

CHAPTER XVI. TRADE.

§ 1. Introductory.

Constitutional Powers of the Commonwealth in regard to Commerce.—The powers vested in the Commonwealth Parliament by the Commonwealth Constitution Act with respect to oversea trade and commerce will be found in Sub-section 51 (i) and sections 86 to 95 of the Act (see pp. 9 and 15 *ante*).

§ 2. Commonwealth Legislation affecting Oversea Trade.

1. General.—In previous issues of the Year Book brief particulars of the various Commonwealth Acts and amendments thereof affecting oversea trade have been given in chronological order. This information is not repeated in the present issue. Particulars of recent legislation relating to oversea trade are given hereunder.

2. Customs Tariffs.—The Customs Tariff 1933 which incorporates the Customs Act 1901–1930 repealed earlier Customs Tariff Acts. The Tariff Schedules in operation at 30th June, 1938, were the Customs Tariff 1933–1938 and Customs Tariff Proposal No. 2 of 5th May, 1938, also Customs Tariffs granting preferential rates of duty to Canada, New Zealand and the Territories of Papua and New Guinea.

The Customs Tariff 1921–1930 provided a British Preferential Tariff, an Intermediate Tariff and a General Tariff. The Customs Tariff 1933 made no provision for an Intermediate Tariff but this feature was restored by the Customs Tariff 1936.

“British Preferential Tariff” rates of duty apply to goods the produce or manufacture of the United Kingdom provided such goods comply with the laws and statutory regulations for the time being in force affecting the grant of British 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. The benefits of the British Preferential Tariff may be extended wholly or in part to any British non-self-governing colony, British protectorate or to certain territories governed under British mandate. The benefits of the British Preferential Tariff have been extended by separate Trade Agreements to certain goods the produce of the Dominions of Canada and New Zealand and to certain goods the produce of British non-self-governing colonies.

In submitting tariff schedules to Parliament on 20th March, 1936, the Minister for Trade and Customs said: “Another new feature of the schedules is the Intermediate Tariff. It has been re-introduced to provide a convenient avenue for expressing the level of duties which the Government propose should form the basis for trade treaties. The rates proposed under the protective items of the Intermediate Tariff express, in every case, a protective level for Australian industry as well as preserving the margins required under the Ottawa Agreement.” The Customs Tariff 1933–1938 provides that the Governor-General may from time to time by proclamation declare that the Intermediate Tariff shall apply from a date and time specified to goods specified in the proclamation which are the produce or manufacture of the British or foreign country specified in the proclamation. The Intermediate Tariff was brought into operation on 1st January, 1937, by Customs Proclamations Nos. 338, 342, 343 and 369, which granted intermediate rates of duty to specified goods the produce of “Proclaimed Countries.” The countries proclaimed include the United Kingdom, the Dominions and Colonies in respect of goods which do not comply with the conditions prescribed for the application of a lower tariff and most foreign countries under the terms entitling them to most favoured nation treatment. The United States of America is an important exception, while Japan is entitled to intermediate rates for eleven items only, comprising artificial silk and cotton piece goods.

The "General Tariff" applies to all importations excepting :—

- (a) Goods the produce or manufacture of the United Kingdom, shipped in the United Kingdom ;
- (b) Goods the produce or manufacture of the following countries when admissible under the British Preferential Tariff or at a special rate of duty : Canada (*vide* Act No. 13 of 1931, Act No. 5 of 1934, and Acts No. 16 and No. 70 of 1936) ; New Zealand (*vide* Act No. 26 of 1933 as amended by Act No. 2 of 1934) ; Norfolk Island (*vide* Act No. 15 of 1913) ; Papua and New Guinea (*vide* Act No. 84 of 1936) ; and British non-self-governing Colonies, British Protectorates and certain Territories governed under British mandate.
- (c) Goods admitted under the provisions of the Intermediate Tariff.

The Customs Tariff 1933-1938 provides for duties on certain goods to be deferred. Where a deferred duty on any goods is provided in the Schedule, the Minister shall refer to the Tariff Board for inquiry and report the question whether the deferred duty should or should not operate on and after the date to which it has been deferred. The Board shall report whether the goods in respect of which the deferred duty is provided are being made or produced in Australia or will be so made or produced on, or immediately after, the date to which the duty has been deferred—(a) in reasonable quantities ; (b) of satisfactory quality ; and (c) at a reasonable price having regard, among other things, to the probable economic effect of the imposition of the deferred duty upon other industries concerned, and upon the community in general. Upon receipt of a report from the Tariff Board, the Minister may defer the duty further by notice published in the *Gazette*.

During the period 3rd April, 1930, to 23rd July, 1931, a special customs duty equal to 50 per cent. of the rate already in force was imposed on a number of items which were mostly of a luxury nature. The list of items affected was gradually reduced between 24th May, 1932, and 28th February, 1935, from which date the special customs duty ceased to operate.

By proclamation of 4th April, 1930, the importation of 78 classes of goods into the Commonwealth was prohibited, but these prohibitions were all removed during the period from 24th February to 31st August, 1932.

In pursuance of the trade diversion policy of the Commonwealth Government (see par. 8 of this section), an amendment of the Customs (Prohibited Imports) Regulations of 22nd May, 1936—Item 21—prohibited the import into Australia, except under special licence, of 84 classified groups of goods produced or manufactured in foreign countries. A list of the principal items affected was published in Official Year Book No. 30. Important modifications of the licensing system as applied to the 84 groups of goods referred to were announced on 7th December, 1937, by the Minister for Trade and Customs, who stated that in respect of goods not competitive with Australian industry, licences for importation would be granted irrespective of the country of origin. In respect of goods competitive with Australian industry the licensing system then in force would operate until duties adequate to the protection of the industries concerned had been determined. Tariff Schedules amending duties to give adequate protection to Australian industries established or extended during the currency of the licensing system were embodied in Customs and Excise Resolutions submitted to Parliament on 4th May, 1938, and the licensing restrictions ceased to have force from that date. The Acting Minister for Trade and Customs explained that the Schedules should be regarded as of a temporary nature until the industries could be inquired into and reported on by the Tariff Board.

Under Item 22 the import, except under special licence, is prohibited of motor vehicle chassis produced or manufactured in any country except the United Kingdom. Imports of chassis from the principal suppliers other than the United Kingdom are restricted to the same level of imports as for the twelve months ended 30th April, 1936.

From the same date, 22nd May, 1936, customs duties were increased on imports of certain items of cotton, artificial silk and silk piece goods and on motor chassis. The duties imposed on cotton and artificial silk piece goods were reduced as from 1st January, 1937.

A further amendment of the Customs (Prohibited Imports) Regulations of 3rd July, 1936 (Item 23 of the Second Schedule) prohibited except under special licence, the import into Australia of specified goods from any country or any colony or territory administered by that country which on or after 24th June, 1936, and on or before 26th June, 1936, had put into effect any ordinance, proclamation, or other instrument—

- (a) providing in effect that certain goods produced or manufactured in Australia shall not be imported into that country or any such colony or territory except with the permission of the competent Minister of State of that country; or
- (b) imposing on certain goods produced or manufactured in Australia import duties in addition to the import duties prescribed in the Import Tariff annexed to the Tariff Customs Law of that country.

The foregoing amendment to the Customs (Prohibited Imports) Regulations was repealed under the provisions of the trade agreement between the Governments of Japan and the Commonwealth of Australia which came into force on 1st January, 1937.

3. **Primage Duty.**—From 10th July, 1930, a primage duty of 2½ per cent. *ad valorem* was imposed on all goods whether dutiable or not dutiable, in addition to the duties collected in accordance with the Customs Tariff 1921–1930, excepting bullion, specie, radium and certain special governmental and other imports. The rate of primage duty was subsequently increased to 4 per cent. as from 6th November, 1930.

A proclamation of 14th May, 1931, exempted certain aids to primary production, and on 11th July, 1931, a further amendment, in addition to extending the list of these goods and also exempting some minor imports from primage duty, provided for a rate of 4 per cent. *ad valorem* on a few other items, mainly aids to production, and increased the *ad valorem* rate of primage duty to 10 per cent. on all other articles imported. Amendments promulgated since 11th July, 1931, have greatly increased the list of goods exempt from primage duty.

The Customs Tariff (Primage Duties) Act 1934 imposed primage duty at rates of 4, 5, and 10 per cent. and provided for preferential treatment of certain goods admitted under the British Preferential Tariff. A proclamation of 12th December, 1934, exempted from primage duty goods the produce or manufacture of Fiji and a proclamation of 25th September, 1935, exempted from primage duty goods the produce or manufacture of the Territories of New Guinea and Papua. Under the Customs Tariff (New Zealand Preference) Act goods the produce or manufacture of New Zealand are exempt from primage duty. Similarly under the Norfolk Island Act 1913 goods the produce or manufacture of Norfolk Island are exempt from primage duty.

Customs proclamations, which came into force on 1st January, 1937, and later dates, provide in respect of specified tariff items exemptions from, and reduced rates of 4 and 5 per cent. primage duty on imports the produce or manufacture of “proclaimed countries”. All countries whose goods are admissible to Australia under the intermediate customs tariff rank as proclaimed countries and include the United Kingdom, the Dominions and Colonies and most foreign countries. An important exception is the United States of America while Japan is a proclaimed country for eleven items only.

In 1936–37 the value of goods from the United Kingdom admitted under British Preferential Tariff rates was, in Australian currency, £A44,736,896 and the primage duty paid, £A1,161,308. This amount is £A1,224,660 less than the amount which would have been paid if certain goods had not been subject to preferential rates of primage duty.

4. **Preferential Tariff.**—(i) *British Preference.* The Commonwealth Tariff 1908 provided Preferential Tariff rates in favour of goods produced or manufactured in the United Kingdom. Subsequent amendments of the Tariff have extended the list of articles to which the preferential rates apply. The favourable treatment of the United Kingdom was again extended by Customs Tariff 1921 and when this Act was incorporated in Customs Tariff 1921–1930 further concessions were granted.

On the introduction of the preferential treatment of British goods by the Commonwealth Tariff, it was required that British material or labour should represent not less than one-fourth the value of such goods. From the 1st September, 1911, it was

required in regard to goods only partially manufactured in the United Kingdom, that the final process or processes of manufacture should have been performed in the United Kingdom and that the expenditure on material of British production and/or British labour should have been not less than one-fourth of the factory or works cost of the goods in their finished state.

These conditions were superseded by Customs Act 1934 as amended by Customs Act 1936 which repealed section 151A of the Principal Act and inserted in its stead :—

151A. (1.) For the purposes of any Customs Tariff (whether passed before or after the commencement of this section) which specifies in respect of any goods rates of duties of Customs lower than the Intermediate Tariff in respect of those goods, the following goods shall, subject to this section, be deemed to be the produce or manufacture of the United Kingdom :—

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

(2.) Where in relation to any class or kind of goods to which paragraph (c) of the last preceding sub-section applies the Minister is satisfied that it is desirable that 50 per cent. should be substituted for the percentage specified, the Minister may so determine and thereupon that paragraph shall apply to that class or kind of goods as if 50 per cent. were so substituted accordingly.

(3.) No goods shall be deemed to be the produce or manufacture of the United Kingdom unless the final process of their production or manufacture was performed in the United Kingdom.

(4.) The provisions of this section shall apply *mutatis mutandis* in relation to goods which are imported from any country in respect of which a Customs Tariff within the meaning of sub-section (1.) of this section applies, in like manner as they apply in relation to goods imported from the United Kingdom.

Sub-sections 5, 6 and 8 to 10 of section 151A relate to certain powers of the Minister and the meaning of "Intermediate Tariff" and sub-section 7 to the meaning of "unmanufactured raw materials."

Section 151B of Customs Act 1936 prescribes the conditions relating to the application of the Intermediate Tariff.

The Customs Tariff 1933-1938 provides that the British Preferential Tariff rates of duty apply to goods or manufactures of the United Kingdom provided such goods comply with the laws and statutory regulations for the time being in force affecting the grant of British preference (see Section 151A of Customs Act 1901-1936). Customs Tariff 1933-1938 also provides that the benefits of the British Preferential Tariff may

be extended wholly or in part to any British non-self-governing colony, British Protectorate, or to certain territories governed under British mandate. The benefits of the British Preferential Tariff have also been extended by separate Trade Agreements to certain goods the produce of the Dominions of Canada and New Zealand.

At the Imperial Economic Conference held at Ottawa, Canada, during July and August, 1932, a trade agreement providing increased preference was made between the Government of the United Kingdom and the Government of the Commonwealth of Australia. The Tariff proposals embodying the terms of the trade agreement came into operation on the 14th October, 1932. An Act entitled the United Kingdom and Australia Trade Agreement Act 1932 approved the provisions of the trade agreement arising out of the Conference at Ottawa. Briefly stated the Commonwealth Government agrees (a) to invite Parliament to pass legislation making the tariff changes necessary to give effect to the preference formula set forth in the agreement; (b) that protection by tariffs shall be afforded only to those industries which are reasonably assured of sound opportunities for success; (c) that during the currency of the agreement the tariff shall be based on the principle that protective duties shall not exceed such a level as will give United Kingdom producers full opportunity of reasonable competition on the basis of the relative cost of economical and efficient production, provided that in the application of such principle special consideration may be given to the case of industries not fully established; (d) that the Australian Tariff Board review existing protective duties in accordance with the above principles, and after the receipt of the report of the Board the Parliament shall be invited to vary, wherever necessary, the tariff on goods of United Kingdom origin in such manner as to give effect to such principles; (e) that no new protective duty shall be imposed and no existing duty shall be increased on United Kingdom goods to an amount in excess of the recommendation of the Tariff tribunal; (f) that United Kingdom producers shall be entitled to full rights of audience before the Tariff Board when it has under consideration above-mentioned matters; (g) that, in so far as concerns goods the produce or manufacture of the United Kingdom, the Commonwealth Government undertake to (i) repeal the proclamation prohibiting the importation of certain goods; (ii) remove as soon as practicable the surcharges imposed by resolution introduced into the Parliament of Australia on 24th May, 1932; and (iii) to reduce or remove primage duty as soon as the finances of Australia will allow. The agreement shall remain in force for a period of five years and come into effect on 20th August, 1932 (subject to the necessary legislative or other action being taken).

The prohibitions and surcharges referred to in this agreement have been abolished and primage duty on a large number of items removed or reduced. The concessions granted by the Government of the United Kingdom under the terms of the Ottawa trade agreement on goods of Australian origin are set out briefly in par. 6 of this section. Further reference to this trade agreement will be found in the Appendix to Official Year Book, No. 26, 1933.

This agreement was reviewed by a Conference of United Kingdom and Australian Ministers in London in 1938, and on 20th July, 1938, a White Paper was presented to the British House of Commons embodying the results of the negotiations.

The full text of this White Paper is as follows :

WHITE PAPER ON UNITED KINGDOM—AUSTRALIA TRADE NEGOTIATIONS.

“ United Kingdom and Australian Ministers have been engaged for some time in a review of various matters arising out of the Ottawa Agreement of 1932. Not only have the existing preferential arrangements between the two countries been examined, but Empire problems have, in a spirit of mutual sympathy and goodwill, been considered in their widest aspects, with a view to ensuring the maximum co-operation between the United Kingdom and Australia in their solution. The Ministers have reviewed broadly the principles which should in their opinion be regarded as a charter of the United Kingdom—Australia trade relations.

“The United Kingdom and Australia have a vital interest in each other. Australia in the United Kingdom—

- (a) as a great force for the bringing about and maintenance of international, political and economic peace,
- (b) as an essential element in the defence of Australia's territory and trade,
- (c) as the greatest market for Australian exports of primary products ;

the United Kingdom in Australia—

- (a) as a sister nation closely linked to the United Kingdom in matters of Empire defence,
- (b) as a country which given adequate population and full development of resources will become a great power in continued partnership with the United Kingdom,
- (c) as one of the greatest customers in the world for United Kingdom goods,
- (d) as the domicile of the largest amount of United Kingdom capital invested in any single overseas country and as a field for future United Kingdom investment.

“Both the United Kingdom and Australia have certain problems and requirements existing which each not only admits but is prepared to treat as the bases for trade relationships between the two countries. Australian Ministers recognize—

- (a) the necessity for the United Kingdom to safeguard and develop her own agriculture,
- (b) the position of the United Kingdom as a great international trade investor and shipowner,
- (c) the consequent necessity that the United Kingdom should maintain the position as a great overseas trader and in particular as an exporter of manufactured goods to the Empire and to foreign countries,
- (d) that these facts impose an upward limit upon the extent to which increased opportunities can be afforded to the Dominion producers in the United Kingdom market,
- (e) that any diminution of the total exports from the United Kingdom will tend to affect the capacity of the United Kingdom to purchase foodstuffs and raw materials from overseas suppliers and Australia.

United Kingdom Ministers recognize—

- (a) that in the interests of both countries and of the British Empire as a whole it is desirable for Australia to endeavour to bring about as soon as possible a substantial increase in her population,
- (b) that it is impossible to achieve this objective solely or principally by an expansion of Australian primary industries,
- (c) that there is therefore a necessity to combine with such expansion the sound and progressive development of Australian secondary industries.

“Both United Kingdom and Australian Ministers are strongly attached to the principle of preferential trade within the British Empire. At the same time they realize that several of the important facts above stated render it not only inevitable but desirable that both the United Kingdom and Australia should from time to time enter into trade agreements with foreign countries. In this way the two countries can assure their own full development and at the same time make an effective contribution to the expansion of International trade. To this end the United Kingdom and Australian Ministers have undertaken to co-operate in every practicable way with a view to acceptance of each other's co-operation in arriving at trade agreements with foreign countries.

“Certain immediate difficulties arise when an attempt is made to reconcile the desirability for Australia to expand her secondary industries to the maximum extent economically possible with that of the United Kingdom to maintain her exports and to secure for her exports a stable position in the Australian market. Some machinery for the adjustment of the immediate interests of the two countries was and is obviously desirable.

“ In the Ottawa Agreement an attempt was made to meet these difficulties by the provisions of Articles 9 to 13 which have in practice worked fairly satisfactorily though they have been criticized from quite opposite points of view in the United Kingdom and Australia. Two possible methods of dealing with these Articles presented themselves to the Ministers. One was to endeavour to revise them so as to satisfy the requirements of both countries. This has so far proved impracticable. The other was to abolish the Articles altogether and to substitute for them a schedule of maximum rates of duty which should operate during the currency of the agreement. The principle of making trade treaties on the basis of fixing rates of duty is one which has been common to most modern international arrangements, but there may be special difficulties in applying it in the case of a young and developing country like Australia which also has a system of wage fixing tribunals and consequently fluctuations of industrial costs. Australian Ministers have, however, stated that the Australian Government will proceed forthwith to investigate the possibility of adopting such a system. They realize that it cannot be adopted without determining (subject of course to an exception in favour of the manufacture of defence materials, as to which no ruling could be laid down in advance) upon what lines the development of secondary industries will be followed by Australia during the next few years, but they believe if inquiries are put in hand for the purpose of determining the lines of a general plan of industrial development in Australia much good would result. Exports would to that extent be protected and the necessity for Articles which at present invoke criticism would disappear.

“ In making such an inquiry the Commonwealth Government propose to have regard to (inter alia) such important factors as—

- (a) the necessity for increased Australian population,
- (b) the economics and future growth of primary production in Australia,
- (c) the necessity on national and economic grounds for a continued development of Australian secondary industries,
- (d) the defence needs of Australia,
- (e) the maintenance of United Kingdom—Australian trade by effective preference to United Kingdom in Australia and to Australia in the United Kingdom,
- (f) the need for new markets for Australian exports and for foreign trade arrangements.

“ In the meantime and pending the decision of the Australian Government on this matter the present agreement will continue in force, though in order to avoid some difficulties which have presented themselves in the past the United Kingdom Ministers are prepared not to press their objection to interpretations now placed by the Australian Tariff Board upon Article 10, while the Australian Ministers have undertaken to make every effort to ensure that the Tariff Board's recommendations under Article 11 are made effective.

“ During the course of conversations between Ministers much discussion took place with regard to the marketing of primary produce in the United Kingdom. Australian Ministers recognize the rights of United Kingdom agriculture in accordance with the principle that the home producer is entitled to first consideration in the home market. They also recognize that the circumstances above indicated impose an upward limit upon the extent to which increased opportunities can be afforded to Dominion producers in the United Kingdom market. The United Kingdom Ministers in their turn recognize the principle that Empire producers are entitled to second consideration in the United Kingdom market and that, subject to the vital interests of the United Kingdom in its agriculture and overseas trade, the necessity of maintaining remunerative prices while safeguarding the interests of the consumer and the absorptive capacity of the United Kingdom market, an extended market should, as far as practicable, be afforded in the United Kingdom for their products. It was felt by both United Kingdom and Australian Ministers that, in the present state of trade, the interests of all parties could best be

served by means of orderly marketing secured by collective action on the part of Empire producers organizations in co-operation with corresponding bodies in other countries in respect of particular commodities. A similar method has already been adopted in regard to beef by the creation of the Empire Beef Council and the International Beef Conference, and in the opinion of the Ministers great benefit to both home and Dominion producers can be secured by co-operation of this character in relation to other commodities."

On the basis of the imports during 1913 the preferential provisions of the Tariff of 1908-1911 covered 65 per cent. of the imports of merchandise of United Kingdom origin, the margin of preference being equal to 5 per cent. of the value of the goods. On the basis of the imports during 1936-37 the Customs Tariff 1933-1938 extended the application of the Preferential Tariff rates to 91.6 per cent. of the imports from the United Kingdom, and at the same time increased the margin of preference to 17.6 per cent. *ad valorem*. These percentages relate to all imports on which preference was granted, whether dutiable or free under the preferential provisions. With regard to imports on which preference was granted and which were dutiable under both the Preferential and General Tariffs, the average equivalent *ad valorem* rate of duty paid in 1936-37 under the Customs Tariff 1933-1938 on goods of United Kingdom origin was about 16.4 per cent., whereas the same goods under the General Tariff rates would have been called upon to pay an average rate of about 38.1 per cent.

An application of the Customs Tariff 1933-1938 to the total imports of £A48,865,237 (including outside packages) from the United Kingdom entered for home consumption during the year 1936-37 shows that the value of the goods of United Kingdom origin which participated in the preferential provisions of the Tariff was £A44,736,896, upon which duty to the amount of £A4,010,882 was collected. Under the General Tariff the same goods would have paid £A11,898,863 duty or £A7,887,981 more than was paid at preferential rates, representing an additional duty of 17.6 per cent. on the value of the goods. The principal classes which benefited under the Preferential Tariff and the additional duty that would have been collected under the General Tariff during the year 1936-37 were textiles, £2,292,245; metals and metal manufactures, £2,084,701; machines and machinery, £1,077,522; paper, £381,365; drugs, chemicals, etc., £349,649; earthenware, glass, etc., £241,483; apparel, £204,751; manufactured fibres, £195,763; optical, surgical and scientific instruments, £101,937; stationery and paper manufactures, £92,359; and spirituous liquors, £89,680.

If a preferential tariff had not been in operation in 1936-37 £A7,887,981 additional customs duty would have been collected under the general tariff on United Kingdom goods imported at preferential rates. It would be improper, however, to speak of this sum as the "value" of preference to the United Kingdom as some of the preferential goods would have come from the United Kingdom without preference.

The margin of preference granted by the preferential tariff has been increased to some extent by the operation of the Customs Tariff (Exchange Adjustment) Act 1933-1936. This Act provides for deductions of duty consequent on the depreciation in the value of Australian currency in relation to the currencies of other countries but is limited in its application to protected goods admitted under the British preferential tariff. On goods of United Kingdom origin subject to exchange adjustment in 1934-35 the deductions amounted to £A460,720 and reduced the duty from £A3,804,325 to £A3,343,596. The total amount deducted in later years cannot be stated as the Tariff Board since the end of 1934 has recommended "net" rates of duty after making due allowance for exchange adjustment.

The value of goods from countries other than the United Kingdom which were adversely affected by the preferential provisions of the Tariff amounted to £A23,923,717, and the duty collected thereon was £A7,349,345, or £A4,922,240 more than would have been paid under the British Preferential Tariff Rates.

The following table shows the effect of the Preferential provisions of the Customs Tariff on imports of goods affected favourably or adversely by the British Preferential Tariff during the years 1934-35 to 1936-37:—

EFFECT OF THE PREFERENTIAL PROVISIONS OF THE CUSTOMS TARIFF.

IMPORTS OF GOODS AFFECTED FAVOURABLY OR ADVERSELY BY THE BRITISH PREFERENTIAL TARIFF.

Particulars.	United Kingdom.			Other Countries.(a)		
	1934-35.	1935-36.	1936-37.	1934-35.	1935-36.	1936-37.
GOODS OF A KIND WHICH WERE "FREE", IF FROM UNITED KINGDOM.						
Value of goods cleared for consumption ..	£ 16,249,321	19,189,951	20,317,326	9,804,298	12,638,770	9,676,670
Amount of Duty collected thereon ..	£ ..	..	..	1,621,495	2,013,394	1,251,871
Average <i>ad valorem</i> rate of Duty collected ..	% ..	..	..	16.5	15.9	12.9
Duty which would have been collected under General Tariff rates ..	£ 2,270,359	2,728,538	2,592,120	..	..	..
Average <i>ad valorem</i> rate of Duty which would have been collected under General Tariff rates ..	% 14.0	14.2	12.8	..	..	..

GOODS OF A KIND WHICH WERE "DUTIABLE", IF FROM UNITED KINGDOM.

Value of goods cleared for consumption ..	£ 19,093,908	19,889,895	24,419,570	14,404,275	15,990,176	14,247,041
Amount of Duty collected thereon ..	£ 3,343,596 ^b	3,662,920 ^b	4,010,882 ^b	5,326,147	6,092,310	6,097,474
Average <i>ad valorem</i> rate of Duty collected ..	% 17.5	18.4	16.4	37.0	38.1	42.8
Duty which would have been collected on United Kingdom goods under General Tariff rates ..	£ 6,809,612	7,445,011	9,306,743	..	..	..
Average <i>ad valorem</i> rate of Duty which would have been collected under General Tariff rates ..	% 35.7	37.4	38.1	..	..	..
Duty which would have been collected on goods of Other Countries under British Preferential Tariff ..	£ ..	..	..	2,833,030 ^b	3,023,170 ^b	2,427,105 ^b
Average <i>ad valorem</i> rate of Duty which would have been collected under British Preferential Tariff ..	% ..	..	..	19.7	18.9	17.0
Amount of Rebate on United Kingdom goods as against General Tariff rates ..	£ 3,466,016 ^b	3,782,091 ^b	5,295,861 ^b	..	..	..
Average <i>ad valorem</i> rate of Rebate on United Kingdom goods ..	% 18.2	19.0	21.7	..	..	..
Amount of Surcharge on goods from Other Countries as against British Preferential Tariff rates ..	£ ..	..	..	2,493,117 ^b	3,069,140 ^b	3,670,369 ^b
Average <i>ad valorem</i> rate of Surcharge on goods of Other Countries ..	% ..	..	..	17.3	19.2	25.8

(a) Goods cleared under "General Tariff." (b) In computing this amount, account has been taken of the effect of the Exchange Adjustment Act on the margin of British Preference.

NOTE.—For the purpose of the above analysis the value of imports is stated in Australian currency.

