden	20 8 4	Australasia	36 19 5

The table just given affords but a partial view of the question of the cost of living, for if the total earnings of the countries above enumerated be considered as an element of comparison, it will be found that few countries approach Australasia in the small proportion of income absorbed in providing food for the people. The following table, given on the same authority as the preceding, shows that while the actual cost of food and drink is £15 15s. 7d. in Australasia as against £14 4s. 9d. in Great Britain, the earnings required to pay for this food are not larger proportionately than in the countries which show most favourably

in the table. The number of working days in the year is assumed to be 300, allowing for thirteen days' sickness and fifty-two Sundays :—

Country.	Average annual cost of food and beverage.	Ratio of cost of food to earnings.	Days' earnings equal to annual cost of food.
	£ s. d.	per cent.	days.
United Kingdom ...	14 4 9	42·2	127
France	12 4 5	44·0	142
Germany	10 18 5	49·1	148
Russia	5 19 7	52·0	156
Austria	7 17 4	50·8	152
Italy	6 4 10	51·2	153
Spain	8 9 0	51·2	154
Portugal	7 3 0	59·1	177
Sweden	9 18 11	45·2	136
Norway	9 15 0	47·6	143
Denmark	11 14 0	36·0	108
Holland	10 8 0	46·0	138
Belgium	12 3 1	43·4	130
Switzerland	8 11 7	45·2	135
United States.....	9 17 7	25·3	76
Canada.....	8 9 0	32·5	97
Australasia	15 15 7	37·5	112

Price Levels.

The following tables have been compiled with the object of showing to what extent the colonies have been affected by the general fall in the prices of commodities during the past thirty-eight years. The figures refer to New South Wales alone, but they may be accepted as also indicating in a fairly accurate degree the position in which the other provinces of Australasia stand in regard to this matter. The total value of the exports of each of the colonies is greatly affected by the prices obtained for certain leading lines of raw produce, of which, in the case of New South Wales, wool, silver, and coal are the most important. In the subjoined table the price-level of domestic exports of that colony is given for the forty years beginning with 1860. In order to ascertain the price-level, all the principal articles of domestic produce exported have been taken, the prices of 1899 have been applied to the quantities of each of the other years, and the result has been compared with the actual total of such year, the level of the year being found by dividing the actual value into the value which would have been obtained had the prices of 1899 prevailed. The average for 1899 is assumed to be 1,000, the price-levels or index numbers of the other years being as shown in the table. In order to further facilitate comparison of different years, the average of the five years 1870–74 has been assumed to be 1,000, and the prices of other years have been adjusted to that basis. In compiling the price-level for exports, only articles of insignificant

value have been omitted from consideration, and in no year does the value of articles included form less than 85 per cent. of the total exports, while in some years the proportion rises as high as 95 per cent., the average of all years being above 90 per cent. It is considered that this system enables a more reliable estimate of the relative prices to be obtained than that of selecting the prices of certain articles without giving due weight to the quantities of such articles exported :—

Year.	Price-level of Exports.		Year.	Price-level of Exports.	
	1899 prices = 1,000.	Average of 1870-74 prices = 1,000.		1899 prices = 1,000.	Average of 1870-74 prices = 1,000.
1860	1,695	1,247	1880	1,228	903
1861	1,692	1,244	1881	1,219	897
1862	1,781	1,310	1882	1,258	926
1863	1,619	1,191	1883	1,258	926
1864	1,790	1,316	1884	1,247	919
1865	1,638	1,203	1885	1,095	806
1866	1,697	1,249	1886	1,053	775
1867	1,568	1,154	1887	1,082	797
1868	1,569	1,155	1888	1,050	773
1869	1,432	1,053	1889	1,066	785
1870	1,195	879	1890	1,030	758
1871	1,461	1,075	1891	936	689
1872	1,331	979	1892	886	652
1873	1,411	1,037	1893	802	590
1874	1,398	1,028	1894	723	532
1875	1,393	1,027	1895	741	546
1876	1,320	972	1896	779	573
1877	1,211	891	1897	757	557
1878	1,205	887	1898	801	590
1879	1,251	921	1899	1,000	736

These figures show that there has been a great fall in the prices of colonial produce exported since 1860, or still greater since 1864, viz., from the index number 1,316 to 736, or over 44 per cent. Marked fluctuations, ranging to about 10 per cent., occurred between 1860 and 1866, when the index number was about the same as in the first-named year. From 1866 to 1870 there was a drop from 1,249 to 879, or about 30 per cent. A rise followed in 1871 to 1,075, or about 22 per cent., after which for four years prices continued fairly steady, until there was a further decline to 887 in 1878. In 1879 the level rose to 921 and for the next four years prices continued without much change, but from 1884 to 1885 there was a fall from 919 to 806. This was succeeded by a fairly even range until 1889, when the level stood at 785. From 1889 there was a steep decline to 532 in 1894, a fall of 32 per cent. for the five years, but in 1895 and 1896 prices recovered a little, and the level rose to 573—an advance of 7·7 per cent. In 1897 there was again a slight fall from 573 to 557, equivalent to 2·8 per cent., but in 1898 the level rose to 590, and in 1899 to 736, a rise of 32 per cent. for the two