**EFFECT OF THE PREFERENTIAL PROVISIONS OF THE CUSTOMS
TARIFF—continued.**

Particulars.	United Kingdom.			Other Countries.(a)		
	1934-35.	1935-36.	1936-37.	1934-35.	1935-36.	1936-37.
TOTAL GOODS—"FREE" AND "DUTIABLE", AFFECTED BY THE BRITISH PREFERENTIAL TARIFF.						
Value of goods cleared for consumption ..	£ 35,343,229	39,079,846	44,736,896	24,208,573	28,628,946	23,923,717
Amount of duty collected thereon ..	£ 3,343,596b	3,662,920b	4,010,882b	6,947,642	8,105,704	7,349,345
Average <i>ad valorem</i> rate of Duty collected ..	% 9.5	9.3	9.0	28.7	28.3	30.7
Duty which would have been collected on United Kingdom goods under General Tariff rates ..	£ 9,079,971	10,173,549	11,898,863	..	..	..
Average <i>ad valorem</i> rate of Duty which would have been collected under General Tariff rates ..	% 25.7	26.0	26.6	..	..	..
Duty which would have been collected on goods of Other Countries under British Preferential Tariff ..	£ ..	..	..	2,833,030b	3,023,170b	2,427,105b
Average <i>ad valorem</i> rate of Duty which would have been collected under British Preferential Tariff ..	% ..	..	..	11.7	10.6	10.1
Amount of Rebate on United Kingdom goods as against General Tariff rates ..	£ 5,736,375b	6,510,629b	7,887,981b	..	..	..
Average <i>ad valorem</i> rate of Rebate on United Kingdom goods ..	% 16.2	16.7	17.6	..	..	..
Amount of Surcharge on goods from other Countries as against British Preferential rates ..	£ ..	..	..	4,114,612b	5,082,534b	4,922,240b
Average <i>ad valorem</i> rate of Surcharge on goods of Other Countries ..	% ..	..	..	17.0	17.7	20.6

(a) Goods cleared under "General Tariff." (b) In computing this amount, account has been taken of the effect of the Exchange Adjustment Act on the margin of British Preference.

NOTE.—For the purpose of the above analysis the value of imports is stated in Australian currency.

(ii) *Intermediate Tariff Preference.* The Intermediate Tariff came into operation on 1st January, 1937, and during the six months ended 30th June, 1937 was applicable wholly or in part to about 130 tariff items. In the period mentioned goods from "Proclaimed Countries" (i.e. Foreign countries entitled to most favoured nation treatment) cleared at intermediate rates of duty were valued at £A2,124,718 on which £A682,036 duty was collected. Under the General Tariff the same goods would have paid £A1,223,047 duty or £A541,011 more than was paid at intermediate rates, representing an additional duty of 25.6 per cent. on the value of the goods. At British preferential rates of duty the same goods would have paid £A274,554, or £A407,482 less than was paid at intermediate rates, a reduction equivalent to an *ad valorem* duty of 19.2 per cent.

(iii) *Exchange Adjustment.* The Customs Tariff (Exchange Adjustment) Act 1933-1936 provides for adjustments in Duties of Customs, consequent upon depreciation in the value of Australian currency in relation to the currencies of countries, to goods on which the British Preferential Tariff applies. This Act came into operation on 5th October, 1933, but subsequent amendments have extended the list of items affected. The application of Section 5 of the Act is explained hereunder:—

The deduction to be made from duty in respect of protected goods (covered by items) specified in the schedule to the Act and admissible under the British Preferential Tariff

on account of the depreciation of Australian currency in relation to the currency of the British country exporting the protected goods to Australia will depend on—

- (a) Whether the extent of depreciation is not less than 16 $\frac{2}{3}$ per cent. ; or
- (b) Whether the extent of depreciation is not less than 11 1-9 per cent., and less than 16 $\frac{2}{3}$ per cent.

If (a) applies, the deduction from the amount of duty will be—(i) one-fourth of the amount of duty ; or (ii) 12 $\frac{1}{2}$ per cent. ($\frac{1}{8}$) of the value for duty, whichever is the less :

If (b) applies, the deduction will be (i) one-eighth of the amount of duty ; or (ii) 6 $\frac{1}{2}$ per cent. of the value for duty, whichever is the less. The telegraphic transfer (buying) rate shall determine the extent of depreciation of Australian currency.

Prior to 1933-34 the Tariff Board had recommended rates of duty as though exchange was at par, but early in the year mentioned the Board decided to change the basis of its recommendations and has since shown its findings under the following headings :—

- (a) The rates which would prove reasonable and adequate under existing conditions of exchange.
- (b) An estimate as closely as can be made of the rates which would be reasonable and adequate if exchange suddenly reverted to par.
- (c) The scale of adjustment necessary to meet conditions of exchange between parity and the present adverse rate of 25 per cent.

In tariff proposals introduced on 6th December, 1934 and later, the new basis has been adopted in fixing rates of duty on certain items in accordance with the Board's recommendations as set out in (a) with provision for the adjustment of rates of duty as set out in (c). With respect to such items the deductions under the provisions of the Exchange Adjustment Act will cease to apply.

(iv) *Papua and New Guinea Preference.* The Customs Tariff (Papua and New Guinea Preference) 1936 which repealed the Act of 1934 provides for Customs Preference on goods the produce of Papua and on goods the produce of the Territory of New Guinea. Imports into Australia direct from the Territory of Papua or the Territory of New Guinea, of such of the goods specified in the schedule to the Act as were produced in the Territory from which they were imported, shall, notwithstanding anything contained in the Customs Tariff 1933-1936 be free of duty. The goods specified in the schedule to the Customs Tariff (Papua and New Guinea Preference) 1936 are coffee, dried lychee fruit, various native fresh fruits, edible fungi, green and dry ginger, coconuts, Rangoon beans, kapok and sesame seeds, areca nuts, cocoa beans, massoi oil, nuts (edible), sago, tapioca, spices, vanilla beans and gums. Total imports from Papua during 1936-37 amounted to £A352,188, imports of goods entitled to preference to £A70,791, and duties remitted to £A48,911. Total imports from the Territory of New Guinea during 1936-37 amounted to £A2,171,741 including gold £A1,926,332, imports of goods entitled to preference to £A76,885, and the duties remitted to £A40,849.

5. *Reciprocal Tariffs.*—(i) *General.* The Customs Tariff of 1921 introduced a new feature into Australian Tariffs in the form of an Intermediate Tariff. No provision was made in the Customs Tariffs 1933 for an intermediate tariff but in the Customs Tariff 1936 this feature was restored. The purpose of the intermediate tariff is referred to in § 2 par 2.

The trade agreement signed at the Imperial Economic Conference, 1932, held at Ottawa, Canada, on behalf of the Government of the United Kingdom and of the Government of the Commonwealth of Australia materially altered the existing conditions of preference. The agreement provides special preferential trade conditions between the Commonwealth of Australia and the United Kingdom and certain of its dependencies. Customs Tariff 1933 embodied the main provisions of the Ottawa Agreement, and imposed duties of customs under two headings—British Preferential Tariff and General Tariff. No provision was made for an Intermediate Tariff in the abovementioned Act. The terms of the agreement conceded by the Commonwealth Government are briefly stated in § 2 par. 4 and the concessions granted by the Government of the United Kingdom on goods of Australian origin are set out in § 2 par. 6 of this chapter. A review of the trade agreement will be found in the Appendix to Official Year Book No. 26, 1933.

(ii) *Union of South Africa.* The Commonwealth Customs Tariff (South African Preference) Act 1906 and subsequent amending Acts which provided preferential rates of duty upon goods produced within the South African Customs Union were repealed from 1st July, 1926, by the Customs Tariff 1926.

A new trade agreement took effect from 1st July 1935. This agreement provides that the products of the Union of South Africa or the mandated territory of South-West Africa entering Australia and the products of Australia entering the Union of South Africa or the mandated territory of South-West Africa shall be subject to customs duties not higher than those imposed by the importing country on like products from the most favoured foreign nation. A reciprocal tariff arrangement under which products of Mozambique are admitted duty free to the Union of South Africa is exempt from the agreement.

(iii) *Dominion of New Zealand.* The Customs Tariff (New Zealand Preference) Act 1933, which came into force on 1st December, 1933, repealed earlier Acts and provides that duties on all goods specified in the schedule to the Act shall be at the rates indicated therein, and that all goods other than those provided for in the schedule shall be subject to the rates in force under the British Preferential Tariff. An amendment to this Act in 1934 provides that, where the rate of duty upon any class of goods under the New Zealand British Preferential Tariff is less than that operating in Australia under the British Preferential rate, upon request by the New Zealand Government such goods may, after proclamation, be admitted at the lower rate. The rates of duty on goods re-exported from New Zealand (not being goods the produce or manufacture of New Zealand) and which are imported into Australia, and upon which if they had been imported into Australia direct from the country of origin would have been subject to the rates of duty under the British Preferential Tariff, shall be the rates of duty in force under that tariff.

The Act provides also that films produced in New Zealand by or for the Government of New Zealand for publicity purposes shall be admitted free of duty, also that cocoa beans the produce of Western Samoa shall not be subject to any higher duties than those paid on cocoa beans the produce of any British non-self-governing Colony or Protectorate or any Territory under British mandate. Nothing in the Act shall apply to goods being the produce of Cook Islands.

Goods the produce or manufacture of the Dominion of New Zealand are exempt from primage duty.

The conditions of preference in the Act provide that goods shall be deemed to be the produce or manufacture of New Zealand if they conform to the laws and regulations in force in Australia which apply to such goods when imported under the British Preferential Tariff (*vide* section 151A of Customs Act 1901-1938) except that goods not wholly produced or manufactured in New Zealand need not contain more than 50 per cent. of New Zealand labour and/or material in their factory or works cost, instead of 75 per cent. under the conditions of the United Kingdom preference.

Of the total imports of £A2,220,996 from New Zealand during 1936-37 it is estimated that goods otherwise dutiable amounting in value to £A613,295 were admitted free under the provisions of the Preferential Tariff and the duty thus remitted was £A189,565. In addition, goods valued at £A71,638 were admitted under the preferential rates of duty, the duty remitted on such goods being £A14,285. The total of the duties remitted on the import of New Zealand goods was thus £A209,850, representing a margin of preference of 30.6 per cent. on the value of the goods entitled to preference. The principal items which benefited under the preferential provisions were undressed timber, valued at £A247,232, and fish, £A223,282, the amounts of duty remitted being £A124,396 and £A43,852 respectively.

(iv) *Dominion of Canada.* A reciprocal trade agreement between Canada and Australia which came into force on 1st October, 1925, was superseded by the Customs Tariff (Canadian Preference) Act of 1931, which reaffirmed the principle of granting preferences for the mutual advantage of the two countries and extended preferential conditions. Other tariff legislation in force is the Customs Tariff (Canadian Preference) Act No. 5 of 1934 as amended by Nos. 16 and 70 of 1936 and No. 5 of 1938. The commodities

on which Canada grants preferential rates of duty to Australia are: Butter, brandy, champagne, cheese, currants, eggs, eucalyptus oil, fresh apricots, pears, quinces, nectarines, grapes, oranges and passion fruit, dried prunes, apricots, nectarines, pears and peaches, fruit pulp, fruits in cans, gelatine, hops, rice (uncleaned), meat (fresh and canned), peanuts, raisins, sugar, tallow, veneers and wine. Australia's preferential duties apply to the following Canadian imports:—Carbide of calcium, cash registers, corsets, fish, gloves, goloshes and rubber sand boots, etc., iron and steel tubes or pipes, printing machinery, barbed wire, paper (printing, typewriting and writing), timber, typewriters, vacuum cleaners and vehicles—motor chassis (unassembled and assembled)—and vehicle parts but not including bodies, gears, rubber tyres and tubes, storage batteries, shock absorbers, bumper bars, sparking plugs and springs.

During 1936-37 the imports from Canada amounted in Australian currency to £A8,433,399 and imports of Canadian origin entitled to preference were valued at £A7,155,574, the principal items being printing paper, £A1,760,871; motor chassis and parts, £A1,747,504; timber, £A904,054; fish, £A505,027; and piece goods, £A313,315. The duty on the total imports of Canadian origin entitled to preference would have been £A3,117,809 under the General Tariff, but by the preferential provisions this was reduced by £A1,888,741, or by 26.4 per cent. on the value of the imports concerned.

Australian exports to Canada subject to preference amounted to approximately £A1,314,000, the principal items being dried fruits, £A577,334; sugar, £A450,918; fruits, preserved, £A87,099; tallow, £A82,234; and wine, £A25,210.

6. Preferential Tariff of the United Kingdom.—The post-war Tariff of the United Kingdom provides Preferential Customs rates on certain goods where it is shown to the satisfaction of the Commissioners of Customs and Excise that such goods have been consigned from and grown, produced, or manufactured in the British Empire. Manufactured articles generally are not entitled to the preferential rates unless a specified percentage of their value is the result of labour within the British Empire. The principal items of interest to Australia which are accorded preferential treatment under this Tariff are:—Fruits, dried and preserved; jam; fruit pulp; preserved milk; wine; and brandy. In the Budget submitted to the House of Commons during June, 1925, clauses dealing with increased Imperial preference on Empire-grown tobacco, preserved and dried fruits, jams and jellies, spirits, wine, sugar and hops were proposed and adopted. The new rates of duty took effect on 1st July, 1925, excepting that relating to hops; which came into operation on 16th August, 1925.

Conditions of preference to goods of Australian origin imported into the United Kingdom were revised in the trade agreement signed at the Ottawa Imperial Economic Conference. Increased preference was granted and the list of commodities entitled to preference was extended. This agreement provides that for eggs, poultry, butter, cheese and other milk products free entry for produce of Australia will be continued for three years certain. Article 2 of the agreement provides that the British Government will invite Parliament to pass the legislation necessary to impose on foreign goods specified in Schedule B, the duties of customs specified therein in place of the duties (if any) now leviable. The goods and duties in Schedule B are as follows:—Wheat in grain, 2s. per quarter; butter, 15s. per cwt.; cheese, 15 per cent. *ad valorem*; apples, raw, 4s. 6d. per cwt.; pears, raw, 4s. 6d. per cwt.; apples, canned, 3s. 6d. per cwt., in addition to duty in respect of sugar content; other canned fruits, 15 per cent. *ad valorem*, in addition to duty in respect of sugar content; dried fruits, now dutiable at 7s., 10s. 6d. per cwt.; eggs in shell, (a) not exceeding 14 lb. per great 100, 1s. per great 100; (b) over 14 lb. but not exceeding 17 lb., 1s. 6d. per great 100; (c) over 17 lb., 1s. 9d. per great 100; condensed milk, whole, sweetened, 5s. per cwt., in addition to duty in respect of sugar content; condensed milk, whole, not sweetened, 6s. per cwt.; milk powder and other preserved milk, not sweetened, 6s. per cwt.; honey, 7s. per cwt.; copper, unwrought, whether refined or not, in ingots, bars, etc., 2d. per lb.; oranges, raw, 3s. 6d. per cwt. from 1st April to 30th November; grape fruit, raw, 5s. per cwt., from 1st April to 30th November, and grapes (other than hothouse) 1½d. per lb. from 1st February to 30th June. Schedule C provides that the margin of preference on wine not exceeding 27 degrees of proof spirit shall be 2s. per gallon.

The British Government undertake that the general *ad valorem* duty of 10 per cent. imposed by Section 1 of the Import Duties Act 1932 on the following foreign goods shall not be reduced except with the consent of the Commonwealth Government;—Leather, tallow, canned meat, zinc, lead, barley, wheaten flour, macaroni, dried peas, dressed poultry, casein, eucalyptus oil, meat extracts and essences, copra, sugar of milk, sausage casings, wattle bark, asbestos and dried fruits other than currants.

The duties provided on foreign wheat in grain, copper, lead and zinc are conditional on Empire producers continuing to offer these commodities on first sale in the United Kingdom at prices not exceeding the world price.

During the Calendar year 1936 merchandise of Australian origin imported into United Kingdom amounted to £61,435,000. Of this total approximately £31,730,000 represented goods which received preferential tariff treatment over similar goods from foreign countries. If these goods had been subject to the duties imposed on foreign goods it is estimated that they would have paid approximately £5,534,000 more in duty. This represents a rebate of approximately 17.4 per cent. on the value of imports receiving preferential treatment. The main items receiving preference and the amount of the rebates were:—Wheat, £8,625,000 (rebate, £533,000); butter, £7,672,000 (rebate, £1,271,000); sugar, £2,678,000 (rebate, £1,220,000); apples, fresh, £1,871,000 (rebate, £370,000); eggs in shell, £947,000 (rebate, £123,000); raisins, £855,000 (rebate, £225,000); and wine, £592,000 (rebate, £703,000). The above figures for imports have been obtained from the *Annual Statement of the Trade of the United Kingdom* 1936, and the rebate granted has been estimated from rates of duty shown in the Import Duties Act 1932, Ottawa Agreements Act 1932 and the other enactments mentioned above.

The declaration by the British Government (Schedule H of the agreement) provides for the regulation of foreign meat into the United Kingdom and undertakes that no restriction will be placed upon the importation of any meat from Australia during the period (January 1933 to June 1934) named in the "agreed programme" which is set out in Schedule H.

The views of the Government of the United Kingdom on the imports of meat into the United Kingdom were the subject of a paper presented to the House of Representatives in April, 1935. In a memorandum on "The Live stock Situation" issued as a White Paper in July, 1934, the United Kingdom Government called attention to the very serious decline which had taken place in 1932, 1933 and the first half of 1934, in the prices of fat and store cattle in the United Kingdom market. The decline was attributed in the main to the disproportionate fall of agricultural prices as the result of the World depression and the effect on the meat industry of the expansion of overseas production which in some cases was stimulated by the payment of subsidies. The United Kingdom Government added that it was clearly impossible for that Government to acquiesce in a situation which threatened ruin to the United Kingdom live stock industry and explained that the choice lay between—

- (a) a drastic reduction of imports to the point necessary to sustain prices of United Kingdom live stock at a remunerative figure; or
- (b) the introduction in agreement with overseas countries of a levy upon imports the proceeds of which would be available for the assistance of the home industry.

In the latter case, it was explained, the quantity of imports might either be left entirely free or subjected to such moderate regulation as might be thought necessary to prevent the market from breaking altogether. It was further pointed out that, without the consent of the countries concerned, no duty could be imposed on Dominion meat before August, 1937, or on Argentine meat before November, 1936. Failing agreement on the payment of a levy on meat imports the United Kingdom Government would have no alternative but to take steps to regulate, during the currency of existing agreements, the quantity of imports to whatever extent was necessary to restore livestock prices to a remunerative level. In summing up the position the United Kingdom Government stated that it was the firm intention of His Majesty's Government in the United Kingdom to safeguard the position of the United Kingdom live-stock industry.

The arrangements with the United Kingdom provide for importations of Australian meat regulated in accordance with the absorptive capacity of the United Kingdom market. Australian meat importations into the United Kingdom during the last four years as compared with the Ottawa agreement year (1931-32) have been as follows:—

—	Chilled Beef.	Frozen Beef and Veal.	Frozen Mutton and Lamb.	Pork.
	Cwt.	Cwt.	Cwt.	Cwt.
1931-32	Nil	1,124,000	1,488,000	Nil
1934	55,000	1,599,000	1,627,000	82,000
1935	228,000	1,468,000	1,784,000	147,000
1936	296,000	1,512,000	1,499,000	233,000
1937	458,000	1,830,000	1,883,000	234,000

In this connexion it will be of interest to compare the terms of the United Kingdom-Argentina Trade Agreement which took effect from 20th November, 1936. This Agreement provides for "minimum annual quantities" of Argentina meat to be imported into the United Kingdom as follows:—Chilled beef for year 1937 not less than quantity imported in 1935 reduced by 138,700 cwt. For each of the years 1938 and 1939 not less than the quantity permitted in the preceding year reduced by 138,700 cwt. provided that the 1939 quantity shall be not less than 6,590,000 cwt. Frozen beef 124,600 cwt., pork 186,800 cwt., and canned beef 605,600 cwt. annually. Mutton and lamb for year 1937, 886,000 cwt. and for 1938, 797,400 cwt. In addition, customs duty has been imposed as follows:—Chilled beef 3d. per lb.; frozen beef 3d. per lb.; canned beef (excluding tongues) 20 per cent., and tongues 30 per cent. ad valorem; pork, mutton and lamb, free. If in any period Argentina is unable to supply the minimum quantities specified the United Kingdom Government may re-allocate the shortage among other countries. The agreement will remain in force until 31st December, 1939, and thereafter until terminated by six months notice.

7. Trade Agreements.—(i) *Belgium.* An agreement executed on 19th November, 1934, between the Governments of Belgium and the Commonwealth of Australia permitted Belgium to supply a specified proportion of Australian requirements of plain, clear sheet glass in return for which the Belgian Government waived all restrictions upon the importation of Australian meat and agreed not to enforce an embargo on Australian cereals. This agreement continued in force until 1st January, 1937, when a new agreement came into operation. The quota arrangement with respect to Belgian glass is a feature of the new agreement which also provides for—

- (1) Reciprocal most favoured nation treatment.
- (2) The grant of intermediate tariff to Belgium in respect of 53 sub-items; and undertaking not to increase the duty on seven non-protective items; primage concessions on a number of items; remission of the revenue duty on outside packages operating on goods covered by nine items; an undertaking to refer a limited number of items to the Tariff Board for inquiry and report; and reclassification of certain sheet glass not manufactured in Australia.
- (3) Consolidation of the present duty free entry into Belgium of Australian wool, sheepskins, hides and tallow, and consolidation of the duties on fresh apples and pears.
- (4) An undertaking by Belgium that Australian barley, wheat and frozen beef will not be prohibited.

The agreement is of indefinite duration and will remain in force until terminated by six months' notice from either Government.

(ii) *Czechoslovakia*. A trade agreement concluded between the Governments of Czechoslovakia and the Commonwealth of Australia came into force on 1st January, 1937. The actual commitments of the Commonwealth Government may be summarized as follows :—

- (1) The grant to Czechoslovakia of most favoured nation treatment covering import duties and charges on the importation into Australia of articles from Czechoslovakia.
- (2) The grant of an intermediate tariff rate on 44 items.
- (3) The continuance of by-law admission of certain steel which is of a type not manufactured in Australia.
- (4) Remission of primage duty on a limited number of items.
- (5) An undertaking that prohibitions and restrictions shall not be discriminatory.
- (6) An undertaking to accord equitable treatment to Czechoslovakian goods should quantitative regulation of imports be maintained or adopted.

The undertakings given in paragraphs 1, 5 and 6 are reciprocal in their application. Czechoslovakia on its part undertakes to grant duty free admission to wool, sheepskins, rabbit skins and pearlshell; to consolidate the existing low duties on lead; and to grant a reduction of duty on apples.

The agreement is for one year but will continue thereafter until terminated by three months' notice of denunciation.*

(iii) *France*. A trade agreement between the Governments of France and the Commonwealth of Australia came into force on 1st January, 1937. Briefly stated the concessions granted to France by the Commonwealth Government are as follows :—

- (1) A general pledge to accord France most favoured nation treatment with respect to customs duties by according to French products tariff treatment at least as favourable as that accorded to the products of the most favoured foreign country.
- (2) The grant of intermediate tariff rates on 96 tariff items or sub-items.
- (3) A reduction of primage duties on 72 tariff items or sub-items.
- (4) An undertaking to refer 16 items to the Tariff Board for inquiry and report.
- (5) A consolidation for the minimum period of the agreement—one year—of the duties on high-power insulators for use in the manufacture of electric switch-gear and transformers.

In return for the concessions granted by Australia, the French Government has agreed to accord the following benefits to Australian exports :—

- (1) The grant of the French minimum tariff duties on 20 items. Wool, hides and skins, wheat, barley, apples, meat, and metals are included in the list.
- (2) The abolition of the special retaliatory duties of 200 per cent. of the French maximum tariff on butter and wheat.
- (3) The abolition of exchange surtax of 15 per cent. *ad valorem* on all Australian goods.
- (4) The reduction of the import tax on Australian products to a flat rate of 2 per cent. This tax which is similar to primage formerly ranged from 2 per cent. to 6 per cent.

The agreement has been made for one year but will continue thereafter until terminated by two months' notice from either Government.

* This agreement remains unaffected by recent political events in this country.

While French quota restrictions remain, the grant of French minimum tariff duties on 20 items does not necessarily mean that the way is open for large imports of those commodities to France. For some items the French Government has been unable to grant quotas but has undertaken to examine with goodwill any request from the Commonwealth Government for a percentage of the global quota. Australian barley and apples are exceptions, the annual quota for barley having been fixed at 20,000 quintals, and for apples at 64,500 bushel cases.

(iv) *Japan.* A trade arrangement entered into between the Governments of Japan and the Commonwealth of Australia operated from 1st January, 1937 to 30th June, 1938. Under this arrangement the Commonwealth Government granted intermediate tariff rates of duty to imports of Japanese artificial silk and cotton piece goods comprising eleven tariff items from which primage duty was also removed. The maximum quantity to be imported was fixed at 102,500,000 square yards per annum, divided equally between artificial silk and cotton. In return, the Government of Japan undertook to issue permits for the import during the currency of the arrangement of 800,000 bales of Australian wool, or at the rate of 533,000 bales per annum. In accordance with the terms of the arrangement all prohibitions and super duties which had been imposed by the two Governments in 1936 were removed as from 1st January, 1937.

A new arrangement effected by an exchange of letters between representatives of the two Governments came into force on 1st July, 1938, and has a currency of one year. Under this arrangement Japan will permit the import of such quantity of Australian wool as will correspond to two-thirds of the total quantity up to 500,000 bales imported from all countries, and such additional quantity as will correspond to three-fourths of the total imports in excess of 500,000 bales. It is further provided that the difference between the quantity imported into Japan during the period from 1st January, 1937 to 30th June, 1938, and 600,000 bales shall be imported into Japan during the period of one year from 1st July, 1938. This additional quantity shall not be taken into consideration in determining Australia's wool allotment on the basis of a proportion of total imports for the year (shipments of Australian wool to Japan in the period from 1st January, 1937 to 30th June, 1938, amounted to approximately 521,929 bales).

The only alteration made in the import quotas for Japanese textiles is the inclusion of staple fibre piece goods in the artificial silk goods quota. The quantity to be imported is fixed as before at 102,500,000 square yards per annum in equal quantities of artificial silk and cotton piece goods. As in the previous agreement calico for use in the manufacture of bags is admitted without restriction.

Provision is made in the arrangement for a review by the Commonwealth Government of the textile piece goods quotas if it should appear at any time that the quantity of Australian wool to be imported into Japan during the year commencing 1st July, 1938, will be less than 266,667 bales in addition to approximately 100,000 bales representing the difference between 600,000 bales and the quantity of Australian wool imported into Japan between 1st January, 1937, and 30th June, 1938.

8. Australian Trade Diversion.—On 22nd May, 1936, Sir Henry Gullett, Minister directing negotiations for Trade Treaties, announced in the House of Representatives the decision of the Government to divert portion of Australia's import trade, with the object of increasing exports of primary produce, expanding secondary industry, and bringing about an increase of rural and industrial employment.

Briefly summarized the Minister's statement indicated that certain imports would be restricted with a view to their manufacture in Australia, including motor chassis, which, it was hoped, would be made in Australia on a large scale within a few years. In the case of certain other imports it was intended to divert them from their present sources of supply to other countries which were great customers of Australia and which it was expected would become greater customers if Australia increased her purchases

from them. The Government would proceed in two ways, firstly, by the adoption of a special licensing system over a limited range of imports and, secondly, by the imposition of higher duties where this course appeared more desirable. With the exception of motor chassis all goods of British origin would be exempt from the licensing system. In the case of motor chassis imports of United Kingdom origin only would be exempt from restriction. Upon application licences would be freely granted to countries with which Australia had a favourable balance of trade and to all other countries in regard to which, although the balance might be adverse to the Commonwealth, the Government was satisfied with the position.

The special licensing system was introduced on 23rd May, 1936, in the form of an amendment to the Customs (Prohibited Imports) Regulations which prohibited the import, except under special licence, of 84 classified groups of goods from foreign countries. On 7th December, 1937, the Minister for Trade and Customs announced important modifications of the licensing system and the intention of the Government to substitute adequate duties to protect Australian industries established or extended under the licensing system. These duties were imposed by Customs and Excise Resolutions of 4th May, 1938, and all licensing restrictions on the 84 groups of goods were removed from that date. Other references to this subject and to restrictions imposed on the import of motor chassis will be found in § 2 par. 2 of this chapter.

9. **United States of America—Australian Trade Relations.**—The trade diversion policy of the Commonwealth Government as expressed by the prohibition, except under special licence, of specified imports as from 23rd May, 1936, adversely affected a wide range of goods from the United States of America, which for a number of years had enjoyed an extremely favourable trade balance with Australia. In reply to this action the United States Government withdrew as from 1st August, 1936, the most favoured nation treatment hitherto accorded to Australian goods including certain trade benefits extended to Australia equally with a number of countries with which the United States had concluded trade agreements. A further step bearing on the trade relations between the two countries was the extension by the Commonwealth Government to "proclaimed countries" as from 1st January, 1937, of intermediate customs tariff rates and certain primage duty concessions. The list of "proclaimed countries" includes the United Kingdom, the Dominions and Colonies, and the principal foreign countries but does not include the United States.

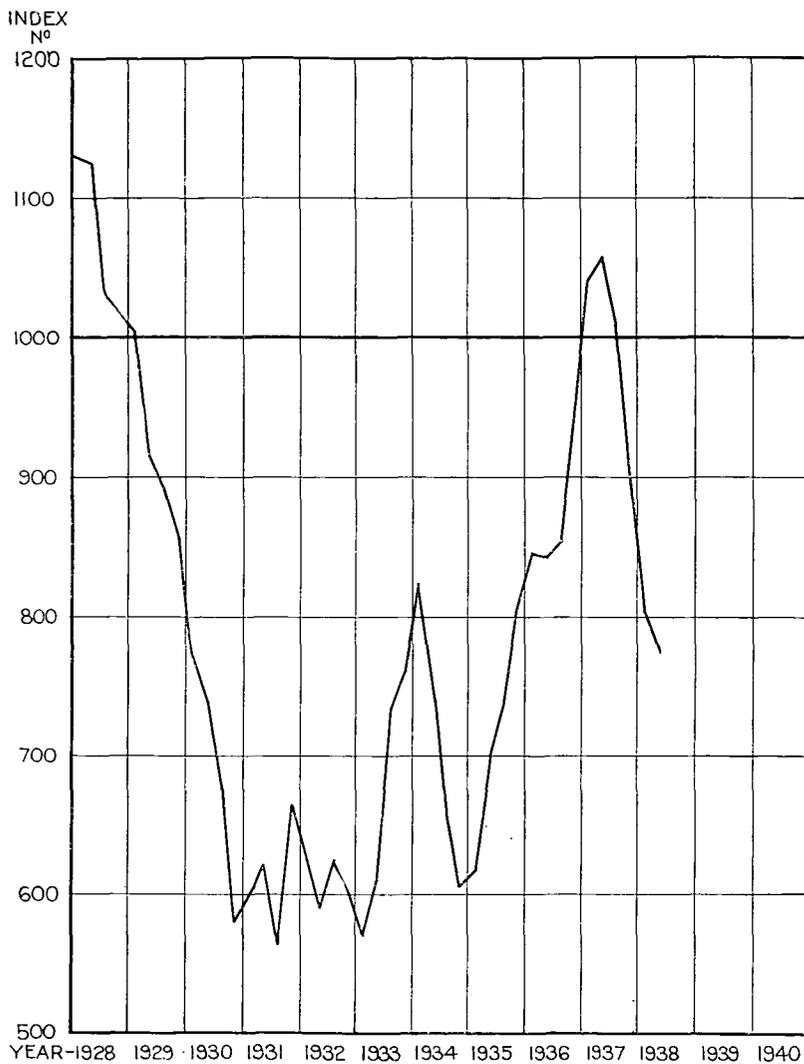
10. **Restriction of Imports into Japan.**—An Imperial Ordinance, No. 124 of 1936, affecting the trade of Australia with Japan was promulgated on 25th June, 1936, by the Government of Japan.

Article I. of the Ordinance states that in accordance with the provisions of Article I. of Law No. 45 of 1934, goods produced or manufactured in countries which are applying at the date of the present Ordinance "unreasonable restrictive measures in respect of the importation of goods produced or manufactured in Japan" shall not be imported into Japan for the duration of one year except with the permission of the competent Minister of State who shall proclaim the countries referred to. List "A" of the Ordinance limits the articles prohibited to wheat, flour and wool.

Article II. of the Ordinance imposes an import duty of 50 per cent. ad valorem in addition to the Import Tariff annexed to the Customs Tariff Law for the duration of one year on articles produced or manufactured in countries proclaimed. List "B" of the Ordinance restricts the provisions of Article II. to beef, butter, condensed milk, hides and skins, beef tallow, and casein.

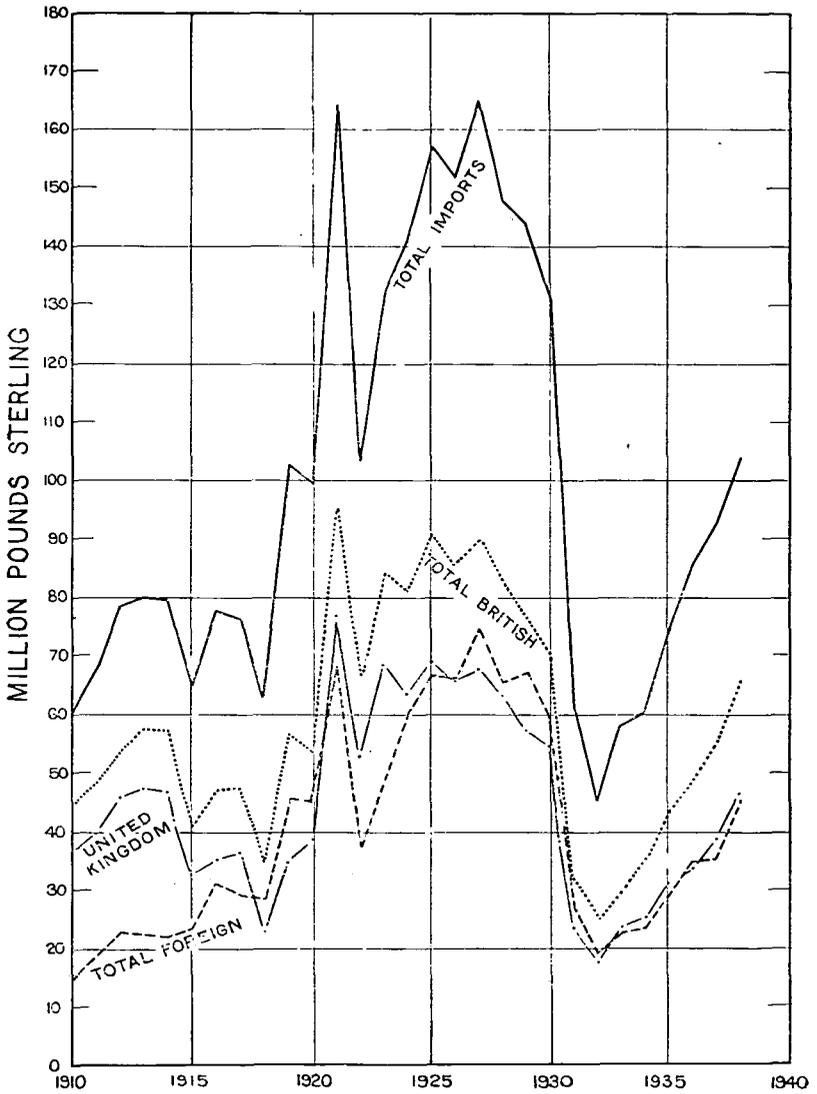
In a proclamation of the Department of Finance and the Department of Commerce and Industry of 25th June, 1936, the country referred to in Imperial Ordinance No. 124 of 1936 is proclaimed as "Commonwealth of Australia."

EXPORT PRICES INDEX-NUMBERS--AUSTRALIA, 1928 TO 1938.

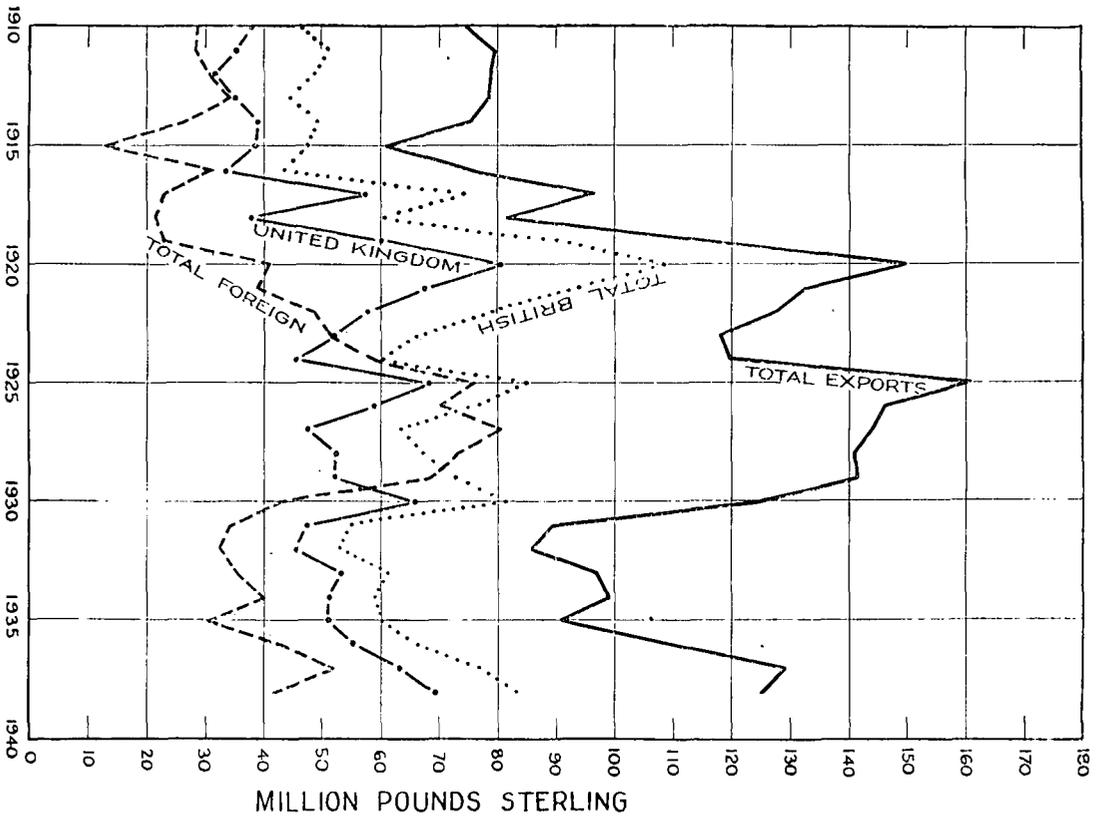


EXPLANATION.—This graph represents the Fixed Base series of Export Price Index-Numbers computed quarterly with the average for year 1928-29 as base (= 1,000).

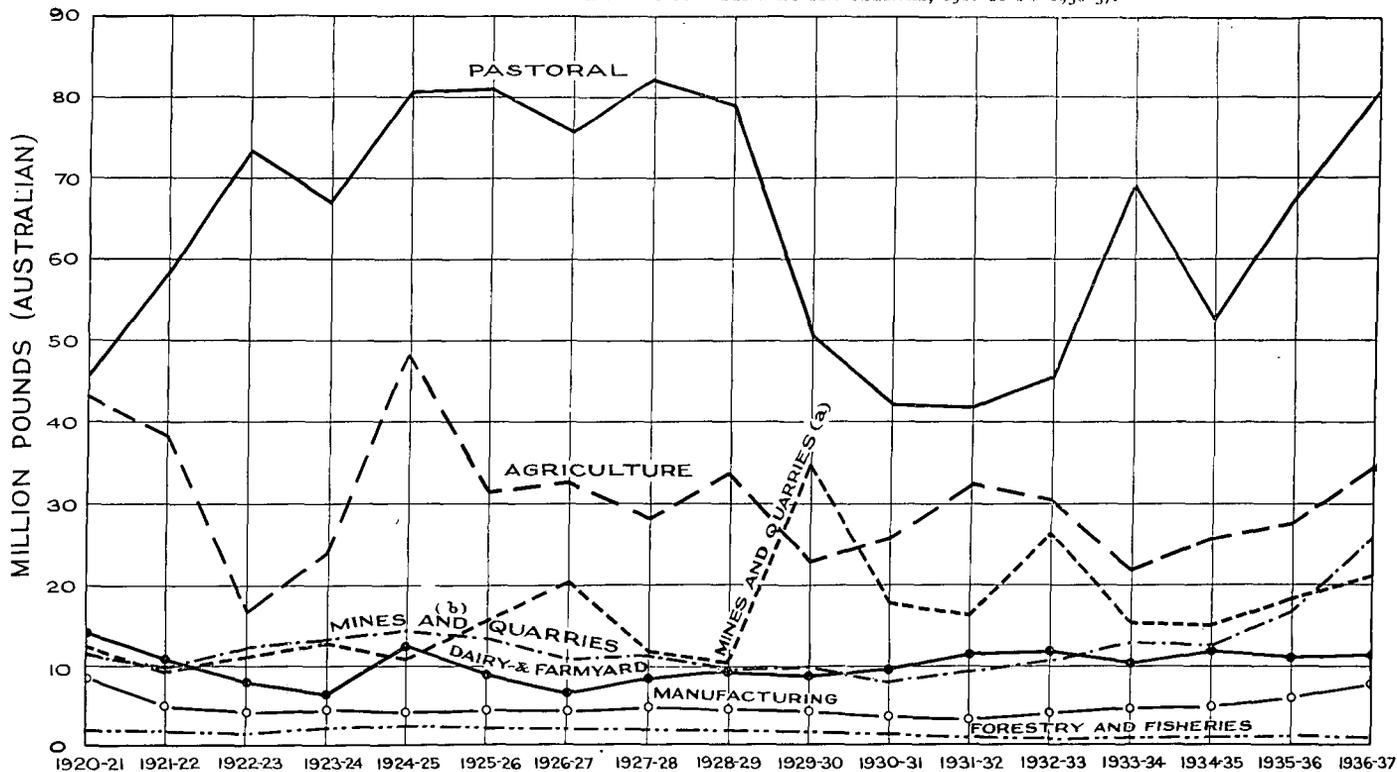
IMPORTS INTO AUSTRALIA, 1910 TO 1938.



EXPORTS FROM AUSTRALIA, 1910 TO 1938.



EXPORTS OF AUSTRALIAN PRODUCTS ACCORDING TO INDUSTRIES, 1920-21 TO 1936-37.



EXPLANATION.—Mines and Quarries (a) represents the total exports of the produce of this industry, including bullion and specie.
 Mines and Quarries (b) represents the export of products other than Gold, to which is added the value of gold produced in the respective years.

The restrictions imposed by Imperial Ordinance, No. 124 of 1936, were abolished as from 1st January, 1937, under the terms of the trade agreement concluded between the Governments of Japan and the Commonwealth of Australia.

11. Tariff Board.—The Tariff Board Act 1921–1934 provides for the appointment of a Tariff Board consisting of four members, one of whom shall be an administrative officer of the Department of Trade and Customs. This member may be appointed Chairman of the Board. Members of the Board are appointed for a term of not less than one year nor more than three years, and two members may be appointed as a Committee for making special inquiries. The purpose of the Tariff Board is to assist the Minister in the administration of matters relating to trade and customs. The more important matters which the Minister shall refer to the Board for inquiry and report include disputes arising out of the interpretation of any Customs or Excise Tariff; the necessity for new, increased or reduced duties; the necessity for granting bonuses; any proposal for the application of the British Preferential Tariff to any part of the British Dominions or any foreign country; and any complaint that a manufacturer is taking undue advantage of the protection afforded him by the tariff by charging unnecessarily high prices for his goods or acting in restraint of trade. The Minister may refer to the Board for inquiry and report the following matters:—the classification of goods under items of the Tariff that provide for admission under By-laws; the determination of the value of goods for duty; the general effect of the working of the Customs Tariff and the Excise Tariff; the fiscal and industrial effects of the Customs laws of the Commonwealth; the incidence between the rates of duty on raw materials and on finished or partly finished products; and any other matter affecting the encouragement of primary and secondary industries in relation to the Tariff.

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

The latest “Annual Report of the Tariff Board,” issued in accordance with Section 18 (1) of the Tariff Board Act 1921–1934 reviews the work of the Board during the year ended 30th June, 1937. During the year the Board furnished 69 reports to the Minister for Trade and Customs, and of these reports 61 related to matters on which public inquiries had been held. The subjects dealt with comprised:—Tariff revision, 52, Excise Tariff revision 1; question of inclusion under or removal from by-law, 4; tariff revision combined with requests for admission under or removal from by-law, 3; and the question of the necessity for the operation of Sections 4 and 7 of the Customs Tariff (Industries Preservation) Act, 1. Questions regarding the bringing into operation of deferred duties provided in the Customs Tariff which did not necessitate the holding of public inquiries were dealt with in 7 reports. At 30th June, 1937, the Board had on hand 63 subjects on which reports had not been furnished to the Minister.

The Minister for Trade and Customs on 14th December, 1932, referred to the Tariff Board for public inquiry and report the question as to the practicability of evolving some method of varying duties imposed under protective items of the Customs Tariff to meet the operation of exchange and primage. The recommendation of the Board regarding exchange adjustment was embodied in Customs Tariff (Exchange Adjustment) Act 1933. In regard to primage duty, the Board reaffirmed its recommendation to the Minister, dated 5th August, 1932, that primage duty should be removed from protective items in the Tariff Schedule, and suggested the adoption of such recommendation so soon as the Government considered that revenue considerations permitted.

12. Industries Preservation.—The Customs Tariff (Industries Preservation) Act 1921–1936 provides that after inquiry and report by the Tariff Board, special duties shall be collected in the following cases when the importation of the goods referred to might be

detrimental to an Australian industry :—In the case of goods sold for export to Australia at a price less than the fair market price for home consumption or at a price which is less than a reasonable price, a special dumping duty shall be collected equal to the difference between the price at which the goods were sold and a fair market price. Similar provision is made for goods consigned to Australia for sale. With regard to goods exported to Australia at rates of freight less than the normal rate of freight the dumping freight duty shall be—on goods carried free—the amount payable as freight at the normal rate; and in the case of any other goods—an amount equal to the difference between the freight paid and the freight which would have been payable at the normal rate. Special duties are also imposed in the case of goods imported from countries whose currency is depreciated. Provision is also made for the protection of the trade of the United Kingdom in the Australian market from depreciated foreign currency.

The Act provides that the Minister for Trade and Customs, after inquiry and report by the Tariff Board, may publish a notice in the *Commonwealth Government Gazette* specifying the goods upon which special rates of duty under this Act shall be charged and collected. Several amendments of the Act were recommended by the Tariff Board and put into effect by the Customs Tariff (Industries Preservation) Act 1922. The Customs Tariff (Industries Preservation) Act 1933 repeals section 8 of Act 1921-1922 and provides new clauses relating to Exchange Special Duty.

13. **Trade Descriptions.**—The Commerce (Trade Descriptions) Act 1905 as amended by the Acts of 1926, 1930 and 1933 gives power to compel the placing of a proper description on certain prescribed goods, or on packages containing the same, being imports or exports of the Commonwealth. The goods to which a trade description must be applied are :—
(a) Articles used for food or drink by man, or used in the manufacture or preparation of articles used for food or drink by man; (b) medicines or medicinal preparations for internal or external use; (c) manures; (d) apparel (including boots and shoes), and the materials from which apparel is manufactured; (e) jewellery; (f) seeds and plants; and (g) brushware.

14. **Acts passed in 1937.**—The following Acts relating to Australian production and trade were assented to during the year 1937 :—

Primary Producers Relief Act, No. 4 of 1937. An Act to amend the Primary Producers Relief Act 1935-1936.

Primary Producers Export Charges Act, No. 9 of 1937. An Act to amend the Primary Produce Export Charges Act 1935.

Dairy Produce Export Control Act, No. 20 of 1937. An Act to amend the Dairy Produce Export Control Act 1924-1936.

Dried Fruits Export Control Act, No. 21 of 1937. An Act to amend the Dried Fruits Export Control Act 1924-1935.

States Grants (Fertilizer) Act, No. 29 of 1937. An Act to provide for financial assistance to the States in the making of payments to primary producers, and for other purposes.

Customs Tariff Validation Act, No. 31 of 1937. An Act to provide for the validation of collections of duties of customs under Customs Tariff Proposals.

Customs Tariff (Exchange Adjustment) Validation Act, No. 32 of 1937. An Act to provide for the validation of adjustment in duties of customs under Customs Tariff (Exchange Adjustment) Proposals.

Customs Tariff (Canadian Preference) Validation Act, No. 33 of 1937. An Act to provide for the validation of collections of duties of customs under Customs Tariff (Canadian Preference) Proposals.

Excise Tariff Validation Act, No. 34 of 1937. An Act to provide for the validation of collections of duties of excise under Excise Tariff Proposals.

Papua and New Guinea Bounties Act, No. 35 of 1937. An Act to provide for the payment of bounties on certain goods the produce or manufacture of the Territory of Papua and on certain goods the produce or manufacture of the Territory of New Guinea.

- Apple and Pear Bounty Act, No. 36 of 1937. An Act to provide for the payment of a bounty on the export of apples and pears from the Commonwealth.
- Citrus Fruits Bounty Act, No. 38 of 1937. An Act to provide for the payment of a bounty on the export of citrus fruits from the Commonwealth during the year 1937.
- Wine Grape Charges Act, No. 39 of 1937. An Act to amend the Wine Grape Charges Acts 1929.
- Dairy Produce Export Charges Act, No. 40 of 1937. An Act to amend the Dairy Produce Export Charges Act 1924-1929 and for other purposes.

§ 3. Trade Representatives.

1. *Oversea*.—The Commonwealth of Australia is represented in the United Kingdom by the Right Hon. S. M. Bruce, C.H., M.C., High Commissioner, with headquarters at Australia House, London. Matters affecting the oversea trade of Australia come within the scope of the duties of the office.

The Commonwealth has a Trade Representative in France, with headquarters at Paris. This official is attached to Australia House, London.

The first appointment of a representative for Australia in the United States of America was made in 1918. The office of Commissioner-General for Australia in the United States was changed to that of Australian Government Trade Commissioner as from 1st July, 1938.

In April, 1929, a Commercial Representative for Australia was appointed in the Dominion of Canada, with headquarters at Toronto. The position is at present vacant.

The Trade Commissioners Act 1933 provides for the appointment of one or more Trade Commissioners and Assistant Trade Commissioners of the Commonwealth in such places as the Governor-General determines. In April, 1934, the first appointment under the Act was made, Mr. R. H. Nesbitt being appointed Australian Trade Commissioner in New Zealand, with headquarters at Wellington. Mr. Nesbitt resigned in April, 1937, and was succeeded in July, 1937, by Mr. C. E. Critchley, formerly Australian Trade Commissioner in Netherlands East Indies. In May, 1935, Trade Commissioners and Assistant Trade Commissioners were appointed to Japan, China and Netherlands East Indies, in January, 1937, a Trade Commissioner was appointed to Egypt and from 1st July, 1938, an Australian Government Trade Commissioner was appointed in the United States of America. The Trade Commissioners are—Canada, vacant; China, Mr. V. G. Bowden, Shanghai; Egypt, Col. C. E. Hughes, C.B.E., Cairo; Japan, Lt. Col. E. Longfield Lloyd, Tokio; Netherlands East Indies, Mr. H. A. Peterson, Batavia; New Zealand, Mr. C. E. Critchley, Wellington; and United States of America, Mr. L. R. McGregor, New York.

2. *In Australia*.—Trade Commissioners representing the undermentioned countries are located in Australia, viz. :—The United Kingdom, Canada, New Zealand, United States of America and France. His Majesty's Senior Trade Commissioner for the United Kingdom has his headquarters in Sydney and Trade Commissioners are located also at Melbourne and Brisbane. The New Zealand Government Representative and Trade Commissioner, the Senior Canadian Government Trade Commissioner and the Trade Commissioners for United States of America and France are located in Sydney. Trade matters affecting other overseas countries are generally attended to by their Consular representatives.

§ 4. Method of Recording Imports and Exports.

1. *Value of 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*. The value of goods is taken to be 10 per cent. in advance of their fair market value in the principal markets of the

country whence the goods were exported. Acting upon a recommendation of the Tariff Board the section of the Customs Act relating to the valuation of imports was amended, and Section 154 (1) of the Customs Act 1901-1936 now 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 ;
- (b) all charges payable or ordinarily payable for placing the goods free on board at the port of export ; and
- (c) ten per centum of the amounts specified under paragraphs (a) and (b) of this sub-section.

"Current domestic value" is defined as "the amount for which the seller or 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."

Imports are recorded in British currency values, and Section 157 of the Customs Act provides that when the invoice value of imported goods is shown in any currency other than British currency, the equivalent value in British currency shall be ascertained according to a fair rate of exchange to be declared in case of doubt by the Minister. Under this section it was the practice of the Department of Trade and Customs, until the 8th December, 1920, to convert on the basis of the mint par of exchange. Since the date mentioned, in consequence of a ruling of the High Court, all conversions have been based on the commercial rates of exchange.

The term "British currency values" is not exactly synonymous with "English sterling", since imports already expressed in terms of £. s. d. are regarded for duty purposes as being expressed in British currency values. This exception to the general rule is chiefly important in the case of imports from New Zealand and the Union of South Africa when their currencies are not at par with English currency. In all the tables in this volume no correction has been made on this account, even when for the sake of brevity the term "sterling" has been used as a contraction for "British currency values."

2. **Value of Exports.**—Prior to the 1st July, 1929, the recorded value of all goods exported was taken as representing the value in the principal markets of the Commonwealth in the ordinary commercial acceptance of the term. Owing to the inflated values arbitrarily allotted in recent years to commodities which are subject to governmental control or subsidy, some change in the practice of valuation of exports of such commodities became desirable. Accordingly a new basis was adopted as from 1st July, 1929, for the statistical valuation of exports of sugar, butter and goods on which bounty or rebate was paid which would show for (a) *Sugar*—the value f.o.b. at which sold to overseas buyers, or a f.o.b. value equal to the London market price if shipped on consignment ; (b) *Goods on which bounty or rebate was paid on export*—the value in the principal markets of the Commonwealth in the ordinary commercial acceptance of the term, less the value of any bounty or rebate. Until the 31st March, 1934, the basis adopted for the value of exports of butter was the current market value, less the amount paid as export bonus. From 31st March, 1934, to 30th June, 1937, the basis was (a) sold in Australia for export—the f.o.b. equivalent of the price at which the butter was sold and (b) shipped on consignment—the f.o.b. equivalent of the ruling price overseas.

From 1st July, 1930, to 30th June, 1937, the basis adopted for the value of *wool* exported was (a) sold in Australia for export the actual price paid plus the cost of services incurred in placing the wool on board ship, and (b) shipped on consignment—the f.o.b. equivalent of ruling Australian prices.

From 1st July, 1932, to 30th June, 1937, the basis adopted for the value of *wheat* exported was (a) sold in Australia for export—the f.o.b. equivalent of the price at which the wheat was sold, and (b) shipped on consignment—the f.o.b. equivalent of the current selling price overseas.

From 1st July, 1934, to 30th June, 1937, the basis adopted for the value of *flour* exported was (a) sold in Australia for export—the f.o.b. equivalent of the price at which the flour was sold, and (b) shipped on consignment—the f.o.b. equivalent of ruling Australian prices.

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

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

All values to be shown in terms of Australian currency, and to include cost of containers.

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

4. Statistical Classification of Imports and Exports.—The Oversea Trade Bulletin No. 34 for the year 1936–37, from which the summary figures in this Year Book have been extracted, was compiled according to a classification which came into operation on 1st July, 1922. In order to meet the demand for more detailed information relating to imports and exports the number of items has been materially increased. The revised classification at 30th June, 1937, was divided into 21 classes, with approximately 2,000 separate import items and 600 export items.

5. The Trade Year.—From 1st July, 1914, the statistics relating to Oversea Trade have been shown according to the fiscal year (July to June). Prior to that date the figures related to the calendar year. A table is given in § 15 showing the total value of imports and exports in the calendar years 1934 to 1937 inclusive.

6. Records of Past Years.—In the years preceding federation, each State independently recorded its trade, and in so doing did not distinguish other Australian States from foreign countries. As the aggregation of the records of the several States is necessarily the only available means of ascertaining the trade of Australia for comparison with later years, it is unfortunate that past records of values and the direction of imports and exports were not on uniform lines. The figures in the following table for years prior to federation have been carefully compiled and may be taken as representative of the overseas trade of Australia as a whole. On the introduction of the Customs Act 1901, the methods of recording values were made uniform throughout the States, but it was not until September, 1903, that a fundamental defect in the system of recording transhipped goods was remedied. Prior to 1905 the value of ships imported or exported was not included in the returns of trade.

7. Ships' Stores.—Prior to 1906 goods shipped in Australian ports on board overseas vessels as ships' stores were included in the general exports. From 1906, ships' stores have been specially recorded as such, and omitted from the return of exports. A table showing the value of these stores shipped each year since 1906 is given later in this Chapter.