years. The sharp rise in 1899 was entirely due to the improved price obtained for wool. It will be seen that the purchasing power of money has steadily increased since 1864—if the Customs values of the exports fairly represent the prices ruling the general community, whether in the colony or elsewhere—and that 20s. in 1899 would purchase the same articles of domestic export which in 1864 would have cost nearly 36s., prices having fallen 44·1 per cent. during the period of thirty-five years. The greatest decline has taken place in the three staple exports of wool, silver, and coal, and if these articles be excluded, it will be found that the fall in prices of the balance of the exports would, for a number of years preceding 1899, not reach so high a percentage as the fall in prices of all domestic exports. In 1899, however, the rise in the price of wool, which amounts to five-eighths of the value of all articles included in the calculation, was great enough to make the fall in the balance of the exports appear larger than the fall in the total.

It must not be supposed that Australia has been a loser by the fall in the prices of its exports to the extent which the price-level shows, because the power of the exports to purchase imports must also be taken into consideration. It will, therefore, be necessary to consider also the price-level of imports. As there exist no reliable data on which price-levels for imports can be based prior to 1870, the table commences with that year :—

Year.	Price-Level of Imports.		Year.	Price-Level of Imports.	
	1899 prices = 1,000.	Average of 1870–74 prices = 1,000.		1899 prices = 1,000.	Average of 1870–74 prices = 1,000.
1870	1,372	966	1885	1,123	790
1871	1,378	970	1886	1,103	776
1872	1,441	1,014	1887	1,113	783
1873	1,463	1,030	1888	1,107	779
1874	1,449	1,020	1889	1,153	812
1875	1,366	962	1890	1,142	804
1876	1,341	944	1891	1,090	767
1877	1,290	908	1892	1,045	736
1878	1,279	900	1893	1,006	708
1879	1,224	862	1894	956	673
1880	1,233	868	1895	946	666
1881	1,220	859	1896	984	693
1882	1,214	855	1897	994	700
1883	1,234	869	1898	1,006	709
1884	1,224	862	1899	1,000	704

It may be said generally that the fall in prices was somewhat in favour of the exports up to the year 1889. Since then the exports have fallen away on the average values at a much more rapid rate than the imports. A clearer view of the operation of the fall in prices will be obtained from the table which is given below, showing the price-levels

of imports of merchandise for home consumption and exports of domestic produce, for periods of five years to the end of 1899, with the relative fall per cent. :—

Period.	Imports.		Exports.	
	Average of five years, 1870-4, prices = 1,000.	Decline in prices in five years, per cent.	Average of five years, 1870-4, prices = 1,000.	Decline in prices in five years, per cent.
1870-74	1,000	.....	1,000	.....
1875-79	915	8·5	940	6·0
1880-84	863	5·9	914	2·9
1885-89	788	8·5	787	13·8
1890-94	737	6·5	645	18·0
1895-99	694	5·8	600	7·0

It will be seen that, assuming the index number of the five years 1870–74 to be 1,000, the fall in the succeeding five years was 8·5 per cent. for the imports, as compared with 6 per cent. for the exports The average value of the imports for the five years ending with 1884 was 5·9 per cent. less than in the preceding quinquennial period, whereas the difference in the value of the exports was 2·9 per cent. During the next five years the average value of the imports declined 8·5 per cent., while the fall in the value of the exports was no less than 13·8 per cent., so that the index number for 1885–89 for both imports and exports was practically the same figure. As already mentioned, the fall for the period 1890–94 was much more heavy in regard to the exports than the imports, amounting to 18 as compared with 6·5 per cent.; but during the period 1895–99 the fall in the exports was not much greater than that in the imports, 7·0 per cent. compared with 5·8 per cent. It may, therefore, be said that the period 1895–99 was considerably more favourable to the colonies than the one immediately preceding.

New South Wales, in common with the other Australasian colonies, is chiefly affected by the fall in prices because it is a debtor country. In the chapter on "Private Finance" will be found certain calculations showing that the annual charge payable by the State and municipalities on their indebtedness to British creditors is £2,034,000 while the earnings of investments made in the colony by private persons, or drawn by absentees, amount to £2,471,000 per annum. As the whole of the interest on Government and municipal loans has to be paid by exports, irrespective of the fall in prices, and as a large portion also of the interest payable to private investors is in the same category, the fall is a matter of very serious importance to these colonies, viewed as debtor States. Fortunately the increase of production, as compared with the population, has been so great in New South Wales as to counteract the fall in prices; but it is hardly possible to believe that the probable increase of production will compensate the colony for a renewed fall at the alarming rate which characterised the period from 1889 to 1894.