§ 5. Oversea Trade.

1. **Total Oversea Trade.**—(i) *Including Gold.* The following table shows the total trade (including gold) of the Commonwealth with overseas countries from the earliest date for which records are available. To save space, the period 1826 to 1925-26 has been divided into quinquennia, and the figures shown represent the annual averages for the quinquennia specified. The figures for individual years were published in earlier issues of the Year Book. (See note to following table.)

TOTAL OVERSEA TRADE.—AUSTRALIA.
(INCLUDING GOLD.)

Period. (a)	Recorded Value. (c)			Value per Inhabitant.			Percentage of Exports on Imports.
	Imports.	Exports.	Total.	Imports.	Exports.	Total.	
	£1,000.	£1,000.	£1,000.	£ s. d.	£ s. d.	£ s. d.	
1826 to 30	638	153	791	10 12 5	2 10 11	13 3 4	23.9
1831 „ 35	1,144	613	1,757	11 19 10	6 8 6	18 8 4	53.6
1836 „ 40	2,283	1,112	3,395	14 15 9	7 4 1	21 19 10	48.7
1841 „ 45	1,906	1,378	3,284	9 0 5	6 10 5	15 10 10	72.3
1846 „ 50	2,379	2,264	4,643	6 18 10	6 12 2	13 11 0	95.2
1851 „ 55	11,931	11,414	23,345	19 12 5	18 15 4	38 7 9	95.7
1856 „ 60	18,816	16,019	34,835	18 6 1	15 11 8	33 17 9	85.1
1861 „ 65	20,132	18,699	38,831	15 17 1	14 14 9	30 11 10	93.0
1866 „ 70	18,691	19,417	38,108	12 7 4	12 16 11	25 4 3	103.9
1871 „ 75	21,982	24,247	46,229	12 7 2	13 13 6	26 0 8	110.3
1876 „ 80	24,622	23,772	48,394	11 19 7	11 10 9	23 10 4	96.6
1881 „ 85	34,895	28,955	62,950	14 4 3	11 9 5	25 13 8	80.4
1886 „ 90	34,675	26,579	61,254	11 16 11	9 1 0	20 17 11	76.6
1891 „ 95	27,335	33,683	61,018	8 5 2	10 2 5	18 7 7	123.2
1896 „ 1900	33,763	41,094	74,857	9 5 4	11 5 6	20 10 10	121.7
1901 „ 05	39,258	51,237	90,495	10 1 10	13 2 9	23 4 7	130.5
1906 „ 10	51,508	69,336b	120,844	12 4 8	16 9 11	28 14 7	134.6
1911 „ 15-16	73,411	74,504	147,915	15 7 4	15 12 10	31 0 2	101.5
1916-17 to 1920-21	100,735	115,066	215,801	19 7 9	22 2 10	41 10 7	114.2
1921-22 to 1925-26	136,844	134,545	271,389	23 15 6	23 7 7	47 3 1	98.3
1926-27 ..	164,717	144,084	308,801	26 18 1	23 10 9	50 8 10	87.5
1927-28 ..	147,945	141,206	289,151	23 13 8	22 12 0	46 5 8	95.4
1928-29 ..	143,648	141,633	285,281	22 12 3	22 5 11	44 18 2	98.6
1929-30 ..	131,081	125,127	256,208	20 7 7	19 9 0	39 16 7	95.5
1930-31 (d)	60,960	104,856	..	9 7 7	16 2 9	..	..
(e)	60,960	89,326	150,286	9 7 7	13 14 11	23 2 6	146.5
1931-32 (d)	44,713	108,404	..	6 16 6	16 10 10	..	..
(e)	44,713	85,348	130,061	6 16 6	13 0 5	19 16 11	190.9
1932-33 (d)	58,014	129,943	..	8 15 8	18 6 3	..	..
(e)	58,014	96,597	154,611	8 15 8	14 12 6	23 8 2	166.5
1933-34 (d)	60,713	123,441	..	9 2 6	18 11 0	..	..
(e)	60,713	98,573	159,286	9 2 6	14 16 2	23 18 8	162.4
1934-35 (d)	74,119	112,986	..	11 1 2	16 17 2	..	..
(e)	74,119	90,225	104,344	11 1 2	13 9 3	24 10 5	121.7
1935-36 (d)	85,253	136,381	..	12 12 7	20 4 1	..	..
(e)	85,253	108,907	194,160	12 12 7	16 2 8	28 15 3	127.8
1936-37 (d)	92,640	161,557	..	13 12 4	23 14 10	..	..
(e)	92,640	129,010	221,650	13 12 4	18 19 2	32 11 6	139.3
1937-38 (d)(f)	113,975	157,005	..	16 12 1	22 17 6	..	..
(e)	113,975	125,379	239,354	16 12 1	18 5 4	34 17 5	110.0

(a) The figures given for the years 1826 to 1925-26 represent the annual averages for the quinquennial periods. The trade of the individual years will be found in Official Year Book No. 29 and earlier issues. From 1914-15 onwards the particulars relate to fiscal years. (b) Prior to 1906, ships' stores were included in the general exports. For value of these goods shipped each year since 1906 see later table, § 9. (c) For actual values for recent years, showing merchandise and bullion and specie separately, see § 8, pars. 5 and 6. (d) Recorded values. Imports, British currency; Exports, Australian currency. (e) British currency values. (f) Preliminary figures, subject to revision.

In previous issues of the Official Year Book fluctuations in the value of the oversea trade of Australia have been treated in some detail for earlier years. The enhanced prices ruling for commodities and the peculiar conditions affecting Australian trade were responsible for the high value of imports in the years following the war and these factors should be taken into consideration in making comparisons with pre-war years.

In 1924-25 the total value of oversea trade was £318,454,000 represented by imports £157,143,000, and exports £161,311,000. So far as total trade and exports are concerned these figures are the highest recorded, but the figure for imports was exceeded in 1920-21, and again in 1926-27. Imports in 1924-25, however, included an exceptionally large quantity of bullion and specie valued at £10,543,000. In the three years ended 1928-29 imports fell but exports were well maintained and in 1929-30 both imports and exports declined substantially. The full effects of the economic depression and of certain restrictions imposed by the Commonwealth Government are reflected in the greatly diminished trade figures for 1930-31 onwards. The lowest level was recorded in 1931-32 when the total trade amounted to £130,061,000. Most of the Government restrictions were removed in 1932. Following a gradual improvement in 1933-34 and 1934-35 recovery was more rapid in the three years ended 1937-38 owing to higher prices for exports of primary products and the rising flow of imports. Since 1933-34 imports have risen on the average by £13,000,000 per annum, the actual increase in 1937-38 being more than £21,000,000. Exports, on the other hand, declined sharply in 1934-35 owing to a drop in wool values, but rose substantially in 1935-36 and again in 1936-37 only to decline by nearly £4,000,000 in 1937-38 with the recession in export prices which began in the early months of the latter year.

(ii) *Excluding Gold.* In recent years there have been large gold movements of an exceptional nature, which have been included in the previous table. The fluctuations in merchandise trade (including silver as merchandise) are shown more clearly in the following table, from which *all* gold movements have been excluded :—

OVERSEA TRADE—AUSTRALIA.

(EXCLUDING GOLD BULLION, SPECIE AND IN MATTE.)

British Currency Values.

Year.	Imports excluding Gold.	Exports excluding Gold.	Total Trade excluding Gold.	Value per Inhabitant.			Percentage of Exports on Imports.
				Imports.	Exports.	Total Trade.	
	£1,000. Stg.	£1,000. Stg.	£1,000. Stg.	£ s. d. Stg.	£ s. d. Stg.	£ s. d. Stg.	%
1932-33	56,872	78,562	135,434	8 12 3	11 17 11	20 10 2	138.1
1933-34	59,502	90,914	150,416	8 18 10	13 13 3	22 12 1	152.8
1934-35	72,440	82,371	154,811	10 16 2	12 5 10	23 2 0	113.7
1935-36	83,617	98,886	182,503	12 7 9	14 13 0	27 0 9	118.3
1936-37	90,642	117,900	208,542	13 6 5	17 6 6	30 12 11	130.1
1937-38a	111,782	112,649	224,431	16 5 8	16 8 3	32 13 11	100.8

(a) Preliminary figures, subject to revision.

2. *Balance of Trade.*—The table on page 504 shows the percentage of exports on imports (including gold) for quinquennial periods from 1826 to 1925-26 and for each financial year from 1926-27 to 1937-38, while the table on page 505 shows the percentage

of exports on imports (excluding gold) for each financial year 1932-33 to 1937-38. Reference to the first mentioned table shows that prior to the quinquennial period 1891-95 the balances of trade, with two exceptions, due to temporary dislocations, had been on the side of imports, while from that period to 1920-21, the position was reversed. During the subsequent quinquennial period ended 1925-26, there was an excess of imports, as was the case in each of the years 1926-27 to 1929-30. From 1930-31 to 1937-38 exports greatly exceeded imports.

In recent years imports and exports of gold for monetary purposes have made the interpretation of the foregoing tables more difficult. In the following table, the balance of commodity trade, including the value of gold currently produced in Australia, has been separated from the monetary movement of gold :—

COMMODITY BALANCE OF TRADE AND MONETARY MOVEMENT OF GOLD.

British Currency Values.

Year.	A.	B.	C.	D.	E.	F.	G.
	Total Imports other than Gold. (Specie, Bullion and in Matte.)	Total Exports, other than Gold. (Specie, Bullion and in Matte.)	Gold produced in Australia.	Total of Merchandise exports and Gold Production. B+C	Commodity Balance of Trade. D-A	Net Exports of Gold (Specie, Bullion and in Matte) in excess of Production. F	Total Balance. E+F
	£1,000,000	£1,000,000	£1,000,000	£1,000,000	£1,000,000	£1,000,000	£1,000,000
1910 ..	59.0	69.8	11.6	81.4	22.4	- 7.9	14.5
1911 ..	65.4	67.5	10.5	78.0	12.6	- 0.1	12.5
1912 ..	76.8	66.8	9.9	76.7	- 0.1	1.1	1.0
1913 ..	78.4	75.1	9.4	84.5	6.1	- 7.3	- 1.2
1914 (a) ..	39.0	36.5	4.4	40.9	1.9	- 3.7	- 1.8
1914-15 ..	61.0	58.0	8.5	66.5	2.5	- 6.3	- 3.8
1915-16 ..	77.2	64.2	7.7	71.9	- 5.3	2.3	- 3.0
1916-17 ..	76.0	86.3	6.6	92.9	16.9	4.8	21.7
1917-18 ..	60.8	75.0	5.8	80.8	20.0	- 0.9	19.1
1918-19 ..	95.0	106.8	5.4	112.2	17.2	- 5.6	11.6
1919-20 ..	98.9	144.3	5.4	149.7	50.8	0.1	50.9
1920-21 ..	163.8	126.8	4.7	131.5	- 32.3	0.6	- 31.7
1921-22 ..	103.0	124.3	3.8	128.1	25.1	- 0.3	24.8
1922-23 ..	131.7	115.6	3.3	118.9	- 12.8	- 1.1	- 13.9
1923-24 ..	140.6	116.7	3.2	119.9	- 20.7	- 0.4	- 21.1
1924-25 ..	146.7	160.4	2.8	163.2	16.5	- 12.3	- 4.2
1925-26 ..	151.3	141.9	2.3	144.2	- 7.1	1.7	- 5.4
1926-27 ..	164.1	132.7	2.2	134.9	- 29.2	8.6	- 20.6
1927-28 ..	146.9	138.4	2.1	140.5	- 6.4	- 0.3	- 6.7
1928-29 ..	143.3	138.6	1.9	140.5	- 2.8	0.8	- 2.0
1929-30 ..	130.8	98.2	1.9	100.1	- 30.7	24.7	- 6.0
1930-31 ..	60.6	77.1	2.2	79.3	18.7	9.7	28.4
1931-32 ..	44.1	75.8	3.6	79.4	35.3	5.3	40.6
1932-33 ..	56.9	78.6	4.6	83.2	26.3	12.3	38.6
1933-34 ..	59.5	90.9	5.7	96.6	37.1	0.8	37.9
1934-35 ..	72.5	82.4	6.0	88.4	15.9	0.2	16.1
1935-36 ..	83.6	98.9	8.0	106.9	23.3	0.4	23.7
1936-37 ..	90.6	117.9	9.0	126.9	36.3	0.1	36.4
1937-38(b) ..	111.8	112.6	10.2	122.8	11.0	0.4	11.4

(a) First six months only.

(b) Preliminary figures, subject to revision.

3. **Balance of Payments.**—The balance of visible trade, including the net movement of precious metals, does not present a complete picture of Australia's international transactions during each year. Allowance must also be made for unrecorded imports and exports, for services rendered and received, and for international capital and interest transactions. The values of some of these items are known, and some of those remaining can be estimated with a sufficient measure of accuracy, but for many items it is difficult to make even a rough guess. A continuous investigation is being made into the values of these "invisible" items in the balance of payments.

§ 6. Direction of Oversea Trade.

1. Imports according to Country of Origin.—The following table shows the value (in British currency) of the imports into Australia during the past five years of commodities stated to be the produce or manufacture of the undermentioned countries. The figures however, do not indicate with any degree of precision the competitive forces of different countries in the Australian import trade. To measure the success or otherwise of these forces requires some analysis which will show the relative amounts of different classes of goods supplied by different countries. The results of such an analysis, confined to the major classes of manufactured goods imported, are shown in § 14 of this Chapter.

AUSTRALIAN IMPORTS.—COUNTRIES OF ORIGIN. (EXCLUDING GOLD BULLION, SPECIE AND IN MATTE.)

British Currency Values.

Country of Origin.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.(b)
	£ stg.	£ stg.	£ stg.	£ stg.	£ stg.
United Kingdom	25,143,101	30,788,269	33,838,843	38,560,293	46,226,985
British Possessions—					
Canada	2,918,095	4,091,796	5,375,851	6,071,813	8,045,130
Ceylon	718,563	795,307	960,724	1,010,374	890,286
India	2,926,181	2,541,377	2,732,145	2,975,892	3,077,616
Malaya (British)	327,235	561,845	488,254	852,282	1,022,899
New Zealand	1,198,645	1,294,181	1,552,413	1,322,875	1,708,649
Pacific Islands—					
Nauru	288,249	292,431	361,986	383,641	551,920
Papua	91,296	116,716	128,078	191,742	165,245
Territory of New Guinea	68,703	87,523	117,419	195,935	186,884
Other Islands	245,823	346,240	435,941	598,537	438,989
Union of South Africa	133,441	177,063	284,846	250,539	290,843
Other British Possessions	546,692	512,224	720,930	712,069	1,066,616
Total, British Possessions	9,464,925	10,816,703	13,158,587	14,565,699	17,445,077
Total, British Countries	34,608,026	41,604,972	46,997,430	53,125,992	63,672,062
Foreign Countries—					
Belgium	368,219	477,864	568,083	783,393	1,140,974
China	285,514	364,127	657,178	683,742	601,870
France	956,335	862,147	790,108	865,919	964,554
Germany	1,920,676	2,145,315	2,963,049	3,596,584	4,170,624
Italy	588,260	557,438	444,141	410,002	844,983
Japan	3,676,737	4,624,740	4,969,571	4,004,465	5,349,087
Netherlands	389,669	504,573	564,236	670,192	656,161
Netherlands East Indies	3,960,233	4,390,327	4,928,025	6,176,385	7,530,509
Norway	340,325	382,671	415,252	440,817	495,560
Pacific Islands	39,054	18,446	33,023	69,937	44,029
Philippine Islands	59,733	79,885	92,610	110,231	123,466
Sweden	782,780	828,283	972,096	1,048,655	1,551,333
Switzerland	451,030	462,023	602,145	600,025	873,629
United States of America	7,838,982	11,041,365	13,901,705	12,059,149	17,758,684
Other Foreign Countries	1,729,716	2,238,227	2,656,012	2,982,232	5,643,451
Total, Foreign Countries	23,387,263	28,977,431	34,557,243	35,410,728	47,748,914
Total	57,995,289 (a)	70,582,403 (a)	81,554,673	88,536,720 (a)	111,420,976 (a)

(a) Excluding Outside Packages, 1933-34, £1,506,932; 1934-35, £1,857,507; 1935-36, £2,062,275; 1936-37, £2,105,362; and 1937-38, £2,554,084. (b) Preliminary figures, subject to revision.

2. Percentage of Imports from Various Countries.—In view of the fluctuations in the total values of imports, it is somewhat difficult to ascertain from the preceding table the relative importance of the various countries in the import trade of Australia in

successive years. A better idea of the proportion of imports supplied by each country during each year may be obtained from the following table of percentages:—

AUSTRALIAN IMPORTS.—PERCENTAGES FROM COUNTRIES OF ORIGIN.

(EXCLUDING GOLD BULLION, SPECIE AND IN MATTE.)

Country of Origin	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.
	per cent.	per cent.	per cent.	per cent.	per cent.
United Kingdom	43.35	43.62	41.50	43.55	41.49
British Possessions—					
Canada	5.03	5.80	6.60	6.85	7.22
Ceylon	1.24	1.13	1.18	1.14	0.80
India	5.05	3.60	3.35	3.36	2.76
Malaya (British)	0.56	0.80	0.60	0.96	0.92
New Zealand—					
Pacific Islands—					
Nauru	0.50	0.41	0.44	0.43	0.50
Papua	0.16	0.17	0.16	0.22	0.15
Territory of New Guinea	0.12	0.12	0.14	0.22	0.17
Other Islands	0.42	0.49	0.53	0.68	0.39
Union of South Africa	0.23	0.25	0.35	0.28	0.26
Other British Possessions	0.94	0.72	0.88	0.81	0.96
Total, British Possessions..	16.32	15.32	16.13	16.45	15.66
Total, British Countries ..	59.67	58.94.	57.63	60.00	57.15
Foreign Countries—					
Belgium	0.63	0.68	0.70	0.89	1.02
China	0.49	0.52	0.81	0.77	0.54
France	1.65	1.22	0.97	0.98	0.87
Germany	3.32	3.04	3.63	4.06	3.74
Italy	1.01	0.79	0.54	0.46	0.76
Japan	6.34	6.55	6.09	4.52	4.80
Netherlands	0.67	0.72	0.69	0.77	0.59
Netherlands East Indies	6.83	6.22	6.04	6.98	6.76
Norway	0.59	0.54	0.51	0.50	0.44
Pacific Islands	0.07	0.03	0.04	0.08	0.04
Philippine Islands	0.10	0.11	0.12	0.12	0.11
Sweden	1.35	1.17	1.19	1.18	1.39
Switzerland	0.78	0.66	0.74	0.68	0.78
United States of America	13.52	15.64	17.05	14.64	15.94
Other Foreign Countries	2.98	3.17	3.25	3.37	5.07
Total, Foreign Countries ..	40.33	41.06	42.37	40.00	42.85
Total	100	100	100	100	100

With the exception of the year 1936-37 the percentage of imports from British countries declined during the period covered by the table mainly as the result of the drop in the proportion from the United Kingdom which decreased from 43.35 per cent. of the total imports in 1933-34 to 41.49 per cent. in 1937-38. The percentage of imports from Canada consistently increased during the period and that from India likewise declined. New Zealand imports also declined in proportion during the period under review.

Of the foreign countries the United States increased its percentage from 13.52 to 15.94 during the five years and was mainly responsible for the increase in the ratio from foreign countries. Although not of large dimensions the imports from Belgium increased in proportion during each of the five years, while the relatively larger percentages from Germany and Netherlands East Indies remained fairly constant. The imports from Japan dropped from 6.34 per cent. of the total in 1933-34 to 4.80 per cent. in 1937-38, and the percentage of French imports declined considerably during the period.

Although imports from British countries, with the exception of Ceylon and the Pacific Islands, increased in value in 1937-38 as compared with 1936-37 the aggregate increase of £10,546,000 was less than the increase of £12,338,000 in the imports from foreign countries and the proportion of the total received from British sources declined from 60 per cent. to 57.15 per cent. With a few minor exceptions increases were general among foreign countries. The increase of £4,800,000 in the value of imports from the United States of America in 1937-38 was exceeded only by the United Kingdom with an increase of £7,667,000. Other large increases in value were Canada £1,973,000, Netherlands East Indies £1,354,000, Japan £1,345,000 and Germany £574,000, but the rate of increase for the United Kingdom, the Netherlands East Indies and Germany failed to keep pace with the rate of increase for all countries.

3. Direction of Exports.—The following table shows the value in Australian currency of commodity exports to the principal countries during the five years 1933-34 to 1937-38 inclusive:—

EXPORTS FROM AUSTRALIA TO VARIOUS COUNTRIES.

(EXCLUDING GOLD BULLION, SPECIE AND IN MATTE.)

Australian Currency Values.

Country of destination.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.(c)
	£ A.	£ A.	£ A.	£ A.	£ A.
United Kingdom	54,402,862	53,760,437	61,087,309	72,793,980	72,940,991
British Possessions—					
Canada	1,267,170	1,444,063	1,322,178	2,264,268	2,140,725
Ceylon	421,499	648,187	970,961	928,151	871,221
Fiji	320,707	361,132	483,998	592,325	713,192
Hong Kong	506,696	715,994	624,663	803,010	1,048,833
India	610,159	785,815	973,171	1,086,754	1,104,692
Malaya (British)	1,015,315	1,315,822	1,263,526	1,727,956	2,063,740
Mauritius	107,000	98,790	96,000	115,976	138,013
New Zealand	3,031,026	3,617,339	4,396,840	5,686,229	7,110,430
Papua	129,500	151,865	165,613	232,027	319,228
Union of South Africa	247,278	316,381	449,056	406,091	713,326
Other British Possessions	1,724,547	1,592,071	2,562,225	3,310,793	2,375,748
Total, British Possessions	9,380,897	11,047,459	13,308,231	17,153,580	18,599,148
Total, British Countries	63,783,759	64,807,896	74,395,540	89,947,560	91,540,139
Foreign Countries—					
Belgium	7,470,984	6,080,381	7,266,967	9,423,321	5,711,324
Chile and Peru	42,023	2,020	2,931	3,438	60,988
China	914,806	2,472,262	1,212,821	842,963	616,320
Manchuria including Kwantung Peninsula	(a)	1,613,775	839,815	142,427	199,747
Egypt	379,234	639,654	524,066	562,135	638,094
France	6,517,380	4,731,952	6,131,143	7,907,054	9,675,289
Germany	9,439,054	1,738,481	2,368,153	4,230,026	4,391,347
Italy	4,606,423	995,827	680,225	5,331,528	1,881,429
Japan	13,906,256	12,095,514	17,661,232	9,705,738	5,900,098
Netherlands	455,328	927,723	1,200,638	1,983,223	792,356
Netherlands East Indies	1,149,167	1,182,329	1,274,195	1,395,183	1,465,373
Norway	2,937	7,439	10,052	62,735	56,573
Pacific Islands (Foreign)	285,637	346,377	374,878	442,348	461,181
Philippine Islands	348,177	324,053	553,311	666,733	619,504
Soviet Union (Russia)	88,678	84,180	10,700	20,721	867,392
Spain	157,521	559,912	182,952	175,801	1,303
Sweden	250,898	240,751	264,918	344,687	472,657
United States of America	2,491,601	2,754,228	5,615,372	10,935,103	3,383,508
Other Foreign Countries	1,593,274	1,564,676	3,280,145	3,537,599	(b) 12,366,911
Total, Foreign Countries	50,084,378	38,361,543	49,457,814	57,722,263	49,552,594
Total	113,868,137	103,169,439	123,853,354	147,669,823	141,092,733

(a) Included with China. (b) Includes wheat "for orders". (c) Preliminary figures, subject to revision.

The comparison of the value of exports as shown in the above table is affected by two factors operating in opposite directions. The values have been depressed by prices, but have been increased by the fact that they are stated in Australian currency. In

1930-31 the recorded value of exports was increased by 17.4 per cent. by the depreciation of the currency and in subsequent years the increase from this cause amounted to 25½ per cent. Stated in sterling the value of exports of merchandise for 1937-38 was £111,822,559 against £140,057,756 in Australian currency. Up to the end of the year 1929-30 the two currencies had practically the same value.

4. **Percentage of Exports to Various Countries.**—In consequence of the fluctuations in the total values of exports, the relative importance of various countries as markets for Australian produce is shown more clearly by the following table of percentages.

EXPORTS FROM AUSTRALIA.—PERCENTAGES TO VARIOUS COUNTRIES.

(EXCLUDING GOLD BULLION, SPECIE AND IN MATTE.)

Country of destination.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.
United Kingdom	per cent. 47.78	per cent. 52.11	per cent. 49.32	per cent. 49.29	per cent. 51.70
British Possessions—					
Canada	1.13	1.40	1.07	1.53	1.52
Ceylon	0.37	0.63	0.78	0.63	0.62
Fiji	0.28	0.35	0.39	0.40	0.50
Hong Kong	0.44	0.69	0.51	0.54	0.74
India	0.53	0.76	0.79	0.74	0.78
Malaya (British)	0.89	1.27	1.02	1.17	1.46
Mauritius	0.09	0.10	0.07	0.08	0.10
New Zealand	2.66	3.51	3.55	3.85	5.04
Papua	0.11	0.15	0.14	0.16	0.23
Union of South Africa	0.22	0.31	0.36	0.28	0.51
Other British Possessions	1.52	1.54	2.07	2.24	1.68
Total, British Possessions	8.24	10.71	10.75	11.62	13.18
Total, British Countries	56.02	62.82	60.07	60.91	64.88
Foreign Countries—					
Belgium	6.56	5.89	5.86	6.38	4.05
Chile and Peru	0.04	0.00	0.00	0.00	0.04
China	0.80	2.40	0.98	0.57	0.44
Manchuria, including Kwantung Peninsula	(a)	1.56	0.68	0.01	0.14
Egypt	0.33	0.62	0.42	0.38	0.45
France	5.72	4.59	4.95	5.35	6.86
Germany	8.29	1.69	1.91	2.87	3.11
Italy	4.04	0.97	0.56	3.61	1.33
Japan	12.21	11.72	14.26	6.57	4.18
Netherlands	0.40	0.90	0.97	1.34	0.56
Netherlands East Indies	1.01	1.15	1.03	0.95	1.04
Norway	0.00	0.01	0.01	0.04	0.04
Pacific Islands (Foreign)	0.25	0.33	0.30	0.30	0.33
Philippine Islands	0.31	0.31	0.45	0.45	0.44
Soviet Union (Russia)	0.08	0.08	0.01	0.01	0.61
Spain	0.14	0.54	0.15	0.12	0.00
Sweden	0.22	0.23	0.21	0.23	0.33
United States of America	2.18	2.67	4.53	7.51	2.40
Other Foreign Countries	1.40	1.52	2.65	2.40	8.77
Total, Foreign Countries	43.98	37.18	39.93	39.09	35.12
Total	100	100	100	100	100

(a) Included with China.

5. **Balance of Trade with Principal Countries.**—In the following table a comparison is made in British currency values of the total Australian trade in merchandise (excluding bullion and specie) with principal countries during the years 1936-37 and 1937-38 :—

BALANCE OF AUSTRALIAN TRADE WITH PRINCIPAL COUNTRIES.

(EXCLUDING BULLION AND SPECIE.)

British Currency Values.

Country.	Imports from— (a)		Exports to—		Excess of Exports.	
	1936-37.	1937-38.(b)	1936-37.	1937-38.(b)	1936-37.	1937-38.
	£Stg. 1,000.	£Stg. 1,000.	£Stg. 1,000.	£Stg. 1,000.	£Stg. 1,000.	£Stg. 1,000.
United Kingdom	38,559	46,226	58,093	57,936	19,534	11,710
Canada	6,072	8,045	1,808	1,709	4,264	6,336
India	2,976	3,078	794	745	2,182	2,333
New Zealand	1,311	1,707	4,533	5,671	3,222	3,064
Other British Countries ..	4,157	4,567	6,059	6,215	1,902	1,648
Total, British Countries ..	53,075	63,623	71,287	72,276	18,212	8,653
Belgium	783	1,141	7,524	4,560	6,741	3,419
China	684	602	673	492	11	170
France	866	965	6,313	7,725	5,447	6,760
Germany	3,597	4,171	3,373	3,500	224	671
Italy	410	845	4,257	1,502	3,847	657
Japan	4,004	5,349	7,749	4,771	3,745	638
Netherlands East Indies ..	6,176	7,531	1,114	1,169	5,062	6,362
United States of America ..	12,959	17,759	8,727	2,695	4,232	15,064
Other Foreign Countries ..	5,932	9,386	6,272	13,192	340	3,806
Total, Foreign Countries ..	35,111	47,749	46,002	39,516	10,591	8,203

(a) Excluding outside packages.

(b) Preliminary figures, subject to revision.

The balance of trade with single countries is of little significance, since in the first place, there is still a fair proportion of Australian produce distributed through the *United Kingdom either immediately, by transshipment or re-sale, or ultimately, by incorporation in manufactures.* Further, in very many cases international balances are equated directly by services or indirectly by exchange of goods between several countries.

6. **Principal Imports and Exports.—Countries.**—The total value of imports from and exports to each of the more important British and foreign countries during 1936-37, together with brief particulars of the principal commodities interchanged with such countries, is given hereunder. The values of imports are shown in British currency, while the exports are shown in Australian currency. Should further details be required, reference may be made to the annual publication, *Oversea Trade Bulletin*, No. 35, issued by this Bureau, which gives details of the trade with Australia of 37 of the principal countries of the world during the past five years. That publication furnishes information regarding the country of origin of each statistical item of import for the years 1936-37, and 1937-38, showing the value and (where available) the quantity imported from each country, and the value of each item imported into each of the States. The publication referred to also gives the country to which each item of exports was shipped during these years.

United Kingdom.—*Total Imports of United Kingdom Origin.* £38,560,402. The two outstanding classes of goods imported were—Machines, machinery and manufactures of metal, £16,142,408; and apparel, textiles, yarns, etc., £11,074,231. Imports of the following goods also contributed largely to the total:—Paper and stationery, £3,042,380; drugs and chemicals, £1,880,665; earthenware, crockery, glass, etc., £930,126; spirituous liquors, £537,672; optical, surgical and scientific instruments, £417,478; paints and varnishes, £363,135; foodstuffs of animal origin, £281,017; jewellery and fancy goods, £243,601; rubber and leather manufactures, £241,252; stones and minerals, £190,266; and vegetable substances and fibres, £187,974.

Total Exports to United Kingdom, £78,827,386. Of this total, £78,473,677 represented Australian produce. The principal items of export were—Wool, £23,039,457; wheat, £11,506,127; butter, £8,059,302; gold, £6,033,406; mutton and lamb, frozen, £5,136,911; lead, pig, £4,539,805; beef, frozen and chilled, £2,755,883; sugar, £2,421,705; hides and skins, £1,867,728; flour, £1,760,006; fruits, fresh, £1,433,872; fruits, dried, £1,217,686; frozen meats, other, £1,152,042; eggs, £968,292; wine, £952,145; zinc concentrates, £859,379; fruits in liquid, £805,400.

Canada. Total Imports of Canadian Origin, £6,071,813. The principal imports were—Paper, £1,479,892; motor chassis and parts, £1,409,881; timber, £827,277; machines and machinery, £520,365; fish, preserved in tins, £406,076; apparel and textiles, £312,306; vehicles (excluding motor), £137,705; tools of trade, £132,453; drugs and chemicals, £101,784; sensitized films, £88,440; hides and skins, £69,933; and clocks and watches, £56,316.

Total Exports to Canada, £2,264,268. Of this total, £1,316,646 was Australian produce. The principal items were—Wool, £733,068; fruits, dried, £577,443; sugar, £450,918; fruits, preserved, £89,480; tallow, £82,234; hides and skins, £77,704; rags and clippings, £50,186; spirituous liquors, £40,290; and gelatine and glue, £35,194.

Ceylon. Total Imports of Ceylon Origin, £1,010,374. The principal items were—Tea, £744,873; rubber, £228,016; and cocoa beans and shells, raw, £12,549.

Total Exports to Ceylon, £928,151. Of this total, £923,804 was Australian produce. The principal items were—Silver, £454,069; flour, £172,091; milk and cream, £60,543; wheat, £47,902; fruits, £40,490; meats, £40,301; and butter, £35,958.

Fiji. Total Imports of Fijian Origin, £254,753; include gold, £148,952; copra, £76,370; molasses, £19,084; hides, £4,277; and gums and resins, £2,565.

Total Exports to Fiji, £592,325. Of this total, £503,463 was Australian produce. The principal items were—Machinery and metal manufactures, £147,162; bran and pollard, £66,127; flour, £46,668; tobacco, £42,758; drugs and chemicals, £30,150; spirituous liquors, £23,983; oils, in bulk, £22,557; coal, £19,249; apparel and attire, £18,296; timber, £14,903; tea, £11,826; and paints and varnishes, £9,941.

Hong Kong. Total Imports of Hong Kong Origin, £40,143. The principal items were—Lamps and lampware, £10,575; ginger, £10,025; fireworks, £6,384; bamboo and cane, £4,396; and tung oil, £2,424.

Total Exports to Hong Kong, £803,010. Of this total, £801,878 was Australian produce. The principal exports were—Flour, £399,141; leather, £76,123; sandalwood, £63,344; butter, £47,130; wheat, £44,825; meats, £37,863; milk and cream, £21,229; fruits, fresh, £14,557; oatmeal, wheatmeal, etc., £13,379; bécho-de-mer, £8,701; jams and jellies, £8,271; lead, pig, £8,005; and cheese, £7,657.

India. Total Imports of Indian Origin, £2,975,892. The principal items were—Bags and sacks, £1,649,246; hessians, £376,214; linseed, £254,189; tea, £149,665; hides and skins, £140,692; cotton, raw, £71,025; mats and matting, £34,299; jute, £32,176; nuts, edible, £30,492; gums and resins, £29,303.

Total Exports to India, £1,086,754. Of this total, £1,083,563 was Australian produce. The principal exports were—Zinc bars, blocks, etc. £384,047; wool, £178,729; tallow, £110,136; silver, £92,402; horses, £89,330; coal, £23,818; jams and jellies, £21,789; butter, £19,539; meats, £17,654; and flour, £12,461.

Malaya (British). Total Imports of Malayan (British) Origin, £853,991. The principal items were—Rubber (crude), £725,528; latex, £35,704; sago and tapioca, £33,129; spices (unground), £28,451; and gums and resins, £5,444.

Total Exports to Malaya (British), £1,727,956. Of this total, £1,690,051 was Australian produce. The principal items were—Flour, £656,717; milk and cream, £436,931; meats, £102,083; butter, £98,502; metals and machinery, £93,533; spirituous liquors, £67,510; fruits, £51,178; sheep, £27,593; drugs and chemicals, £21,494; leather, £17,923; soap, £14,497; and lard and refined animal fats, £13,841.

New Zealand. Total Imports of New Zealand Origin. £1,542,831. The principal imports were—Gold, £219,956; timber, £198,489; hides and skins, £190,557; fish, £187,206; wool, £182,938; horses, £92,427; flax and hemp, £87,881; seeds, £77,483; beans and peas, £43,332; and drugs and chemicals, £40,405.

Total Exports to New Zealand, £5,686,229, of which £5,070,787 was Australian produce. The principal items were—Machinery and metal manufactures, £1,806,558; apparel and textiles, £607,724; drugs and chemicals, £355,851; timber, £325,322; grain and pulse, £234,111; fruits, dried, £229,257; paper and stationery, £221,723; optical, surgical and scientific instruments, £206,785; fruits, fresh, £187,551; rubber and leather, £167,472; earthenware, china, glass, etc., £135,547; paints and varnishes, £130,286; coal, £110,130; fruits in liquid, £100,665; tobacco, £90,368; and seeds, £62,416.

Papua. Total Imports of Papuan Origin, £281,188. The principal items were—Rubber, £103,298; gold, bar, dust, etc., £89,446; coconuts (prepared), £49,456; copra, £24,498; and coffee, raw, £6,245.

Total Exports to Papua, £232,027, of which £154,859 was Australian produce. The principal exports were—Machines and machinery, £34,952; tobacco, £27,647; manufactures of metal, £23,884; meats, £13,599; grain and pulse, £12,371; oils, in bulk, £10,350; apparel and textiles, £8,864; and spirituous liquors, £6,474.

Territory of New Guinea. Total Imports of Territory of New Guinea Origin, £1,733,925. The principal items were—Gold bar, dust, etc., £1,537,990; copra, £112,635; coconuts (prepared), £55,575; and silver bar, ingot, etc., £10,215.

Total Exports to Territory of New Guinea, £790,684, of which £544,875 was Australian produce. The principal exports were—Manufactures of metal, £94,123; machines and machinery, £69,632; cinematographs and films, £68,047; meats, £67,513; oils, in bulk, £61,434; foodstuffs, vegetable origin, £58,702; silver specie, £54,774; tobacco, £50,517; spirituous liquors, £40,869; drugs and chemicals, £23,056; apparel and textiles, £19,539; and paper and stationery, £11,913.

Union of South Africa. Total Imports of Union of South African Origin, £250,539. The principal items were—Diamonds, £92,600; asbestos (crude), £56,472; fish, £37,526; fibres, £10,606; feathers, £7,726; tanning substances, £7,301; and tobacco, £5,080.

Total Exports to Union of South Africa, £406,091, of which £391,789 was Australian produce. The principal exports were—Timber, £107,093; machinery and metal manufactures, £89,049; apparel and textiles, £58,755; gelatine and glue, £18,454; sporting materials, £15,432; fruits, £14,461; leather, £11,491; drugs and chemicals, £10,292; horses, £8,985; grain and pulse, £8,341; and wood and wicker manufactures, £7,367.

Belgium. Total Imports of Belgian Origin. £783,393. The principal items were—Glass and glassware, £201,386; piece goods, other £118,242; piece goods, velvet, £91,887; machinery and metal manufactures, £73,722; carpets and carpeting, £60,663; precious stones, £58,092; gloves, £52,082; paper and stationery, £26,165; arms, ammunition, etc., £17,382; drugs and chemicals, £13,863.

Total Exports to Belgium, £9,423,821. Of this total, £9,410,657 was Australian produce. The principal exports were—Wool, £8,289,626; silver and silver lead concentrates, £440,282; wheat, £172,002; hides and skins, £155,164; barley, £81,679; tin concentrates, £62,768; copper, £39,960; tallow, £32,035; fruits, fresh, £16,582; fodders, £14,868; meats, £11,581; silver and silver lead ores, £10,901; and zinc concentrates, £9,588.

China. *Total Imports of Chinese Origin*, £683,742. The principal items were—Apparel and textiles, £160,328; linseed, £100,184; silk, raw, £78,791; tung, etc., oil, £68,588; bristles, etc., £54,081; tea, £43,318; nuts (edible), £34,964; ginger, £16,102; hides and skins, £13,941; cotton, raw, £13,834; rice, £9,577; drugs and chemicals, £8,903; and feathers, £6,719.

Total Exports to China, £842,963, of which £832,970 was Australian produce. The principal items were—Wheat, £319,096; wool, £152,719; railway sleepers, £105,242; butter, £55,124; milk and cream, £51,234; sandalwood, £34,426; flour, £23,299; leather, £15,578; tallow, £10,165; hides and skins, £8,931; vessels (ships), £7,750; timber, £7,161; fruits, £5,215; and stearine, £4,159.

Czechoslovakia. *Total Imports of Czechoslovakian Origin*, £467,107. The principal items were—Apparel, £130,770; glass and glassware, £90,149; jewellery, £52,608; manufactures of metal, £39,455; textiles, £37,273; paper and stationery, £20,191; fancy goods, £16,065; and machines and machinery, £12,895.

Total Exports to Czechoslovakia, £1,127,018, of which £1,126,636 was Australian produce. The principal export was wool, £1,121,920.

Egypt. *Total Imports of Egyptian Origin*, £9,794. The principal items were—Cigarette tubes and papers, £5,870; and gums and resins, £1,416.

Total Exports to Egypt, £562,135, of which £560,637 was Australian produce. The principal exports were—Flour, £326,560; frozen beef, £89,041; butter, £44,199; timber, £25,735; other meats, £16,214; and hides and skins, cattle, £14,448.

France. *Total Imports of French Origin*, £865,919. The principal items were—Argol, £120,553; apparel, £103,351; olive oil, £73,290; paper and stationery, £57,158; piece goods, velvet, £56,133; spirituous liquors, £53,024; gums and resins, £44,318; machinery and metal manufactures, £42,731; piece goods, silk, £38,904; lace for attire, £27,925; jewellery and fancy goods, £26,891; fertilizers, £21,055; perfumery and toilet preparations, £18,192; foodstuffs, vegetable origin, £18,126; earthenware, glass, etc., £13,862; medicines, £12,719; and perfumed spirits, £10,585.

Total Exports to France, £7,932,789. Of this total, £7,908,441 was Australian produce. The principal exports were—Wool, £5,452,623; sheepskins, £2,159,977; wheat, £189,552; gold, £25,735; hides and skins, cattle, £23,207; tallow, £10,174; and horns, £10,062.

Germany. *Total Imports of German Origin*, £3,596,584. The principal items were—Machinery, £874,585; drugs and chemicals, £490,370; manufactures of metal, £470,472; paper and stationery, £234,769; optical and scientific instruments, £196,568; earthenware, china, glassware, etc., £167,352; gloves, £144,375; piece goods, silk, £144,351; timepieces, £82,297; jewellery and fancy goods, £71,188; piece goods, other than silk, £70,915; trimmings and ornaments, £66,922; bags, baskets, etc., £62,257; musical instruments, £60,784; textiles, excluding piece goods, £50,594; and oils in bulk, £46,774.

Total Exports to Germany, £4,239,026, of which £4,212,928 was Australian produce. The principal exports were—Wool, £3,514,198; wheat, £211,985; hides and skins, £207,415; apples, fresh, £68,227; ores and concentrates, £80,905; drugs and chemicals £35,480; tallow, £33,719.

Italy. *Total Imports of Italian Origin*, £410,002. The principal imports were—Sulphur, £75,744; yarns, artificial silk, £68,695; gloves, £30,173; nuts (edible), £27,935; oils, essential, £24,716; textiles, other than piece goods, £23,614; piece goods, silk, £20,170; machinery and metal manufactures, £17,017; olive oil, £16,265; quicksilver, £14,131; vegetable substances and fibres, £10,362; and argol, £6,308.

Total Exports to Italy, £5,331,528, of which £5,318,789 was Australian produce. The principal exports were—Wheat, £3,679,138; wool, £2,594,586; hides and skins, £37,670; and tallow, £4,981.

Japan. *Total Imports of Japanese Origin*, £4,004,465. The principal imports were—Piecegoods, silk or containing silk, £1,289,110; piecegoods, cotton and linen, £543,192; silk, raw, £390,700; machinery and metal manufactures, £248,435; jewellery and fancy goods, £197,994; apparel, £169,050; textiles, other than piecegoods, £155,949; piecegoods, other, £133,084; crockery and household ware, £127,537; sulphur, £83,160; paper and stationery, £82,581; fish, £49,688; yarns, £48,980; and rubber manufactures, £41,191.

Total Exports to Japan, £9,705,738. Of this total, £9,654,550 was Australian produce. The principal exports were—Wool, £7,513,956; wheat, £679,266; zinc, bars, blocks, etc., £533,106; iron and steel, scrap, £217,021; hides and skins, £150,899; lead, pig, £129,158; iron ore, £103,974; barley, £64,930; trochus shell, £58,515; foodstuffs, animal origin, £54,781; tallow, £32,434; and metals, other scrap, £28,822.

Netherlands. *Total Imports of Netherlands Origin*, £679,192. The principal items were—Electrical machinery and appliances, £151,944; yarns, artificial silk, £139,389; caramel, cocoa butter, etc., £60,014; sausage casings, £33,567; machinery, other than electrical, £33,360; lamps and lampware, £33,018; piecegoods, £28,395; precious stones, £26,611; paper, £21,142; wire, £16,346; and gin, £15,021.

Total Exports to Netherlands, £1,983,223, of which £1,949,370 was Australian produce. The principal items were—Wheat, £973,183; wool, £754,860; hides and skins, £86,172; flour, £55,473; tallow, £33,106; fruits, fresh, £29,622; and machinery and metal manufactures, £15,536.

Netherlands East Indies. *Total Imports of Netherlands East Indies Origin*, £6,176,385. The principal imports were—Petroleum spirit, £2,685,022; tea, £1,489,968; residual oil, £446,461; kerosene, £405,596; petroleum (crude), £332,723; rubber (crude), £254,095; kapok, £216,456; flax and hemp, £128,570; other oils, £54,362; tobacco, £37,027; and waxes, £31,850.

Total Exports to Netherlands East Indies, £1,395,183. Of this total, £1,370,767 was Australian produce. The principal exports were—Flour, £741,636; butter, £311,788; meats, £46,536; leather, £39,652; biscuits, £32,683; fruits, fresh, £27,401; machinery and metal manufactures, £23,190; coal, £19,471; malt, £17,763; and medicines, £15,275.

Norway. *Total Imports of Norwegian Origin*, £440,817. The principal items were—Fish, preserved in tins, £118,608; paper, writing and typewriting, £79,126; manufactures of metal, £47,511; paper, printing, £41,897; timber, dressed, £40,973; paper, other, £33,189; paper, wrapping, £27,479; wood pulp, £15,377; and oils in bulk, £5,451.

Total Exports to Norway, £62,735, of which £59,656 was Australian produce. The principal exports were—Wheat, £50,062; wool, £7,248; and apples, fresh, £1,445.

Pacific Islands (British and Foreign.) *Total Imports of Pacific Islands Origin*, £3,216,190. The principal imports were—Gold, £1,776,388; rock phosphates, £713,169; copra, £345,181; coconuts (prepared), £105,031; rubber (crude), £103,298; hides and skins, £31,274; shells, £26,936; molasses, £19,084; vanilla beans, £13,256; silver, £12,437; and wool, £9,538.

Total Exports to Pacific Islands, £2,464,526. Of this total, £1,868,048 was Australian produce. The principal exports were—Manufactures of metal, £229,687; machinery, £219,977; flour, £181,339; tobacco and preparations, £169,638; oils, fats, and waxes, £152,416; meats, £128,807; coal, £93,286; spirituous liquors, £91,462; cinematographs and films, £85,589; silver, £84,914; apparel and textiles, £82,141; drugs and chemicals, £73,164; bran, pollard and sharps, £70,676; timber, £47,129; biscuits, £46,386; tea, £31,291; milk and cream, £30,783; paints and varnishes, £28,641; butter, £27,792; coke, £27,706; vegetables, £27,108; earthenware, china, cements, etc., £26,335; rubber and leather, £25,358; paper and stationery, £24,154; and arms, ammunition and explosives, £22,664.

Philippine Islands. *Total Imports of Philippine Islands Origin*, £110,231. The principal items were—Hemp, £76,636; timber, £25,242; and hoods for hats, £4,682.

Total Exports to Philippine Islands, £666,733. Of this total, £665,942 was Australian produce. The principal exports were—Flour, £346,083; milk and cream, £92,842; meats, £65,836; butter, £54,249; coal, £36,138; and carbide, calcium, £7,398.

Poland. *Total Imports of Polish Origin*, £27,367. The principal items were—Timber, £7,585; seeds, £4,036; machines and metal manufactures, £3,659; and pitch and tar, £3,495.

Total Exports to Poland, £916,597. The principal items were—Wool, £914,282; and sheep skins, £1,630.

Soviet Union (Russia). *Total Imports of Soviet Union (Russia) Origin*, £120,338. The principal items were—Fish, £32,583; furs, dressed, £27,514; hides and skins, £20,978; flax, £18,074; and oils in bulk, £10,798.

Total Exports to Soviet Union (Russia), £20,721. The principal items were—cattle hides, £15,394; and wool, £5,237.

Spain. *Total Imports of Spanish Origin*, £155,593. The principal items were—Corks, etc., £73,425; nuts, edible, £17,663; olive oil, £10,068; wine, £7,083; quicksilver, £6,111; liquorice, £5,939; and dry colours, £5,637.

Total Exports to Spain, £175,801. The principal item was—Wheat, £172,203.

Sweden. *Total Imports of Swedish Origin*, £1,048,655. The principal imports were—Machines and machinery, £241,837; pulp for paper making, £231,458; paper, other, £128,577; paper, wrapping, £93,865; timber and manufactures of wood, £86,280; manufactures of metal, £82,388; vacuum cleaners, £70,409; and paper boards, £48,483.

Total Exports to Sweden, £344,687. The principal exports were—Wool, £246,071 apples, fresh, £36,059; and hides, cattle, £29,170.

Switzerland. *Total Imports of Swiss Origin*, £600,025. The principal imports were—Clocks and watches, £194,381; machinery and metal manufactures, £115,755; grass straw for hats, £59,187; piece goods, silk, £54,392; apparel and attire, £53,281; drugs and chemicals, £36,184; handkerchiefs, £24,204; and piecegoods, cotton and linen, £15,053.

Total Exports to Switzerland, £184,669. The principal exports were—Wool, £176,501; and timepieces and fancy goods, £4,697.

United States of America. *Total Imports of United States Origin*, £12,959,343. The principal imports were—Motor cars and parts, £2,226,171; tobacco, unmanufactured, £1,548,211; motive power machinery, £1,460,926; petroleum spirit, £1,139,677; machinery, other, £753,460; lubricating (mineral) oil, £694,687; electrical machinery and appliances, £498,818; drugs and chemicals, £365,880; paper and stationery, £318,546; films, £306,015; wood and wicker, £269,325; sausage casings, £218,780; sulphur, £201,203; optical, etc., instruments, £180,587; tools of trade, £178,655; metal working machinery, £146,934; paints and varnishes, £134,762; adding and computing machines, £126,393; apparel and textiles, £119,571; printing machinery, £113,635; kerosene, £112,671; and gums and resins, £110,748.

Total Exports to the United States of America, £18,763,152. Of this total £16,661,660 was Australian produce. The principal exports were—Gold, £7,828,049; wool, £7,039,771; rabbit and hare skins, £1,429,038; other hides and skins, £918,886; concentrates, £371,737; sausage casings, £274,071; pearlshell, £237,467; tallow, £142,898; ores, £112,941; and machinery and metal manufactures, £110,356.

§ 7. Trade with Eastern Countries.

1. Principal Articles Exported.—The following table shows the value of exports of Australian and other produce from Australia to Eastern countries during the last five years. The countries concerned in this trade are Borneo (British), Burma, Ceylon, China, French Indo China, Hong Kong, India, Japan, Korea, Kwantung Peninsula, Malaya (British), Manchuria, Netherlands East Indies, Philippine Islands, Siam, Timor (Portuguese), and French and Portuguese Possessions in India. After declining sharply in 1933-34 the export trade with eastern countries rose substantially in the next two years with increased shipments of wool, wheat, flour and minerals; the exports in 1935-36 were valued at £25,532,518, which was the highest figure recorded since 1928-29. In 1936-37 the value of exports to eastern countries decreased by more than £8 million largely as the result of the heavy reduction in the purchases of wool by Japan; wheat shipments to Japan and China also declined in value by nearly £2 million during the year. The value of exports decreased still further in 1937-38 and again a decline in the purchase of wool by Japan coupled with the recession in wool values was the principal contributing factor.

TOTAL EXPORTS FROM AUSTRALIA TO EASTERN COUNTRIES.

Article.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.(b)
	£ A.	£ A.	£ A.	£ A.	£ A.
Biscuits	37,815	39,767	35,682	41,114	34,001
Butter	486,878	544,215	657,264	640,544	622,195
Cheese	18,526	22,912	25,538	39,647	39,014
Coal	83,674	74,978	81,907	94,821	149,964
Fruits—					
Fresh	110,555	122,628	124,550	155,093	170,947
Dried and Preserved	51,381	42,081	40,073	45,116	46,421
Grain and pulse—					
Wheat	1,307,770	4,395,925	2,019,229	1,105,648	935,842
Flour	1,744,820	3,304,000	2,789,659	2,582,600	3,090,681
Other (prepared and unprepared)	75,014	60,306	71,798	129,050	101,585
Hay, chaff, and compressed fodder	12,285	16,014	16,187	25,111	13,553
Horses	63,357	102,586	105,905	126,518	97,525
Infants' and Invalids' Food	106,033	216,571	211,287	145,306	171,427
Iron Ore	4,072	140,535	158,064	103,974	48,614
Iron and Steel (scrap)	76,945	137,934	115,665	217,112	214,463
Jams and Jellies	39,265	42,328	42,688	49,178	46,143
Lard and Refined Animal Fats	21,764	28,432	35,046	49,738	34,432
Lead, Pig	33,585	51,084	38,614	138,237	80,206
Leather	149,733	141,907	107,944	173,761	181,723
Meats—					
Bacon and Hams	79,293	84,420	91,423	92,952	95,437
Other meats	202,714	214,182	244,439	253,450	322,298
Milk and Cream	667,229	456,108	455,420	611,021	662,234
Pearlshell and trochus shell	41,599	46,727	51,066	50,666	37,878
Sandalwood	114,301	108,600	86,845	106,448	36,676
Skins, hoofs, horns, bones, and sinews	72,292	135,846	162,214	185,803	330,223
Tallow (unrefined)	253,232	206,937	237,481	174,081	238,501
Timber (undressed)	96,973	180,084	85,191	148,753	143,690
Wool	12,249,581	8,785,163	14,767,219	7,860,278	4,367,877
Zinc—					
Bars, blocks, ingots, etc.	246,068	303,282	528,032	937,474	390,939
Concentrates	18,097	.. .. .	.. .. .	.. .. .	.. .. .
Other merchandise	420,720	695,050	614,038	654,608	898,231
Total merchandise	18,876,572	20,790,602	24,882,561	16,939,032	13,591,810
Specie, and gold and silver bullion	102,672	475,864	649,957	546,473	610,518
Total Exports	18,979,244	21,266,466	25,532,518	17,485,505	14,202,328

(a) Australian currency value. Estimated British currency value—1933-34, £ stg. 15,153,089; 1934-35, £ stg. 16,079,978; 1935-36, £ stg. 20,386,200; 1936-37, £ stg. 13,960,483; 1937-38, £ stg. 11,339,184.
 (b) Preliminary figures, subject to revision.

2. **Destination of Exports of Merchandise.**—The next table shows the destination of merchandise exported to Eastern countries during the five years ended 1937-38:—

EXPORTS OF MERCHANDISE FROM AUSTRALIA TO EASTERN COUNTRIES.

Country of Destination.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.(c)
	£ A.	£ A.	£ A.	£ A.	£ A.
China	914,806	2,472,262	1,212,821	842,963	616,520
Hong Kong	566,596	715,994	624,663	803,010	1,048,833
India and Ceylon	928,986	961,832	1,301,206	1,468,432	1,371,869
Japan	13,906,256	12,095,814	17,061,232	9,705,738	5,900,098
Malaya (British)	1,015,315	1,315,822	1,263,526	1,727,956	2,063,740
Manchuria including Kwantung Peninsula	(a)	1,613,775	839,815	142,427	190,747
Netherlands East Indies	1,149,167	1,182,329	1,274,195	1,395,183	1,464,379
Philippine Islands	348,177	324,055	553,311	666,733	619,504
Siam	71,356	58,660	100,959	118,291	117,382
Other Eastern Countries	35,913	59,361	50,833	68,299	198,747
Total	18,876,572	20,790,602	24,882,561	16,939,032	13,591,810

(a) Included with China. (b) Australian currency value. Estimated British currency value, 1933-34, £ stg. 15,071,115; 1934-35, £ stg. 16,639,285; 1935-36, £ stg. 10,866,316; 1936-37, £ stg. 13,524,177; 1937-38, £ stg. 10,851,748. (c) Preliminary figures, subject to revision.

3. **Imports of Merchandise from Eastern Countries.**—The values of imports into Australia from Eastern countries during the last five years are shown in the following table. The principal commodities imported in 1937-38, according to the countries of origin, were:—Ceylon—Tea, £680,985; India—Bags, Sacks and Hessians, £1,964,208; Japan—Silk Piece goods, £1,510,064; Cotton and Linen Piece goods, £1,021,677; Netherlands East Indies—Tea, £1,564,387; Petroleum Spirit, £3,608,691; Petroleum, crude, £300,728; Kerosene, £572,434; Residual Oil, £650,093.

IMPORTS OF MERCHANDISE INTO AUSTRALIA FROM EASTERN COUNTRIES.

British Currency Values.

Country of Origin.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.(b)
	£ stg.	£ stg.	£ stg.	£ stg.	£ stg.
China	285,514	364,127	657,178	683,742	601,870
Hong Kong	18,436	22,677	26,713	40,143	37,022
India and Ceylon	3,643,250	3,336,684	3,692,869	3,986,266	3,967,902
Japan	3,676,737	4,624,740	4,969,571	4,004,465	5,349,087
Malaya (British)	328,720	561,845	488,254	852,282	1,022,899
Manchuria including Kwantung Peninsula	(a)	3,906	8,156	20,853	16,106
Netherlands East Indies	3,960,233	4,390,327	4,928,025	6,176,385	7,530,509
Philippine Islands	59,733	79,885	92,619	110,231	123,466
Siam	1,822	1,879	6,403	2,609	6,870
Other Eastern Countries	37,781	74,423	83,993	42,039	163,726
Total	12,012,226	13,460,493	14,953,781	15,919,015	18,819,457

(a) Included with China. (b) Preliminary figures, subject to revision.

By comparison with footnote (b) of the previous table, the balance of trade with Eastern countries can be ascertained and shows an excess of exports from Australia during the first three years with the position reversed for the remaining years.

§ 8. Classified Summary of Australian Oversea Trade.

1. Imports.—The following table shows the value of imports into Australia during each of the last five years, arranged in accordance with the statistical classification which came into operation on 1st July, 1922 :—

IMPORTS TO AUSTRALIA.—CLASSES.

British Currency Values.

Classes.	1933-34.	1934-35	1935-36.	1936-37.	1937-38.(a)
	£ stg.	£ stg.	£ stg.	£ stg.	£ stg.
I. Animal foodstuffs, etc.	942,686	1,247,745	1,412,896	1,509,813	1,565,765
II. Vegetable foodstuffs; non-alcoholic beverages, etc.	3,141,432	3,166,140	3,215,246	3,801,644	3,768,619
III. Alcoholic liquors, etc.	554,474	637,003	696,103	633,133	727,220
IV. Tobacco, etc.	718,282	1,342,796	1,614,226	1,717,677	2,011,004
V. Live animals	94,670	163,058	168,069	216,943	193,500
VI. Animal substances, etc.	1,193,026	1,069,893	1,258,143	1,465,533	2,260,898
VII. Vegetable substances, etc.	1,492,848	1,961,807	2,486,452	2,884,357	3,194,512
VIII. Apparel, textiles, etc.	15,994,563	17,735,864	17,202,354	18,059,604	21,016,945
IX. Oils, fats, and waxes	5,274,615	5,334,763	6,690,852	7,034,360	9,429,257
X. Paints and varnishes	353,557	445,261	490,591	576,360	590,454
XI. Stones and minerals, etc.	398,942	507,785	601,533	551,967	806,815
XII. Metals, metal manufactures, and machinery	13,049,596	19,301,432	25,206,625	27,277,464	37,280,008
XIII. Rubber and leather, etc.	743,636	1,000,557	1,185,812	1,831,914	1,915,444
XIV. Wood and wicker, etc.	1,403,049	1,847,866	1,934,955	1,787,427	2,759,082
XV. Earthenware, etc.	1,018,224	1,380,865	1,690,283	1,774,183	2,047,362
XVI. Paper and stationery	4,304,303	4,764,188	5,295,820	5,933,131	6,609,609
XVII. Jewellery, etc.	749,002	1,008,450	1,104,566	1,256,235	1,581,455
XVIII. Optical, surgical, and scientific instruments	987,369	1,074,590	1,218,299	1,284,653	1,558,483
XIX. Drugs, chemicals, etc.	3,384,857	3,537,218	4,370,127	4,515,446	5,304,092
XX. Miscellaneous	3,635,678	4,893,726	5,498,379	5,879,736	7,112,733
XXI. Gold and silver, and bronze specie	1,278,117	1,698,489	1,731,127	2,048,882	2,241,806
Total	60,712,926	74,119,496	85,252,458	92,640,162	113,975,060

(a) Preliminary figures, subject to revision.

2. Exports.—In the following table the exports from Australia are shown in classes according to the same classification as for imports, distinguishing (A) Australian produce; (B) Other produce (re-exports); and (C) Total exports.

EXPORTS FROM AUSTRALIA.—CLASSES.

Australian Currency Values.

Classes.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.(b)
A. AUSTRALIAN PRODUCE.					
	£ A.	£ A.	£ A.	£ A.	£ A.
I. Animal foodstuffs, etc.	17,339,929	20,715,328	20,584,170	21,381,880	24,955,260
II. Vegetable foodstuffs; non-alcoholic beverages, etc.	21,285,172	25,044,405	26,946,171	33,937,941	39,144,522
III. Alcoholic liquors, etc.	916,100	950,242	1,079,964	1,220,456	1,152,619
IV. Tobacco, etc.	125,563	117,975	156,600	193,911	206,588
V. Live animals	130,864	181,564	179,015	227,233	217,373
VI. Animal substances, etc.	61,884,960	43,163,366	58,505,775	70,359,089	53,741,172
VII. Vegetable substances, etc.	296,684	320,181	260,143	407,607	328,675
VIII. Apparel, textiles, etc.	328,794	381,752	375,088	534,373	582,009
IX. Oils, fats, and waxes	534,529	1,012,958	772,791	970,379	784,601
X. Paints and varnishes	68,954	98,798	110,681	155,865	187,043
XI. Stones and minerals, etc.	1,166,453	1,391,904	1,807,966	2,486,329	3,305,551
XII. Metals, metal manufactures, and machinery	4,706,797	4,752,582	6,811,786	8,984,355	8,974,667
XIII. Rubber and leather, etc.	701,490	882,244	741,206	1,010,781	834,847
XIV. Wood and wicker, etc.	608,579	883,796	953,382	1,052,396	1,363,706
XV. Earthenware, etc.	103,576	137,303	175,360	160,010	191,816
XVI. Paper and stationery	149,311	175,663	219,111	247,136	300,008
XVII. Jewellery, etc.	93,568	90,021	91,669	120,327	133,625
XVIII. Optical, surgical, and scientific instruments	103,495	123,912	119,168	157,466	151,834
XIX. Drugs, chemicals, etc.	459,332	546,971	573,029	773,110	760,777
XX. Miscellaneous	453,174	548,052	727,202	732,288	800,749
XXI. Gold and silver, and bronze specie	9,174,601	8,694,612	11,700,284	12,195,809	14,930,762
Total	120,651,925	109,913,129	132,940,445	157,599,750	153,048,294
	(a)	(a)	(a)	(a)	(a)

(a) Estimated British currency value, 1933-34, £ stg. 96,343,293; 1934-35, £ stg. 87,768,949; 1935-36, £ stg. 106,157,176; 1936-37, £ stg. 125,850,409; 1937-38, £ stg. 122,216,394. (b) Preliminary figures, subject to revision.

EXPORTS FROM AUSTRALIA.—CLASSES—*continued.*

Classes.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.(b)
B. OTHER PRODUCE.—RE-EXPORTS.					
<i>Australian Currency Values.</i>					
	£ A.	£ A.	£ A.	£ A.	£ A.
I. Animal foodstuffs, etc. ..	8,701	11,442	12,778	19,036	20,813
II. Vegetable foodstuffs; non-alcoholic beverages, etc. ..	72,881	69,706	62,904	68,814	75,378
III. Alcoholic liquors, etc. ..	40,121	21,989	30,096	33,656	31,927
IV. Tobacco, etc. ..	55,204	54,404	72,149	69,603	74,399
V. Live animals ..	13,918	12,855	30,461	23,469	31,040
VI. Animal substances, etc. ..	20,898	16,628	26,145	30,066	33,002
VII. Vegetable substances, etc. ..	4,806	6,204	5,264	15,979	17,292
VIII. Apparel, textiles, etc. ..	217,388	195,189	228,714	320,472	203,104
IX. Oils, fats, and waxes ..	42,505	37,371	87,489	162,530	164,253
X. Paints and varnishes ..	5,448	2,830	4,005	6,316	4,844
XI. Stones and minerals, etc. ..	1,299	878	1,475	1,763	3,938
XII. Metals, metal manufactures, and machinery ..	325,914	377,533	435,380	481,294	547,244
XIII. Rubber and leather, etc. ..	7,974	5,527	4,983	15,029	7,695
XIV. Wood and wicker, etc. ..	21,698	29,249	22,614	32,972	47,543
XV. Earthenware, etc. ..	8,009	8,554	8,030	7,945	9,502
XVI. Paper and stationery ..	36,141	37,239	78,194	78,606	75,548
XVII. Jewellery, etc. ..	34,879	39,124	111,196	65,026	81,360
XVIII. Optical, surgical, and scientific instruments ..	146,135	167,770	176,104	214,395	231,123
XIX. Drugs, chemicals, etc. ..	43,649	39,478	44,873	35,808	47,397
XX. Miscellaneous ..	85,896	177,049	141,960	189,826	238,822
XXI. Gold and silver; and bronze specie ..	1,595,820	1,761,829	1,855,962	2,084,568	2,016,558
Total	2,789,374 (a)	3,072,908 (a)	3,449,776 (a)	3,957,263 (a)	3,956,782 (a)

(a) Estimated British currency value, 1933-34, £ stg. 2,220,339; 1934-35, £ stg. 2,456,219; 1935-36, £ stg. 2,750,029; 1936-37, £ stg. 3,162,784; 1937-38, £ stg. 3,162,368. (b) Preliminary figures, subject to revision.

C. TOTAL EXPORTS.—AUSTRALIAN PRODUCE AND RE-EXPORTS.

<i>Australian Currency Values.</i>					
	£ A.	£ A.	£ A.	£ A.	£ A.
I. Animal foodstuffs, etc. ..	17,348,630	20,726,770	20,596,948	21,400,916	24,976,073
II. Vegetable foodstuffs; non-alcoholic beverages, etc. ..	21,358,053	25,114,111	27,009,075	34,006,755	39,219,900
III. Alcoholic liquors, etc. ..	956,221	972,231	1,110,060	1,254,112	1,184,546
IV. Tobacco, etc. ..	180,767	172,439	228,749	263,604	280,927
V. Live animals ..	144,782	194,419	209,476	250,702	248,413
VI. Animal substances, etc. ..	61,905,858	43,179,994	58,531,920	70,380,155	53,774,174
VII. Vegetable substances, etc. ..	301,490	326,385	265,407	423,586	339,967
VIII. Apparel, textiles, etc. ..	546,182	576,941	663,802	854,845	785,113
IX. Oils, fats, and waxes ..	597,034	1,050,329	860,280	1,132,909	948,854
X. Paints and varnishes ..	74,402	101,128	123,686	162,181	191,887
XI. Stones and minerals, etc. ..	1,167,752	1,392,782	1,809,441	2,488,092	3,309,489
XII. Metals, metal manufactures, and machinery ..	5,032,711	5,130,115	7,247,160	9,465,649	9,521,911
XIII. Rubber and leather, etc. ..	709,464	587,771	746,279	1,025,810	842,542
XIV. Wood and wicker, etc. ..	630,277	913,045	985,996	1,088,368	1,411,309
XV. Earthenware, etc. ..	111,675	145,857	143,390	167,955	201,318
XVI. Paper and stationery ..	185,452	212,902	328,105	325,742	375,646
XVII. Jewellery, etc. ..	128,447	129,145	202,865	185,353	214,985
XVIII. Optical, surgical, and scientific instruments ..	249,630	291,682	295,272	371,861	382,957
XIX. Drugs, chemicals, etc. ..	502,981	536,449	617,902	808,927	808,174
XX. Miscellaneous ..	539,070	725,101	869,162	922,114	1,039,571
XXI. Gold and silver; and bronze specie ..	10,770,421	10,456,441	13,556,246	14,580,377	16,947,320
Total	123,441,299 (a)	112,986,037 (a)	136,381,221 (a)	161,557,013 (a)	157,005,076 (a)

(a) Estimated British currency value, 1933-34, £ stg. 98,572,632; 1934-35, £ stg. 90,225,168; 1935-36, £ stg. 108,907,205; 1936-37, £ stg. 129,013,193; 1937-38, £ stg. 125,378,762. (b) Preliminary figures, subject to revision.

3. Imports of Principal Articles.—The next table shows the quantity, where available, and the value of the principal articles imported into Australia during the last five years. The articles are listed in the order in which they appear in the detailed classification:—

PRINCIPAL COMMODITIES IMPORTED.—AUSTRALIA.

British Currency Values.

Article.		1933-34.	1934-35.	1935-36.	1936-37.	1937-38.(b)
Fish, preserved in tins	lb.	19,597,955	23,971,763	28,059,677	29,866,030	28,323,075
	£	529,531	686,594	773,020	819,644	876,565
Tea	lb.	46,680,172	47,083,850	44,668,703	48,657,083	45,307,019
	£	2,174,035	2,084,489	2,078,334	2,141,812	2,392,338
Whisky	gal.	406,242	480,249	537,024	458,327	533,689
	£	427,638	486,082	553,551	490,222	504,479
Tobacco and preparations thereof	£	718,282	1,342,796	1,614,226	1,717,677	1,765,776
Copra	cwt.	233,788	356,181	374,780	431,181	387,580
	£	67,164	135,577	204,071	345,181	215,137
Fibres	£	425,844	469,802	644,464	845,062	1,012,359
Hides and skins	£	476,844	614,720	614,041	599,956	820,184
Pulp for paper making	ton	35,300	38,259	37,209	48,489	63,932
	£	250,165	265,162	253,610	313,153	568,644
Seeds	£	338,106	547,647	547,244	630,178	582,129
Socks and stockings	£	12,851	21,389	34,900	36,019	48,387
Gloves	£	288,558	327,524	369,424	357,629	392,532
Hats and caps	£	146,786	141,714	157,586	147,569	190,073
Trimnings and ornaments	£	255,477	313,245	333,246	361,346	416,609
Other apparel and attire	£	612,843	699,854	774,699	755,216	961,096
Carpets and carpeting	£	703,087	925,541	1,085,153	1,176,375	1,323,321
Floorcloths and linoleums	£	291,890	352,073	429,245	542,790	606,900
Piece Goods—						
Canvas and duck	£	390,052	511,875	507,284	506,104	754,561
Cotton and linen	£	4,390,262	4,864,089	4,153,052	4,414,015	5,707,134
Silk and artificial silk	£	2,543,386	2,901,694	2,704,410	2,853,771	3,396,875
Woolen or containing wool	£	179,800	245,448	260,871	283,306	331,600
All other piece goods	£	1,615,128	1,872,585	1,972,457	1,988,126	1,750,177
Sewing silks, cottons, etc.	£	479,119	532,768	526,652	470,522	494,696
Bags and sacks	£	2,059,805	1,464,436	1,677,322	1,656,220	1,558,607
Yarns—						
Artificial silk	£	548,356	699,473	613,675	634,392	819,818
Cotton	£	479,400	548,565	435,927	455,099	593,074
Woolen	£	35,162	39,070	80,560	53,882	61,433
Other	£	36,994	44,674	38,624	43,350	51,439
Oils, in bulk—						
Kerosene	gal.	31,155,716	33,482,226	38,770,667	45,617,564	61,189,925
	£	394,251	419,651	467,861	560,415	830,515
Lubricating (mineral)	gal.	12,445,801	12,279,099	14,454,548	14,774,293	18,752,582
	£	646,381	663,810	729,360	752,163	989,721
Petroleum	gal.	266,225,956	267,632,864	319,336,547	341,547,869	402,970,165
	£	3,340,990	3,167,255	4,332,643	5,046,456	6,080,165
Residual and solar	gal.	72,714,508	90,599,493	97,176,043	104,284,905	107,480,320
	£	411,205	548,843	521,166	591,990	736,137
Electrical machinery and appliances	£	1,167,701	1,847,241	2,457,603	2,896,999	3,500,382
Electrical cable and wire, covered	cwt.	94,913	133,198	240,750	254,315	276,264
	£	454,214	645,955	903,582	1,073,068	1,430,089
Agricultural machinery	£	95,306	124,056	153,084	172,190	223,910
Metal-working machinery	£	157,589	333,658	532,070	785,711	1,056,521
Motive power machinery	£	522,387	1,042,739	1,896,675	2,766,077	3,697,299
Iron and steel—						
Pipes and tubes	£	460,396	526,981	388,060	399,483	636,110
Plate and sheet	£	1,421,528	2,041,436	2,529,737	2,301,462	4,407,690
Cutlery and platedware	£	315,408	389,385	482,740	511,186	571,336
Tools of trade	£	585,142	751,207	877,247	871,285	1,117,339
Motor cars, chassis, bodies, and parts	£	2,795,239	4,488,941	5,968,018	5,807,211	8,428,005
Rubber and rubber manufactures	£	663,530	896,692	1,047,535	1,673,993	1,836,593
Timber, undressed, including Logs (a)	sp. ft.	243,676,641	308,001,093	358,148,252	289,299,720	406,782,843
	£	1,007,815	1,356,523	1,416,667	1,250,500	2,037,706
Crockery	£	382,395	492,852	532,750	510,376	588,225
Glass and glassware	£	419,615	588,809	747,576	794,008	1,027,304
Paper, printing	£	1,726,627	1,837,220	2,031,637	2,593,305	2,467,264
Stationery and paper manufactures	£	1,369,976	1,609,087	1,789,091	1,767,800	1,944,061
Cinematograph films	lin. ft.	60,323,114	54,600,449	73,804,140	65,328,047	77,500,452
	£	512,351	473,943	527,507	508,122	568,803
Drugs, chemicals, and fertilizers	£	3,384,857	3,537,218	4,370,127	4,515,446	5,287,409
Arms and explosives	£	610,833	608,841	995,635	582,058	563,340
Musical instruments, pianos, etc.	£	55,461	77,289	111,441	150,091	177,785
Outside Packages	£	1,506,932	1,857,507	2,067,275	2,105,362	2,529,367
All other articles	£	15,833,142	20,653,471	23,937,473	26,683,289	32,076,157
Total Imports	£	60,712,926	74,119,496	85,252,458	92,640,462	113,965,070

(a) Exclusive of undressed timber not measured in super. ft. to revision.

(b) Preliminary figures, subject to revision.

4. Exports of Principal Articles of Australian Produce.—(a) Quantities. The following table shows the quantities of the principal articles of Australian produce exported during the last five years. The articles are listed in the order in which they appear in the detailed classification :—

PRINCIPAL COMMODITIES EXPORTED.—QUANTITIES, AUSTRALIA.

Article.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.(b)
Butter .. .. .centl.	2,442,997	2,625,189	2,126,462	1,743,094	1,973,446
Cheese .. .. .centl.	93,137	168,204	129,726	139,236	272,454
Eggs in shell .. .. .doz.	19,617,032	21,718,740	17,365,132	16,473,894	11,287,363
Milk and Cream .. .. .centl.	197,720	165,405	169,610	220,724	217,163
Fruits, dried .. .. .centl.	1,454,867	1,277,789	1,114,976	1,204,077	1,457,598
Fruits, fresh .. .. .centl.	2,402,877	2,284,502	2,517,404	2,493,172	2,555,236
Barley .. .. .centl.	1,350,954	1,450,854	1,736,042	1,302,810	2,398,234
Wheat .. .. .centl.	36,959,117	34,575,814	46,195,876	43,066,812	56,702,254
Flour .. .. .centl.	10,849,839	14,959,412	12,341,620	11,295,563	12,609,073
Sugar (Cane) .. .. .cwt.	6,158,062	6,128,820	5,997,700	8,115,420	8,366,680
Wine .. .. .gal.	3,066,743	3,394,597	3,706,925	4,087,731	3,897,066
Tobacco, manufactured .. .. .centl.	4,242	3,853	5,938	7,454	8,860
Wool (in terms of greasy wool) .. .. .centl.	8,929,341	9,416,661	9,117,986	9,157,858	8,553,707
Pearlshell .. .. .cwt.	33,721	43,467	56,306	52,058	53,289
Sandalwood .. .. .cwt.	79,061	73,420	47,043	71,115	24,813
Tallow (unrefined) .. .. .cwt.	487,748	827,136	450,324	648,774	541,136
Coal .. .. .ton	292,416	305,139	307,540	340,388	392,873
Concentrates .. .. .cwt.	2,818,036	2,212,324	4,368,514	3,991,949	5,401,563
Copper .. .. .cwt.	105,380	11,072	20,432	69,155	41,617
Lead .. .. .cwt.	3,687,298	3,673,347	3,882,745	3,480,876	4,270,683
Zinc—bar, block, dust .. .. .cwt.	646,945	537,650	846,269	955,502	618,858
Tin—ingots .. .. .cwt.	24,794	22,097	16,012	13,524	14,665
Timber, undressed, including Logs (a) .. .. .sup. ft.	45,507,512	36,911,000	49,307,040	44,056,160	101,033,636
Soap .. .. .centl.	71,521	54,371	54,507	58,962	49,007

(a) Exclusive of undressed timber not measured in super. feet.

(b) Preliminary figures, subject to revision.

(b) Values. The values of the principal articles of Australian produce exported during the same period as in the preceding table are given in the table hereunder :—

PRINCIPAL COMMODITIES EXPORTED.—VALUES, AUSTRALIA.

Australian Currency Values.

Article.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38(c)
	£A.	£A.	£A.	£A.	£A.
Butter	8,194,220	9,586,776	9,028,243	8,801,643	10,160,348
Cheese	229,313	403,977	337,467	383,974	845,110
Eggs in shell	1,058,164	1,148,254	910,892	954,578	686,713
Meats	7,094,375	8,846,110	8,725,942	10,331,840	12,250,041
Milk and cream	739,000	710,166	722,301	849,465	963,836
Fruits, dried	2,650,773	2,165,241	1,987,164	2,059,358	2,682,352
Fruits, fresh	2,011,695	1,821,932	2,026,860	1,979,890	2,054,322
Fruits, preserved in liquid	949,206	997,160	805,797	1,011,994	1,287,962
Barley	395,359	394,466	369,391	504,495	805,943
Wheat	8,873,987	11,612,368	14,050,975	18,760,772	20,906,601
Flour	3,266,718	4,607,383	4,519,882	5,590,942	6,032,321
Sugar (Cane)	2,294,333	2,194,887	2,175,237	2,887,589	4,072,251
Wine	801,820	810,021	931,624	1,042,969	943,241
Tobacco, manufactured	111,664	100,867	142,408	180,609	192,217
Hides and skins	4,384,584	3,501,612	5,649,427	7,296,498	6,180,776
Wool	57,111,449	39,263,282	52,339,514	62,502,629	46,982,679
Pearlshell	198,347	218,643	302,491	319,631	345,580
Sandalwood	114,301	108,641	66,845	106,448	36,831
Tallow (unrefined)	494,940	927,740	661,465	819,597	600,869
Coal	269,296	273,305	276,553	300,457	351,754
Concentrates	816,439	759,296	1,130,167	1,816,776	2,289,672
Copper	230,935	9,797	25,874	137,276	47,783
Lead	2,418,072	2,410,023	3,837,381	4,817,749	4,938,171
Zinc—bar, block, dust	617,736	481,790	905,139	1,314,030	752,311
Tin—ingots	329,410	302,271	200,807	193,288	187,250
Leather	611,359	489,252	639,960	800,986	725,106
Timber, undressed, including Logs (a)	489,758	455,661	516,022	606,702	1,202,447
Soap	119,498	83,798	92,086	88,462	75,378
Gold	8,159,695	8,153,758	10,709,718	11,825,898	13,010,680
Silver	1,014,756	540,824	990,506	668,323	1,018,355
All other articles	4,690,727	6,531,508	7,835,401	8,554,272	9,495,563
Total Exports (Australian Produce)	120,651,925	109,913,129	132,940,445	157,599,750	153,048,212
	(b)	(b)		(b)	(b)

(a) Exclusive of undressed timber not measured in super. feet.

(b) Estimated British currency

value—1933-34, £ stg. 96,343,293; 1934-35, £ stg. 87,768,949; 1935-36, £ stg. 106,157,176; 1936-37, £ stg. 125,037,461; 1937-38, £ stg. 122,216,394.

(c) Preliminary figures, subject to revision.

5. Imports of Merchandise, Specie and Bullion.—The table hereunder gives the value in British currency of imports into Australia during each of the last five years grouped under the headings—Merchandise, and Specie and Bullion. The imports of merchandise are shown under the sub-headings of “free” and “dutiable” goods:—

IMPORTS OF MERCHANDISE, SPECIE AND BULLION—AUSTRALIA.

British Currency Values.

Year.	Merchandise.			Specie and Bullion.	Total Imports.
	Free Goods.	Dutiable Goods.	Total Merchandise.		
	£ Stg.	£ Stg.	£ Stg.	£ Stg.	£ Stg.
1933-34 ..	24,359,167	35,075,642	59,434,809	1,278,117	a60,712,926
1934-35 ..	28,578,421	43,842,586	72,421,007	1,698,489	a74,119,496
1935-36 ..	32,693,465	50,827,866	83,521,331	1,731,127	a85,252,458
1936-37 ..	37,705,653	52,885,927	90,591,580	2,048,882	a92,640,462
1937-38 (b) ..	46,453,555	65,279,699	111,733,254	2,241,806	a113,975,060

(a) Estimated Australian currency value—1933-34, £A76,042,940; 1934-35, £A92,834,669; 1935-36, £A106,778,705; 1936-37, £A115,898,568; 1937-38, £A142,753,763. (b) Preliminary figures, subject to revision.

6. Exports of Merchandise, Specie and Bullion.—The next table shows the recorded value of exports from Australia during each of the last five years, grouped under the headings—Merchandise, and Specie and Bullion, giving the exports of Australian Produce and Other Produce separately:—

EXPORTS OF MERCHANDISE, SPECIE AND BULLION.—AUSTRALIA.

Year.	Merchandise.			Specie and Bullion.			Total Exports. (a)
	Australian Produce.	Other Produce.	Total Merchandise.	Australian Produce.	Other Produce.	Total Specie and Bullion.	
	£	£	£	£	£	£	£
1933-34 {	(b) 111,477,324	1,193,554	112,670,878	9,174,601	1,595,820	10,770,421	123,441,299
	(c) 89,003,851	952,937	89,956,788	7,339,442	1,276,402	8,615,844	98,572,632
1934-35 {	(b) 101,218,517	1,311,079	102,529,596	8,694,612	1,761,829	10,456,441	112,986,037
	(c) 80,813,187	1,046,769	81,859,956	6,955,762	1,409,450	8,365,212	90,225,168
1935-36 {	(b) 121,240,161	1,584,814	122,824,975	11,700,284	1,855,962	13,556,246	136,381,221
	(c) 96,798,531	1,265,320	98,063,851	9,358,645	1,484,709	10,843,354	108,907,205
1936-37 {	(b) 145,103,941	1,872,695	146,976,636	12,495,809	2,084,568	14,580,377	161,557,013
	(c) 115,854,832	1,495,166	117,349,998	9,995,577	1,667,618	11,663,195	129,013,193
1937-38 {	(b) 138,117,450	1,940,306	140,057,756	14,930,762	2,016,558	16,947,320	157,005,076
	(d) 110,273,413	1,549,146	111,822,559	11,942,981	1,613,222	13,556,203	125,378,762

(a) Does not include the value of Ships' Stores. See later table. (b) Australian currency values. (c) British currency values. (d) Preliminary figures, subject to revision.

7. Imports in Tariff Divisions.—In the following table the imports into Australia during the last five years have been classified in accordance with the sixteen divisions of the Customs Tariff.

IMPORTS IN TARIFF DIVISIONS—AUSTRALIA.

British Currency Values.

Tariff Division.	Imports.				
	1932-33.	1933-34.	1934-35.	1935-36.	1936-37.(a)
	£ Stg.	£ Stg.	£ Stg.	£ Stg.	£ Stg.
I. Ale, Spirits, and Beverages ..	522,240	619,171	724,243	810,479	775,444
II. Tobacco and preparations thereof ..	711,848	718,282	1,342,796	1,614,226	1,717,677
III. Sugar ..	12,167	13,784	18,213	21,542	28,326
IV. Agricultural Products and Groceries ..	3,709,621	4,669,232	5,359,517	5,832,041	6,762,587
V. Textiles, Felts and Furs, and Manufactures thereof, and Attire ..	15,473,427	14,249,414	15,589,378	15,456,564	16,221,963
VI. Metals and Machinery ..	8,071,275	9,440,968	13,462,994	17,659,405	19,260,713
VII. Oils, Paints, and Varnishes ..	6,195,643	5,546,801	5,707,247	7,380,167	8,367,745
VIII. Earthenware, Cement, China, Glass, and Stone ..	1,169,548	1,325,086	1,796,833	1,996,432	2,117,595
IX. Drugs and Chemicals ..	2,923,319	2,761,080	2,842,580	3,406,834	3,387,632
X. Wood, Wicker, and Cane ..	1,265,780	1,403,049	1,847,866	1,976,646	1,787,427
XI. Jewellery and Fancy Goods ..	1,278,446	2,516,918	1,476,572	1,807,147	1,772,176
XII. Hides, Leather, and Rubber ..	1,093,902	890,793	1,184,908	1,506,155	2,314,197
XIII. Paper and Stationery ..	4,517,669	4,523,489	5,010,840	5,534,365	6,239,326
XIV. Vehicles ..	2,075,555	3,642,192	5,685,833	7,885,946	7,988,486
XV. Musical Instruments ..	36,824	55,461	77,289	111,441	150,991
XVI. Miscellaneous ..	6,367,260	6,388,171	8,301,732	8,158,740	8,753,533
— Free Goods not specially mentioned in Tariff ..	1,418,177	670,918	1,992,166	2,363,201	2,945,762
Total Merchandise ..	56,842,701	59,434,809	72,421,007	83,521,331	90,591,580
Specie and Bullion ..	1,171,159	1,278,117	1,698,489	1,731,127	2,048,882
Grand Total ..	58,013,860	60,712,926	74,119,496	85,252,458	92,640,462

(a) Preliminary figures, subject to revision.

Consequent on the imposition of increased customs duties, prohibition of imports of certain goods, and the economic depression, imports declined rapidly in 1931-32, the total value of merchandise imported being £44 million as against £131 million during 1929-30. Imports of merchandise increased to £57 million during 1932-33 and to £59 million during 1933-34 owing to the partial removal of tariff restrictions, the replenishment of stocks and the improved economic conditions. Further expansion was recorded during each of the next three years, with increases in practically all tariff divisions, the total imports of merchandise in 1936-37 exceeding those of 1933-34 by £31,000,000.

8. Imports and Net Customs Revenue.—The percentage of net Customs revenue collected on the total value of all merchandise imported in each year was as follows:—1932-33, 23.5 per cent.; 1933-34, 24.4 per cent.; 1934-35, 23.1 per cent.; 1935-36, 22.3 per cent.; and 1936-37, 22.0 per cent. Primage duty was in force during the five years, and adding this to net customs revenue, the percentages were as follows:—1932-33, 29.8 per cent.; 1933-34, 29.8 per cent.; 1934-35, 27.8 per cent.; 1935-36, 26.7 per cent.; and 1936-37, 25.3 per cent. The percentages of net Customs revenue, omitting primage, on the total value of dutiable goods only were—1932-33, 40.6 per cent.; 1933-34, 41.3 per cent.; 1934-35, 38.2 per cent.; 1935-36, 36.6 per cent.; and

1936-37, 37.7 per cent. The calculations are based on uniform currency values and on the assumption that the value of clearances approximated to the value of imports during the same period.

9. **Protective and Revenue Customs Duties.**—In the following table the value of goods cleared for home consumption classified under protective and revenue duties and the gross duty collected are shown for the United Kingdom and other countries :—

IMPORTS (CLEARANCES) CLASSIFIED UNDER PROTECTIVE AND REVENUE DUTIES—AUSTRALIA.

Australian Currency Values.

Item.	1934-35.			1935-36.			1936-37.		
	United Kingdom.	Other Countries.	Total.	United Kingdom.	Other Countries.	Total.	United Kingdom.	Other Countries.	Total.
	£A 1,000.	£A 1,000.	£A 1,000.	£A 1,000.	£A 1,000.	£A 1,000.	£A 1,000.	£A 1,000.	£A 1,000.
Dutiable Goods :—									
Protective	8,499	6,568	15,067	9,417	7,639	17,056	10,347	7,415	17,762
Revenue	10,611	29,874	40,485	10,488	35,511	45,999	14,087	35,030	49,117
Total Dutiable Goods ..	19,110	36,442	55,552	19,905	43,150	63,055	24,434	42,445	66,879
Free Goods	19,753 (a)	17,363 (a)	37,922	21,911 (a)	20,042 (a)	43,364	22,990 (a)	23,012 (a)	47,226
Total All Goods	38,863 (a)	53,805 (a)	93,474	41,816 (a)	63,192 (a)	106,419	47,424 (a)	65,457 (a)	114,105

PERCENTAGE OF TOTAL GOODS CLEARED FOR HOME CONSUMPTION.

	%	%	%	%	%	%	%	%	%
Dutiable Goods :—									
Protective	9.1	7.0	16.1	8.9	7.2	16.1	9.1	6.5	15.6
Revenue	11.3	32.0	43.3	9.8	33.4	43.2	12.3	30.7	43.0
Total Dutiable Goods ..	20.4	39.0	59.4	18.7	40.6	59.3	21.4	37.2	58.6
Free Goods	21.1	18.5	40.6	20.6	18.3	40.7	20.3	20.2	41.4
Total All Goods	41.5	57.5	100.0	39.3	59.4	100.0	41.6	57.4	100.0

GROSS CUSTOMS DUTY COLLECTED.

	£A 1,000.	£A 1,000.	£A 1,000.	£A 1,000.	£A 1,000.	£A 1,000.	£A 1,000.	£A 1,000.	£A 1,000.
Dutiable Goods :—									
Protective	1,640	3,178	4,818	1,847	3,429	5,276	2,035	3,315	5,350
Revenue	1,707	15,241	16,948	1,825	17,236	19,061	1,981	18,611	20,592
Total Dutiable Goods ..	3,347	18,419	21,766	3,672	20,665	24,337	4,016	21,926	25,942

AVERAGE AD VALOREM RATE OF DUTY ON GOODS CLEARED FOR HOME CONSUMPTION.

	%	%	%	%	%	%	%	%	%
Dutiable Goods :—									
Protective	19.3	48.4	32.0	19.6	44.9	30.9	19.7	44.7	30.1
Revenue	16.1	51.0	41.9	17.4	48.5	41.4	14.1	53.1	41.9
Total Dutiable Goods ..	17.5	50.5	39.2	18.5	47.9	38.6	16.4	51.7	38.8

(a) Exclusive of goods admitted free for Commonwealth, Consuls, etc., and free reimported not distributed according to United Kingdom and other origin.

§ 9. Ships' 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' stores have been specially recorded as such, and have been omitted from the export figures. The value of these stores shipped each year during the period 1927-28 to 1936-37 showing bunker coal separately, is given in the following table:—

VALUE OF STORES SHIPPED ON OVERSEA VESSELS—AUSTRALIA.

Period.	Bunker Coal.	All Stores (including Coal).	Period.	Bunker Coal.	All Stores (including Coal).
	£ A.	£ A.		£ A.	£ A.
1927-28 ..	1,306,225	2,601,034	1932-33 ..	550,277	1,621,640 ^a
1928-29 ..	1,009,163	2,316,116	1933-34 ..	495,051	1,620,907 ^a
1929-30 ..	742,383	2,046,561	1934-35 ..	544,877	1,712,547 ^a
1930-31 ..	607,537	1,653,141 ^a	1935-36 ..	576,549	1,808,291 ^a
1931-32 ..	534,897	1,559,574 ^a	1936-37 ..	564,071	1,740,437 ^a

(a) Estimated British currency value—1930-31, £ stg. 1,408,032; 1931-32, £ stg. 1,225,119; 1932-33, £ stg. 1,294,723; 1933-34, £ stg. 1,294,137; 1934-35, £ stg. 1,367,303; 1935-36, £ stg. 1,443,745; and 1936-37, £ stg. 2,179,897.

In addition to bunker coal, the principal items of ships' stores supplied to oversea vessels in 1936-37 were—Oils, £493,327 (mainly fuel oils); meats, £188,859; butter, £38,738; fish, £44,558; and vegetables, fresh, £27,696.

The net Customs duty collected on ships' stores carried to Australia on oversea vessels and consumed in Australian waters amounted in 1936-37 to £50,610.

§ 10. Movement of Specie and Bullion.

1. Imports and Exports.—The following tables show the values of gold and silver specie and bullion, and of bronze specie imported into and exported from Australia during the years 1933-34 to 1937-38:—

IMPORTS AND EXPORTS, SPECIE AND BULLION—AUSTRALIA.

Items.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.(b)
IMPORTS.					
	£ Stg.	£ Stg.	£ Stg.	£ Stg.	£ Stg.
Gold—Specie ..	466	206	1,093	69	1,070
Bullion ..	1,210,239	1,679,380	1,634,417	1,998,311	2,191,969
Total ..	1,210,705	1,679,586	1,635,510	1,998,380	2,193,039
Silver—Specie ..	57,642	3,057	77,939	34,092	29,576
Bullion ..	9,528	15,704	17,333	16,211	18,866
Total ..	67,170	18,761	95,272	50,303	48,442
Bronze—Specie ..	242	142	345	199	325
GRAND TOTAL ..	(a)1,278,117	(a)1,698,489	(a)1,731,127	(a)2,048,882	(a)2,241,806

(a) Estimated Australian currency value—1933-34, £A1,600,842; 1934-35, £A2,127,357; 1935-36, £A2,168,238; 1936-37, £A2,566,225; and 1937-38, £A2,807,862. (b) Preliminary figures, subject to revision.

IMPORTS AND EXPORTS, SPECIE AND BULLION—AUSTRALIA—*continued.*

Items.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.(b)
EXPORTS.					
	£ A.	£ A.	£ A.	£ A.	£ A.
Gold—Specie ..	340,656	206,618	994,924	181,785	96,820
Bullion ..	9,232,506	9,609,980	11,532,943	13,705,405	15,815,523
Total ..	9,573,162	9,816,598	12,527,867	13,887,190	15,912,343
Silver—Specie ..	231,518	106,122	151,671	101,947	43,232
Bullion ..	958,619	530,822	874,495	587,974	989,296
Total ..	1,190,137	636,944	1,026,166	689,921	1,032,528
Bronze—Specie ..	7,122	2,899	2,213	3,266	2,449
Total—					
Australian Produce	9,174,601	8,694,612	11,700,284	12,495,809	14,930,762
Other Produce ..	1,595,820	1,761,829	1,855,962	2,084,568	2,016,558
GRAND TOTAL ..	10,770,421	10,456,441	13,556,246	14,580,377	16,947,320
	(a)	(a)	(a)	(a)	(a)

(a) Estimated British currency value—1933-34, £ stg. 8,615,844; 1934-35, £ stg. 8,365,212; 1935-36, £ stg. 10,843,354; 1936-37, £ stg. 11,663,195; and 1937-38, £ stg. 13,556,203. (b) Preliminary figures, subject to revision.

2. Imports and Exports by Countries.—The next table shows the imports and exports of specie and bullion from and to various countries during the year 1937-38 :—

IMPORTS AND EXPORTS OF SPECIE AND BULLION BY COUNTRIES.—AUSTRALIA, 1937-38.

Country.	Imports.			Exports.		
	Specie.	Bullion.	Total.	Specie.	Bullion.	Total.
	£ Stg.	£ Stg.	£ Stg.	£ A.	£ A.	£ A.
Australia (a) ..	29,706	..	29,706	..	..	..
United Kingdom ..	1,184	1,318	2,502	27,572	8,049,242	8,076,814
Ceylon ..	..	..	..	..	432,026	432,026
India ..	..	..	..	..	172,047	172,047
Malaya (British) ..	..	703	703	..	..	..
New Zealand ..	..	283,232	283,232	6,754	285	7,039
Pacific Islands—						
Fiji ..	..	390,572	390,572	100	..	100
Gilbert and Ellice Islands Colony ..	..	..	..	50	..	50
Nauru ..	..	..	..	4,545	..	4,545
Papua ..	..	96,090	96,090	1,763	..	1,763
Territory of New Guinea ..	81	1,438,428	1,438,509	19,960	..	19,960
Total, British Countries ..	30,971	2,210,343	2,241,314	60,744	8,653,600	8,714,344
Belgium ..	..	..	..	..	335	335
France ..	..	I	I	..	733,301	733,301
Germany ..	..	..	..	..	7,187	7,187
Netherlands East Indies ..	..	..	..	6,445	..	6,445
Pacific Islands—New Hebrides ..	..	..	..	4,333	..	4,333
United States of America ..	..	491	491	70,979	7,410,396	7,481,375
Total, Foreign Countries ..	..	492	492	81,757	8,151,219	8,232,976
GRAND TOTAL ..	30,971	2,210,835	2,241,806	142,501	16,804,819	16,947,320
			(b)			(c)

(a) Australian produce re-imported. (b) Estimated Australian currency value—£ A2,807,862. (c) Estimated British currency value—£ Stg. 13,556,203.

§ 11. Exports according to Industries.

1. **Classification.**—The following table gives an analysis of the exports of Australian produce according to the main classes of industry in which the goods were produced for the years 1935-36 and 1936-37 in comparison with those for the year 1913. The index-number based on the year 1913 shows the variations in the total recorded value only of exports in each industrial group, and has not been adjusted either for price-changes or in accordance with the variation of the Australian £ in relation to sterling.

A graph is published on page 498 of this chapter which shows the value of exports of Australian produce according to industrial groups from 1920-21 to 1936-37.

EXPORTS OF AUSTRALIAN PRODUCE ACCORDING TO INDUSTRIAL ORIGIN.

VALUE OF EXPORTS.

Industrial Group.	1913. (a)		1935-36.		1936-37.	
	£A	Index No.	£A	Index No.	£A	Index No.
Agriculture	10,677,734	100	27,748,739	260	34,852,599	326
Pastoral	42,057,346	100	67,520,208	161	80,703,697	192
Dairy and Farmyard	3,854,734	100	11,218,330	291	11,260,165	292
Mines and Quarries (c)	21,926,310	100	16,854,828	77	20,911,257	95
Fisheries	424,849	100	351,408	83	379,833	89
Forestry	1,106,549	100	945,088	85	1,067,306	96
Total, Primary Produce	80,047,522	100	124,638,601	156	149,174,857	186
Manufacturing	2,304,693	100	5,936,860	258	7,881,348	342
Total	82,352,215	100	130,575,461	159	157,056,205	191

(a) Base year. (b) Estimated British currency value, 1935-36, £ Stg. 104,251,865, Index-number 127; 1936-37, £ Stg. 125,394,171; Index-number, 152. (c) Australian production of gold substituted for exports of gold each year.

2. **Relative Importance of Industrial Groups.**—In the previous table the value of commodities in each industrial group of exports of Australian produce is that recorded at date of shipment from Australia, with the exception that the value of the production of gold in Australia in each year has been substituted in the Mines and Quarries group for actual shipments of gold in each year. This has been done to eliminate the exports of gold for monetary purposes. In order of importance the pastoral group occupied the highest place and in 1913 the value of commodities included in this group represented 51.1 per cent. of the total exports, as compared with 51.7 per cent. in 1935-36 and 51.3 in 1936-37. Wool constituted the greater part of the exports in the pastoral group and the increase in the group in 1936-37 compared with 1935-36 was entirely due to the higher prices realized for this commodity.

Exports of agricultural produce rank next in importance. Compared with the previous year the value of agricultural exports was over seven millions higher in 1936-37 owing to increased exports of wheat combined with higher prices. From 13.0 per cent. of the total exports in 1913, agricultural produce increased to 22.2 per cent. in 1936-37.

According to value, exports of dairy and farmyard produce increased from 4.7 per cent. in 1913 to 11.0 per cent. in 1934-35 but declined during the next two years to 7.2 per cent. in 1936-37. Though the products of mines and quarries declined seriously subsequent to the year 1913, a recovery has been made in more recent years, the figures for 1936-37 representing 13.3 per cent. of the total exports. The manufacturing group of exports, which represented 2.8 per cent. in 1913, increased to 5.0 per cent. in 1936-37.

Compared with the year 1913, exports of agricultural produce in 1936-37 showed an increase of 226 per cent., pastoral produce 92 per cent., dairy and farmyard produce 192 per cent., the manufacturing group 242 per cent., and total exports 91 per cent. The exports of the products of mines and quarries and of fisheries and forests were slightly lower in 1936-37 than in 1913 but compared with 1935-36 the exports of the products of mines and quarries were 24 per cent., fisheries 28 per cent., and forestry 13 per cent. higher.

3. Australian Production and Exports according to Industry.—The following table shows the total values of Australian production and Australian exports during the period of ten years, 1927–28 to 1936–37, classified according to industries; the proportion of each industrial group to total production and to total exports; and in the last column the percentage exported of the production of each industrial group:—

VALUE OF AUSTRALIAN PRODUCTION AND EXPORTS, ACCORDING TO INDUSTRY.

Australian Currency Values.

Industrial Group.	Value of Production during Ten Years.	Percentage on Total Production.	Value of Exports during Ten Years.	Percentage on Total Exports.	Percentage Exported of the Production in each Industrial Group.
	£A1,000.	%	£A1,000.	%	%
Agriculture	777,537	20.42	283,949	24.07	36.52
Pastoral	888,694	23.33	610,515	51.76	68.70
Dairy and Farmyard	457,031	12.00	103,728	8.79	22.70
Mining	192,948	5.07	121,107	10.27	62.76
Forestry and Fisheries	103,505	2.72	13,091	1.11	12.65
Total, Primary Produce	2,419,715	63.54	1,132,390	96.01	46.80
Manufacturing	1,388,758	36.46	47,099	3.99	3.39(a)
Total	3,808,473	100.00	1,179,489	100.00	30.97(a)

(a) See letterpress in the concluding paragraph of this section.

The figures relating to value of production and value of exports are subject to the qualifications mentioned previously. A period of ten years is embraced, and the values of production and of exports therein give a very fair index of the relative importance of the several industrial groups. Of the total production 63.54 per cent. was classified as primary produce and 36.46 per cent. as manufactured articles. The main contributing groups in the primary produce section were pastoral with 23.33 per cent., agriculture with 20.42 per cent., and dairy and farmyard produce with 12.00 per cent. of the total production.

Exports of primary produce represented 96.0 per cent. of the total exports. The primary groups in order of value were pastoral 51.7 per cent., agricultural 24.1 per cent., mining 10.3 per cent., dairy and farmyard 8.8 per cent., and forestry and fisheries 1.1 per cent. The manufacturing group accounted for the other 4.0 per cent.

The figures in the last column of the table are of special interest, as they show the percentage exported of the production of each industrial group. Of the total primary production during the period, 46.80 per cent. was exported. Approximately 37 per cent. of the agricultural production, 69 per cent. of the pastoral production, 23 per cent. of the dairy and farmyard production, 63 per cent. of the mining production, and 13 per cent. of the production of forestry and fisheries combined were sent abroad.

The total exports of gold bullion and specie are not included in the value of exports of the mining industry, the actual production of gold during the period being taken.

On account of the inherent difficulties of classifying production and exports by industries, the figures given for the manufacturing industry should not be interpreted too literally. In the first place, the value of manufacturing "production" stated is not the total value of output, but only the "value added" by manufacturing processes, while the value of manufactured exports represents the total value of the goods, including raw materials, etc. Secondly, some of the exported goods classified as primary produce have been increased in value by manufacturing processes, but have not been changed in form sufficiently to warrant their inclusion as manufactured products, e.g., flour, butter and sugar.

§ 12. Australian Index of Export Prices.

1. *The Old Annual Series.*—With the exception of the last few years an annual index of export prices has been published by the Commonwealth Bureau of Census and Statistics since its inception. An index was at first obtained by valuing the exports (other than gold) of each successive year at the prices of 1901, and dividing the values so obtained into the export values actually recorded. These computations were carried back to 1901. In 1918 the procedure was changed and brought into harmony with the methods adopted by the Bureau for constructing other price indexes. The average quantities of the principal exports (other than gold) for the nineteen years 1897 to 1916 were taken, and valued at the prices of each successive year. Comparisons of the resulting totals for different years were assumed to give the required comparisons of export price-levels for those years. The two methods would, however, give the same results only if the proportion of different exports for each year in question was the same as the average for the nineteen years. The proportion was, in fact, varying appreciably from year to year with the seasons. The old index was, therefore, based on a different system of weighting in each year, so that the results were not comparable for different years. The new method gave comparable and satisfactory results so long as the proportion of different exports was not widely different from the average of 1897 to 1916. After the war, however, the relative importance of different exports changed considerably. By about 1930 it began to appear that the change was great enough to throw some doubt on the accuracy of the index. It was published with increasing reluctance until 1929-30, after which it was withdrawn from publication.

Since that time endeavours have been made to design and compile new series of index-numbers which would reflect more accurately the short- and intermediate-period fluctuations in export prices.

2. *The New Monthly Series.*—An attempt was made to overcome some of the difficulties occasioned by variations in the proportions of the different exports by compiling two separate series of monthly index-numbers. The first series is compiled in very much the same way as the old annual index-numbers, although certain important changes have been made in the data utilized. These are described below. For the present it may be noted that the purpose of this index is to provide comparisons, over a limited number of years, of the level of prices of those commodities normally exported from Australia, making no allowance for any benefit or disadvantage accruing from variations during the period in the relative proportions of the different kinds of exports. It is thus an index purely of price changes. The second series is designed for shorter-period comparisons—from one or more months of the current year to the corresponding months of the previous year. The latter is compiled in such a way as to take more close account of the actual quantities of each article exported at current prices; and hence to indicate with rather greater accuracy the extent to which price-movements have affected the actual value of our current exports. It will be clear, therefore, that the two series are designed to measure different things, any differences between the results being explicable on wider grounds than mere differences in formulae.

Reference has already been made to the fact that the data on which the new series are based differ from those utilized in the old-series of annual index-numbers. These changes apply to both of the new series.

The most important change was the use of actual (or calculated) export parities, based on actual price quotations, in place of the "unit-values" declared at the Customs. Declared unit values are not satisfactory even in an annual index-number, partly because the returns are not always sufficiently accurate, and partly because there is a constant variation in the proportions of different grades and qualities included in the actual exports of any given period. An obvious example of the latter type of inaccuracy is furnished by the case of wool, the poorer grades of which are shipped during certain months of the off-season. In a monthly series of index-numbers, declared unit-values are even less satisfactory, as the difficulties are greatly magnified over short periods, during which the inaccuracies have little change of averaging out.

Moreover, the export parities have in all cases been based on prices f.o.b. Australian ports. Where freight and selling charges form an appreciable percentage of the selling price, the use of unadjusted oversea quotations results in some distortion of the amplitude of the percentage fluctuations in prices.

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

Each series of index-numbers takes account of 20 items, which constitute at present about 85 per cent. of the total value of exports of merchandise and silver and gold production.

3. **Monthly Index (Fixed Weights.)**—The original “multipliers” used for the first series of index-numbers were, in round figures, the average annual exports (or production, in the case of gold) during the five years 1928–29 to 1932–33. This period was chosen some time ago as being fairly representative of the mutual relationship of the different export commodities over the period from 1928 to 1933 and, so far as it was possible to judge at the time, over the ensuing few years. As from July, 1936, the “multipliers” were revised to bring them into accord with observed changes in the composition of Australian exports. They are now based on the average annual exports (production, in the case of gold) during the three years 1933–34 to 1935–36. The break of continuity has been bridged by the usual method of splicing.

The twenty items, together with the units of quantity and the “multipliers”, are given in the following table. It should be noted that (i) the “multiplier” allotted to wheat has been increased to take into account the “wheat equivalent” of flour exported, (ii) that allotted to greasy wool has been increased to take into account the “greasy equivalent” of scoured wool, tops and wool on skins, and (iii) those allotted to metals have been increased to take into account the metallic contents of ores and concentrates exported. This is the only satisfactory method of dealing with these commodities, for which it is not possible to secure satisfactory export price quotations in their own right.

EXPORT PRICE INDEX : WEIGHTING SYSTEM (FROM 1st JULY, 1936).

Item.	Unit of Quantity.	Quantity “Multipliers” for New Index-numbers.	Percentage Value Weights if applied to 1937–38.
1. Wheat (and wheat equivalent of flour)	bushel	101,000,000	18.41
2. Sultanas	ton	38,200	1.37
3. Lexias	ton	3,000	0.12
4. Currants	ton	13,400	0.34
5. Sugar (cane)	ton	305,000	2.19
6. Wool (as in the grease)	lb.	975,000,000	44.24
7. Tallow	cwt.	600,000	0.63
8. Cattle hides	lb.	28,000,000	0.58
9. Calf skins	lb.	1,800,000	0.07
10. Beef (frozen)	lb.	182,000,000	2.53
11. Lamb (frozen)	lb.	138,000,000	3.42
12. Mutton (frozen)	lb.	44,000,000	0.57
13. Pork (frozen)	lb.	16,000,000	0.41
14. Butter	cwt.	2,140,000	11.96
15. Silver	oz.	7,300,000	0.61
	(standard)		
16. Copper	ton	3,600	0.18
17. Tin	ton	1,300	0.27
18. Zinc	ton	99,000	1.87
19. Lead	ton	208,500	3.51
20. Gold (production)	oz. (fine)	937,000	6.72
			100.00

The relative importance of the several items in the whole index is roughly indicated in the last column, which shows in percentage form the "value aggregates" for 1937-38, i.e., the average prices for that year multiplied by the "quantity multipliers".

The monthly index-numbers of export prices in terms of Australian currency for the period January, 1928 to August, 1938 are set out in the following table. Index-numbers are also given of the same prices in terms of English sterling for the period July, 1929 to August, 1938. Differences in the value of English and Australian currency were sufficiently negligible to be ignored in the previous eighteen months.

AUSTRALIA : MONTHLY EXPORT PRICE INDEX.

(Base : 1928 = 1,000.)

Month.	1928.	1929.	1930.	1931.	1932.	1933.	1934.	1935.	1936.	1937.	1938.
(i) IN TERMS OF AUSTRALIAN CURRENCY.											
January	1,036	944	761	514	595	548	785	580	772	957	755
February	1,036	935	708	557	593	518	759	567	779	934	736
March	1,052	902	672	587	562	510	739	564	785	988	730
April	1,058	888	689	585	552	516	726	605	790	1,000	722
May	1,061	851	694	578	547	561	676	644	790	982	724
June	988	798	673	553	533	607	648	652	747	945	695
July	997	831	647	535	550	659	620	656	769	952	708
August	975	825	635	509	580	661	627	664	804	949	683
September	965	818	597	515	604	708	581	714	790	897	..
October	936	775	544	597	567	676	564	749	820	876	..
November	946	804	543	646	553	714	557	741	893	802	..
December	936	795	519	595	550	710	550	736	920	796	..
Simple Average	1,000	847	640	564	566	616	653	656	805	923	..
(ii) IN TERMS OF ENGLISH STERLING.											
January	1,036	944	747	428	475	438	627	463	616	764	603
February	1,036	935	691	428	473	414	606	453	622	746	588
March	1,052	902	645	451	449	407	590	450	627	789	583
April	1,058	888	648	449	441	412	580	483	631	799	576
May	1,061	851	653	443	437	448	540	514	631	784	578
June	998	798	633	425	426	485	517	521	596	754	555
July	997	824	609	411	439	526	495	524	612	760	565
August	975	817	597	391	463	528	501	530	642	758	545
September	965	808	562	395	482	565	464	570	631	716	..
October	936	764	503	458	453	540	450	598	655	699	..
November	946	792	499	496	442	570	445	592	713	640	..
December	936	782	477	474	439	567	439	588	735	636	..
Simple Average	1,000	842	605	437	452	492	521	524	643	737	..

4. Monthly Index (Changing Weights).—The second series of the new index-numbers is designed merely for comparisons with the corresponding month, or period of months, of the previous year. The same price quotations are used, but the "multipliers" are much more closely in accord with the actual experience of the periods in question.

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

The index-numbers so obtained have been proved over a period of years to lie very close together. As it is convenient for practical reasons to have one single figure rather than two close alternatives the two index-numbers are multiplied together and the square root of the product extracted. This is taken to be the index-number for the month, the prices of the corresponding month of the previous year being taken as base. The above could have been expressed more shortly, of course, by saying that Fisher's "ideal" formula has been used.

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

In order to indicate more clearly the method of computation followed, and to enable comparisons to be made with the results obtained from the first series of index-numbers, the following table sets out the data in detail for the trade year 1937-38.

AUSTRALIA : MONTHLY EXPORT PRICE INDEX (CHANGING WEIGHTS).

Month.	Index-numbers Based on Quantities of 1937-38.	Index-numbers Based on Quantities of 1936-37.	Final Index-numbers (on "Ideal" Formula).	Index-numbers Based on Standard "Multipliers" (First Series).
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(a) INDIVIDUAL MONTHS.

(Base : Prices in corresponding month of previous year = 1,000.)

July	1,244	1,229	1,236	1,238
August	1,156	1,162	1,159	1,180
September	1,141	1,133	1,137	1,135
October	1,069	1,059	1,064	1,068
November	903	878	890	898
December	874	862	868	865
January	865	801	832	789
February	790	701	744	788
March	739	723	731	739
April	732	731	732	722
May	741	770	755	737
June	739	782	760	735

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

Month.	Index-numbers Based on Quantities of 1937-38.	Index-numbers Based on Quantities of 1936-37.	Final Index-numbers (on "Ideal" Formula).	Index-numbers Based on Standard "Multipliers" (First Series).
(b) PERIODS OF THE TRADE YEAR ENDING IN MONTH STATED. (Base: Prices in corresponding period of previous year = 1,000.)				
July	1,244	1,229	1,236	1,238
August	1,202	1,198	1,200	1,209
September	1,180	1,169	1,174	1,184
October	1,145	1,130	1,137	1,154
November	1,068	1,047	1,057	1,098
December	1,022	999	1,010	1,055
January	1,002	970	986	1,012
February	966	924	945	982
March	930	908	919	951
April	904	890	897	926
May	888	879	884	907
June	877	873	875	892

Monthly export price index-numbers are now issued currently in regular press notices, which are usually available within one week of the end of the month.

§ 13. External Trade of Australia and other Countries.

1. **Essentials of Comparisons.**—Direct comparisons of the external trade of any two countries are 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 the one may be declared by merchants, whereas in the other 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 arise from the different methods of converting the moneys of foreign countries, i.e., from the application of current rates of exchange or of the mint par. Lastly, the figures relating to the external trade of any country are also affected in varying degree by the extent to which they include transit or re-export trade. This class of trade represents a much greater proportion of the trade of Switzerland and Belgium than that of other countries. France and the United Kingdom also re-export largely, whereas in Canada, Australia and New Zealand the same class of trade represents a comparatively small proportion of the total trade.

2. **"Special Trade" of Various Countries.**—Special trade may be defined according to the interpretation of the British Board of Trade, as (a) imports entered for consumption in the country (as distinguished from imports for transshipment or re-export), and (b) exports of domestic products.

In the following table the figures relate as nearly as possible to imports entered for consumption in the various countries specified, and to exports of their domestic products. It is to be noted, however, that these figures do not invariably denote the same thing throughout, since, in the United Kingdom and other manufacturing countries, raw or partly manufactured materials are imported as for home consumption, and, after undergoing some process of manufacture or further modification, are re-exported as domestic production. Nevertheless, a comparison of this character reveals approximately the extent of the external trade which otherwise would not be manifest. The figures relating to foreign countries have been extracted from the League of Nations Review of World Trade.

IMPORTS FOR HOME CONSUMPTION, AND EXPORTS OF DOMESTIC PRODUCTS
(MERCHANDISE ONLY), VARIOUS COUNTRIES, 1936.

Country.	Trade.			Trade per Inhabitant.		
	Imports.	Exports.	Total.	Imports.	Exports.	Total.
	£1,000,000 Stg.	£1,000,000 Stg.	£1,000,000 Stg.	£ s. d. Stg.	£ s. d. Stg.	£ s. d. Stg.
Australia (a) ..	90.6	117.3	207.9	13 6 3	17 4 11	30 11 2
United Kingdom	788.5	440.7	1,229.2	16 14 10	9 7 2	26 2 0
Canada ..	128.3	206.8	335.1	11 12 8	18 15 1	30 7 9
India ..	92.4	136.3	228.7	0 5 0	0 7 4	0 12 4
New Zealand ..	35.0	45.2	80.2	22 5 0	28 14 8	50 19 8
Union of South Africa ..	88.1	110.2	198.3	9 3 9	11 9 10	20 13 7
Argentine Re- public ..	68.6	101.4	170.0	5 10 2	3 2 11	13 13 1
Austria ..	47.3	36.1	83.4	7 0 0	5 6 10	12 6 10
Belgium ..	143.9	134.5	278.4	17 6 9	16 4 1	33 10 10
China ..	56.3	42.2	98.5	0 2 8	0 2 0	0 4 8
Manchuria ..	37.4	26.6	64.0	1 2 9	0 16 2	1 18 11
Czechoslovakia	62.7	63.8	126.5	4 2 7	4 4 0	8 6 7
Denmark ..	62.1	59.3	121.4	16 13 8	15 18 8	32 12 4
France ..	306.8	186.6	493.4	7 6 5	4 9 1	11 15 6
Germany ..	341.8	386.3	728.1	5 1 11	5 15 2	10 17 1
Italy ..	86.4	75.7	162.1	2 0 1	1 15 8	3 15 9
Japan ..	157.7	153.6	311.3	2 5 5	2 4 2	4 9 7
Netherlands ..	130.6	95.5	226.1	15 5 3	11 3 2	26 8 5
Netherlands East Indies ..	36.6	78.7	115.3	0 11 2	1 4 1	1 15 3
Norway ..	45.8	33.9	79.7	15 16 5	11 14 2	27 10 7
Poland ..	38.2	39.1	77.3	1 2 4	1 2 10	2 5 2
Soviet Union (Russia) ..	54.1	54.4	108.5	0 6 3	0 6 3	0 12 6
Sweden ..	83.5	78.1	161.6	13 6 6	12 9 3	25 15 9
Switzerland ..	74.4	52.6	127.0	17 17 5	12 12 8	30 10 1
United States of America ..	486.5	485.4	971.9	3 15 9	3 15 7	7 11 4

(a) Year ended 30th June, 1937.

§ 14. Trade of the United Kingdom with Australia compared with that
of Competing Countries.

Proportion of Trade from United Kingdom and Competing Countries.—The failure of the United Kingdom to maintain the position formerly held in the import trade of Australia has been a matter of more than ordinary interest for some years. 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 the 8th August, 1907, the Commonwealth Customs Tariffs have provided preferential rates of Customs Duties on certain goods the produce or manufacture of the United Kingdom with the object of assisting the British manufacturer to retain or improve his position in this market, in relation to other countries. The main provisions in these Acts relating to preference are dealt with on previous pages in this Chapter.

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

The imports into Australia have been classified under nine headings, and the trade of the United Kingdom therein is compared with that of France, Germany, Japan and the United States. These countries have been selected as the principal competitors with the United Kingdom for the trade of Australia under the specified headings. Totals for the five years 1913 and 1933-34 to 1936-37 are shown in the table hereunder:—

AUSTRALIAN IMPORTS OF PRODUCTS OF VARIOUS COUNTRIES.

British Currency Values.

Nature of Imports.	Year.	United Kingdom.	France.	Germany.	Japan.	U.S. of America.	All Countries.
		Estg.	Estg.	Estg.	Estg.	Estg.	Estg.
Foodstuffs of animal origin	1913 ..	3,01,025	3,093	12,071	6,988	289,229	947,697
	1933-34	223,575	1,058	1,088	28,729	1,99,923	942,686
	1934-35	244,439	1,517	535	50,111	228,194	1,247,745
	1935-36	247,197	1,269	..	64,668	216,112	1,412,896
	1936-37	281,017	1,208	1,148	61,203	259,934	1,509,813
Spirituous and alcoholic liquors	1913 ..	1,227,561	343,394	143,426	1,689	2,805	1,947,248
	1933-34	473,620	49,707	2,020	8	233	554,474
	1934-35	526,099	58,002	5,581	10	1,546	637,003
	1935-36	602,030	49,706	2,098	..	1,670	666,103
	1936-37	537,672	53,024	2,668	82	286	633,133
Apparel, textiles, and manufactured fibres	1913 ..	12,254,561	961,025	1,712,395	475,973	623,542	19,935,750
	1933-34	8,753,708	378,838	336,385	2,501,039	247,267	15,994,563
	1934-35	10,149,806	323,138	358,816	3,274,845	334,433	17,735,864
	1935-36	9,476,808	258,601	489,483	3,223,969	280,503	17,292,354
	1936-37	11,074,231	248,517	523,329	2,358,656	119,571	18,059,604
Metals, metal manufactures, and machinery	1913 ..	13,905,483	217,148	2,380,152	7,657	3,817,705	21,670,212
	1933-34	8,253,238	34,419	567,653	133,013	2,485,077	13,049,596
	1934-35	11,013,603	48,486	645,619	180,782	5,021,190	19,301,432
	1935-36	13,550,189	30,267	1,043,439	237,560	6,848,650	25,206,625
	1936-37	16,142,408	42,731	1,345,057	248,435	6,061,105	27,277,464
Paper and stationery	1913 ..	4,789,377	21,930	266,483	10,656	403,679	3,134,750
	1933-34	2,679,052	50,465	117,309	39,776	198,605	4,304,303
	1934-35	2,820,803	55,869	132,243	52,916	246,994	4,704,188
	1935-36	3,052,273	52,786	208,138	78,785	292,268	5,205,820
	1936-37	3,042,373	57,158	234,769	82,581	318,546	5,933,131
Jewellery, time-pieces, and fancy goods	1913 ..	521,290	88,070	263,688	19,307	138,217	1,442,292
	1933-34	1,65,311	20,259	95,826	167,708	17,606	749,002
	1934-35	220,252	19,497	114,133	178,990	44,702	1,008,450
	1935-36	234,717	19,545	127,992	195,592	71,047	1,194,566
	1936-37	243,601	26,891	153,485	197,994	83,846	1,256,235
Earthenware, cements, glass, etc.	1913 ..	650,138	49,245	453,188	21,493	62,887	1,565,727
	1933-34	520,686	10,481	57,194	181,487	77,819	1,018,224
	1934-35	714,236	9,391	103,862	215,766	107,155	1,380,865
	1935-36	879,101	8,115	170,663	227,804	127,791	1,690,283
	1936-37	930,126	13,862	167,352	183,558	79,753	1,774,183
Drugs, chemicals, and fertilizers	1913 ..	1,020,647	245,426	304,179	139,178	210,758	2,721,902
	1933-34	1,413,095	258,929	300,523	101,558	490,347	3,384,857
	1934-35	1,561,789	208,707	330,850	116,744	498,173	3,537,218
	1935-36	1,902,253	215,782	352,333	175,803	622,350	4,370,127
	1936-37	1,880,665	208,572	490,370	130,362	567,083	4,515,446
Rubber and leather and manufactures thereof, and substitutes therefor	1913 ..	485,216	68,686	347,045	688	433,837	1,717,035
	1933-34	176,566	7,861	24,992	20,829	60,975	743,636
	1934-35	198,514	4,991	24,572	36,706	72,443	1,000,557
	1935-36	218,850	5,924	28,082	40,250	98,325	1,185,812
	1936-37	241,252	5,200	35,499	42,193	83,309	1,831,914
Total, above-mentioned imports	1913 ..	32,155,498	1,989,017	5,882,627	683,629	5,982,659	55,082,613
	1933-34	22,658,851	812,047	1,503,080	3,174,152	3,727,852	40,741,341
	1934-35	27,449,541	729,601	1,716,511	4,106,870	6,554,835	50,613,322
	1935-36	30,162,108	641,995	2,422,228	4,244,431	8,558,718	58,344,586
	1936-37	34,373,352	657,163	2,953,387	3,305,064	7,564,163	62,790,923
Total imports (less bullion and specie)	1913 ..	40,948,803	2,222,631	7,029,325	950,300	10,907,512	78,196,100
	1933-34	25,144,441	956,335	1,920,676	3,676,737	7,838,982	59,434,800
	1934-35	30,786,096	862,147	2,145,315	4,624,740	11,041,365	72,421,007
	1935-36	33,833,435	790,108	2,963,049	4,960,571	13,901,326	83,518,860
	1936-37	38,559,366	865,919	3,596,584	4,004,465	12,959,149	90,991,880

Stated as percentages the figures in the preceding table are shown below :—
AUSTRALIAN IMPORTS OF PRODUCTS OF VARIOUS COUNTRIES.—PERCENTAGES.

Nature of Imports.	Year.	United Kingdom.	France.	Germany.	Japan.	U.S. of America.	All Countries.
		%	%	%	%	%	%
Foodstuffs of animal origin	1913 ..	31.77	0.33	1.27	0.74	30.52	100
	1933-34	23.72	0.11	0.12	3.05	15.90	100
	1934-35	19.59	0.12	0.06	4.02	18.29	100
	1935-36	17.50	0.09	0.00	4.58	15.30	100
	1936-37	18.61	0.08	0.08	4.05	16.62	100
Spirituos and alcoholic liquors	1913 ..	63.04	17.64	7.37	0.09	0.14	100
	1933-34	85.41	8.96	0.36	0.00	0.04	100
	1934-35	82.59	9.11	0.88	0.00	0.21	100
	1935-36	86.57	7.14	0.30	0.00	0.24	100
	1936-37	84.92	8.37	0.36	0.01	0.05	100
Apparel, textiles, and manufactured fibres	1913 ..	61.48	4.82	8.59	2.39	3.13	100
	1933-34	54.73	2.37	2.19	15.64	1.55	100
	1934-35	57.23	1.82	2.02	18.46	1.89	100
	1935-36	54.80	1.50	2.83	18.64	1.62	100
	1936-37	61.32	1.37	2.89	13.06	0.66	100
Metals, metal manufactures, and machinery	1913 ..	64.17	1.00	10.98	0.04	17.62	100
	1933-34	63.24	0.02	4.35	1.02	19.04	100
	1934-35	57.06	0.25	3.34	0.94	26.01	100
	1935-36	53.76	0.12	4.14	0.94	27.17	100
	1936-37	59.17	0.16	4.93	0.91	22.22	100
Paper and stationery	1913 ..	57.41	0.70	8.50	0.34	12.88	100
	1933-34	62.24	1.17	2.73	0.92	4.61	100
	1934-35	59.21	1.17	2.78	1.11	5.18	100
	1935-36	57.64	1.00	3.93	1.49	5.52	100
	1936-37	51.27	0.96	3.95	1.39	5.56	100
Jewellery, time-pieces, and fancy goods	1913 ..	36.14	6.11	18.28	1.34	9.58	100
	1933-34	22.07	2.70	12.70	22.39	2.35	100
	1934-35	21.84	1.93	11.32	17.75	4.43	100
	1935-36	19.48	1.64	10.71	16.37	5.95	100
	1936-37	19.39	2.14	12.21	15.76	6.67	100
Earthenware, cements, glass, etc.	1913 ..	41.52	2.57	28.94	1.37	4.02	100
	1933-34	51.14	1.03	5.62	17.82	7.64	100
	1934-35	51.72	0.68	7.52	15.63	7.76	100
	1935-36	52.01	0.48	10.01	13.48	7.56	100
	1936-37	52.42	0.78	9.43	10.34	4.49	100
Drugs, chemicals, and fertilizers	1913 ..	37.49	9.02	11.18	5.11	7.74	100
	1933-34	41.75	7.65	8.88	3.00	14.49	100
	1934-35	44.15	5.90	9.35	3.30	14.08	100
	1935-36	43.53	4.94	8.06	4.02	14.24	100
	1936-37	41.64	4.61	10.85	2.88	12.55	100
Rubber and leather and manufactures thereof, and substitutes therefor	1913 ..	28.26	4.00	20.21	0.04	25.27	100
	1933-34	23.74	1.06	3.36	2.80	8.20	100
	1934-35	19.84	0.50	2.46	3.67	7.24	100
	1935-36	18.46	0.50	2.37	3.39	8.29	100
	1936-37	13.16	0.28	1.93	2.30	4.53	100
Total, above-mentioned articles	1913 ..	58.38	3.61	10.68	1.24	16.86	100
	1933-34	55.62	1.99	3.69	7.79	9.15	100
	1934-35	54.23	1.44	3.39	8.11	12.95	100
	1935-36	51.70	1.10	4.15	7.27	14.67	100
	1936-37	54.74	1.04	4.70	5.26	12.04	100
Total imports (less bullion and specie)	1913 ..	52.37	2.84	8.99	1.22	13.95	100
	1933-34	42.31	1.61	3.23	6.19	13.19	100
	1934-35	42.51	1.19	2.96	6.30	15.25	100
	1935-36	40.51	0.95	3.55	5.95	16.64	100
	1936-37	42.56	0.95	3.07	4.42	14.30	100

The total value of the commodities included in the competitive classes increased from £55,082,613 during 1913 to £122,631,560 during 1926-27, but declined during the economic depression to £29,576,008 in 1931-32. Subsequently the total value rose to £62,790,923 in 1936-37. The principal classes of competitive imports are (a) metals, metal manufactures and machinery (value £27,277,464 in 1936-37) and (b) apparel, textiles and manufactured fibres (value £18,059,604 in 1936-37). The value of goods included in these two groups represented 72 per cent. of the total value of competitive commodities during 1936-37.

In 1936-37 the United Kingdom supplied 54.74 per cent. of the total value of competitive goods. In 1913 the corresponding figure was 58.38 per cent. and in 1935-36 51.70 per cent. In five of the nine competitive groups of imports, the proportion supplied by the United Kingdom declined during 1936-37 as compared with the previous year. In the four groups—foodstuffs of animal origin; apparel, textiles and manufactured fibres; metals, metal manufactures and machinery; and earthenware, cements, glass, etc.—which reported gains, the share of the total purchases supplied by the United Kingdom was 18.61 per cent., 61.32 per cent., 59.17 per cent., and 52.42 per cent. respectively.

The share of Japan in the competitive trade increased in proportion to other countries from 1.24 per cent. in 1913 to 8.11 per cent. in 1934-35, but declined appreciably during the next two years to 5.26 per cent. in 1936-37. The most important classes of competitive goods imported from Japan are silk piece goods, cotton and linen piece goods, yarns, crockery, fancy goods and sulphur. The total value of imports from Japan in the competitive groups during 1936-37 was £3,305,064, and of this total silk piece goods valued at £1,289,110 represented 39 per cent., and cotton and linen piece goods valued at £543,192 represented 16 per cent., or together 55 per cent. of the total competitive goods imported from Japan.

The position of the United States of America in the competitive trade improved from 10.86 per cent. in 1913 to 23.52 per cent. in 1928-29; after 1929-30 it declined progressively to 8.17 per cent. in 1932-33, but recovered somewhat in recent years and in 1936-37 represented 12.04 per cent. of the total. Of the total competitive trade from this country approximately 80 per cent. was represented by metals, metal manufactures and machinery.

The position of France declined from 3.61 per cent. in 1913 to 1.04 per cent. in 1936-37. Apparel, textiles, and drugs, chemicals and fertilizers are the most important imports from France.

The proportion of the imports supplied by Germany was 10.68 per cent. in 1913, 0.86 per cent. in 1923-24, and 4.70 per cent. in 1936-37. The principal classes of imports from Germany are manufactured metals and machinery, apparel and textiles, and drugs and chemicals.

§ 15. Oversea Trade in Calendar Years.

For the purpose of comparison with countries which record overseas trade in calendar years the following table has been compiled to show Australian imports and exports for each quarter of the calendar years 1934 to 1937:—

OVERSEA TRADE, AUSTRALIA.—CALENDAR YEARS.

Year.	Merchandise.		Bullion and Specie.		Total.	
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.
	£ Stg. 1,000.	£ 1,000.	£ Stg. 1,000.	£ 1,000	£ Stg. 1,000	£ 1,000
QUARTER ENDED MARCH.						
1934 ..	14,663	{ (R) 32,884 (S) 26,255	318	{ (R) 2,663 (S) 2,130	14,981	{ (R) 35,547 (S) 28,385
1935 ..	18,317	{ (R) 28,890 (S) 23,065	389	{ (R) 2,221 (S) 1,777	18,706	{ (R) 31,111 (S) 24,842
1936 ..	21,456	{ (R) 38,157 (S) 30,464	349	{ (R) 3,010 (S) 2,408	21,805	{ (R) 41,167 (S) 32,872
1937 ..	21,521	{ (R) 43,358 (S) 34,617	482	{ (R) 3,483 (S) 2,788	22,003	{ (R) 46,841 (S) 37,405

OVERSEA TRADE, AUSTRALIA.—CALENDAR YEARS—(continued).

Year.	Merchandise.		Bullion and Specie.		Total.	
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.
	£ Stg. 1,000.	£ 1,000.	£ Stg. 1,000.	£ 1,000.	£ Stg. 1,000.	£ 1,000.

QUARTER ENDED JUNE.

1934 ..	15,942	{ (R) 18,391 (S) 14,683 }	343	{ (R) 2,900 (S) 2,320 }	16,285	{ (R) 21,291 (S) 17,003 }
1935 ..	17,367	{ (R) 26,121 (S) 20,854 }	436	{ (R) 2,623 (S) 2,099 }	17,803	{ (R) 28,744 (S) 22,953 }
1936 ..	19,955	{ (R) 24,095 (S) 19,239 }	465	{ (R) 3,000 (S) 2,399 }	20,420	{ (R) 27,095 (S) 21,638 }
1937 ..	23,367	{ (R) 36,068 (S) 28,797 }	502	{ (R) 3,961 (S) 3,168 }	23,869	{ (R) 40,029 (S) 31,965 }

QUARTER ENDED SEPTEMBER.

1934 ..	18,398	{ (R) 17,106 (S) 13,657 }	434	{ (R) 2,630 (S) 2,104 }	18,832	{ (R) 19,736 (S) 15,761 }
1935 ..	20,122	{ (R) 19,913 (S) 15,898 }	397	{ (R) 2,954 (S) 2,363 }	20,519	{ (R) 22,867 (S) 18,261 }
1936 ..	22,803	{ (R) 21,879 (S) 17,468 }	563	{ (R) 3,470 (S) 2,776 }	23,366	{ (R) 25,349 (S) 20,244 }
1937 ..	27,260	{ (R) 29,286 (S) 23,382 }	523	{ (R) 4,345 (S) 3,475 }	27,783	{ (R) 33,631 (S) 26,857 }

QUARTER ENDED DECEMBER.

1934 ..	18,339	{ (R) 30,413 (S) 24,282 }	438	{ (R) 2,982 (S) 2,386 }	18,777	{ (R) 33,395 (S) 26,668 }
1935 ..	21,987	{ (R) 39,754 (S) 31,740 }	527	{ (R) 4,070 (S) 3,255 }	22,514	{ (R) 43,824 (S) 34,995 }
1936 ..	22,899	{ (R) 45,146 (S) 36,045 }	501	{ (R) 3,502 (S) 2,801 }	23,400	{ (R) 48,648 (S) 38,846 }
1937 ..	29,530	{ (R) 41,208 (S) 32,901 }	494	{ (R) 4,406 (S) 3,523 }	30,024	{ (R) 45,614 (S) 36,424 }

TOTAL FOR YEAR.

1934 ..	67,342	{ (R) 98,794 (S) 78,877 }	1,533	{ (R) 11,175 (S) 8,940 }	68,875	{ (R) 109,969 (S) 87,817 }
1935 ..	77,793	{ (R) 114,678 (S) 91,557 }	1,749	{ (R) 11,868 (S) 9,494 }	79,542	{ (R) 126,546 (S) 101,051 }
1936 ..	87,113	{ (R) 129,277 (S) 103,216 }	1,878	{ (R) 12,982 (S) 10,384 }	88,991	{ (R) 142,259 (S) 113,600 }
1937 ..	101,678	{ (R) 149,920 (S) 119,697 }	2,001	{ (R) 16,195 (S) 12,954 }	103,679	{ (R) 166,115 (S) 132,651 }

(R) Recorded values, Australian currency.

(S) British currency values.

§ 16. Excise.

Although excise goods have no immediate bearing on oversea trade the rates of excise duty are in some cases related to the import duty on similar goods. Moreover as the Excise Acts are administered by the Department of Trade and Customs it is convenient to publish here the quantities of Australian produce on which excise duty has been paid. Particulars of Customs and Excise Revenue are shown in Chapter XXVII.—Public Finance, B. § 2.

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

Article.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.
Spirits—	proof gal.	proof gal.	proof gal.	proof gal.	proof gal.
Brandy (Pure Australian Standard Brandy) ..	166,229	171,067	181,428	186,603	193,923
Brandy (Blended Wine Brandy, etc.) ..					
Gin (Distilled from Barley, Malt, Grain, or Grape Wine, etc.) ..	169,776	199,328	221,370	229,870	282,349
Whisky (Australian Standard Malt Whisky) ..	143,217	164,875	157,359	150,238	158,515
Whisky (Australian Blended Whisky) ..					
Rum (Australian Standard Rum) ..	318,058	323,938	337,562	337,484	326,249
Liqueurs ..	2,833	3,506	3,661	4,758	5,591
Spirits, n.e.i. ..	25	50	28	195	415
Spirits for Industrial or Scientific Purposes ..	104,198	111,860	114,622	112,498	112,594
Spirits for Fortifying Wine (Distilled from Doradillo Grapes) ..	662,103	669,498	759,257	804,760	786,836
Spirits for Fortifying Wine					
Spirits for making Vinegar	15,820	17,377	19,138	18,464	15,496
Amylic Alcohol and Fusel Oil ..	25	16	27	39	27
Concentrated Grape Must ..	9,895	7,163	36,448	(a)	(a)
Total, Spirits ..	1,592,179	1,668,678	1,830,900	1,844,909	1,881,995
Spirit for manufacture of Scents, etc. ..	liq. gal.	liq. gal.	liq. gal.	liq. gal.	liq. gal.
..	44,805	50,328	55,093	58,864	45,541
Beer ..	gal.	gal.	gal.	gal.	gal.
..	53,301,143	58,079,741	64,690,532	70,260,813	79,246,025
Tobacco — Manufactured, n.e.i. ..	lb.	lb.	lb.	lb.	lb.
..	13,735,473	13,915,260	14,556,348	14,948,726	15,462,073
Tobacco—Hand-made ..	152,451	173,302	41,903	40,019	47,418
Tobacco—Unmanufactured, etc. ..	..	..	..	..	887,264
Total, Tobacco ..	13,887,924	14,088,562	14,598,251	14,988,745	16,396,755
Cigars—Machine-made ..	46,131	55,040	53,770	61,088	63,613
Cigars—Hand-made ..	214,067	200,007	168,036	195,553	204,475
Total, Cigars ..	260,198	255,047	221,806	256,641	268,088

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

Article.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.
	lb.	lb.	lb.	lb.	lb.
Cigarettes—Machine-made	4,517,558	4,769,793	5,189,509	5,651,755	6,203,852
Cigarettes—Hand-made ..	440	271	556	169	272
Total, Cigarettes ..	4,517,998	4,770,064	5,190,065	5,651,924	6,204,124
	60 papers or tubes.	60 papers or tubes.	60 papers or tubes.	60 papers or tubes.	60 papers or tubes.
Cigarette Tubes and Papers	69,637,478	73,828,386	81,590,257	86,588,851	90,046,428
	gross of boxes.	gross of boxes.	gross of boxes.	gross of boxes.	gross of boxes.
Matches	3,086,433	3,355,327	2,994,258	3,095,260	3,260,806
	gal.	gal.	gal.	gal.	gal.
Petrol	23,351,682	28,405,489	28,831,464	33,059,655	31,978,588
	doz. packs.	doz. packs.	doz. packs.	doz. packs.	doz. packs.
Playing Cards	109,079	112,229	107,127	122,639	109,907

(a) Not available.

§ 17. 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 Act (Section 93). On the expiry of the "book-keeping" period, these records were discontinued as from 13th September, 1910, and the latest published statements were for the year 1909. Later the Governments of Western Australia and Tasmania revived the records, and statistics of the subject are available again for those States.

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

The Government Statist for South Australia publishes some figures for that State made up from the records of Western Australia and Tasmania, and from various other sources. The statistics of interstate trade for New South Wales, Victoria and Queensland 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.