

## FOOD SUPPLY AND COST OF LIVING.

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

Article.	New South Wales.	Victoria.	Queensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.	Australasia.
Grain—	lb.	lb.	lb.	lb.	lb.	lb.	lb.	lb.
Wheat.....	370·1	305·2	326·0	380·0	518·8	401·8	450·0	363·0
Rice.....	10·3	7·4	17·1	11·4	20·0	7·5	8·6	10·1
Oatmeal.....	8·0	5·1	4·0	4·7	7·7	...	9·8	6·9
Potatoes.....	202·8	287·0	164·5	155·8	144·0	503·2	438·5	249·7
Sugar.....	95·9	92·9	110·5	97·9	106·3	82·9	85·3	94·5
Tea.....	7·8	7·2	7·8	7·7	9·5	6·4	6·4	7·4
Coffee.....	0·5	0·8	0·4	0·9	1·0	0·4	0·5	0·6
Cheese.....	3·8	3·2	3·8	2·6	6·5	...	4·5	3·8
Butter.....	17·7	12·1	10·7	12·9	25·3	...	18·5	15·3
Salt.....	40·8	19·0	51·9	8·2	15·9	17·8	32·1	30·2
Meat—								
Beef.....	157·0	130·0	280·0	...	144·9	145·9	90·0	150·6
Mutton.....	111·6	82·2	90·0	...	145·0	100·4	110·0	100·7
Pork and bacon.....	12·9	11·4	...	...	...	16·9	...	12·4

It will be seen that the consumption of wheat ranges from 305·2 lb. in Victoria to 518·8 lb. in Western Australia, the average consumption for Australasia being 363·0 lb. per head. The high figures for Western Australia are, of course, due to the large proportion of adult male population in that colony. In Western Australia, and also in Tasmania, there has been an increase in the average consumption, and a decrease in the other colonies. In all the colonies, also, except Western Australia, there has been a decrease in the consumption of rice; at present the quantity used varies greatly, the consumption in Victoria being 7·4 lb. as against 20·0 lb. in Western Australia. The consumption of oatmeal is larger in New Zealand than in the other colonies. The use of tea is universal in Australia, but there has been a perceptible decline in the quantity used during the last twelve years. The consumption is

largest in Western Australia, with 9·5 lb per head, while New South Wales and Queensland come next with 7·8 lb. per head in each colony. Sugar also enters largely into consumption, the average in the two principal colonies being 95·9 lb. per head in New South Wales and 92·9 lb. in Victoria. Coffee is not a universal beverage in Australasia, the consumption being only one-twelfth that of tea. It is used most largely in Western Australia and South Australia, where the annual demand amounts to 1·0 lb. and 0·9 lb. per head respectively; but, like tea, the consumption of this beverage is not now so great as formerly.

In some of the colonies the consumption of potatoes per head of population is possibly less than is shown in the table. It is probable that the high average consumption of 503·2 lb. in Tasmania and 438·5 lb. in New Zealand is caused by the failure of the New South Wales and other continental markets to absorb the production of potatoes in excess of local requirements in those colonies, with the result that a quantity has to be given to live stock and poultry. Under these circumstances, it is impossible to determine with exactitude the quantity entering into the food consumption of the population.

The consumption of meat has been ascertained with exactness for only four colonies, but these may be taken as fairly representing the whole group. The average quantity of beef consumed in the year amounts to 150·6 lb. per head; of mutton, to 100·7 lb.; and of pork, 12·4 lb.; in all, 263·7 lb. It would thus appear that each inhabitant of these colonies requires daily nearly three-quarters of a pound of meat, and that during the year two sheep are killed for each member of the community, and one bullock to every five persons. It is obvious, therefore, that much meat must be wasted.

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

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

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

Country.	Lb. per Inhabitant.						Tea and Coffee— Oz.	Daily Energy— Foot tons.
	Grain.	Meat.	Sugar.	Butter and Cheese.	Potatoes.	Salt.		
United Kingdom	378	109	75	19	380	40	91	3,552
France .....	540	77	20	8	570	20	66	3,914
Germany .....	550	64	18	8	1,020	17	78	4,629
Russia .....	635	51	11	5	180	19	6	3,483
Austria .....	460	61	18	7	560	14	28	3,495
Italy .....	400	26	8	4	50	18	20	2,112
Spain .....	480	71	6	3	20	17	6	2,567
Portugal .....	500	49	12	3	40	17	18	2,629
Sweden .....	560	62	22	11	500	28	112	3,904
Norway .....	440	78	13	14	500	40	144	3,489
Denmark .....	560	64	22	22	410	25	140	3,855
Holland .....	560	57	35	15	820	20	240	4,487
Belgium .....	590	65	27	15	1,050	...	142	4,886
Switzerland .....	440	62	26	11	140	...	110	2,658
Roumania .....	400	82	4	9	80	...	8	2,325
Servia.....	400	84	4	9	80	...	8	2,333
United States ...	370	150	53	20	170	39	162	3,218
Canada .....	400	90	45	22	600	40	72	3,797
Australasia .....	380	264	95	19	250	30	128	4,076

Taking the articles in the foregoing list, with the exception of tea and coffee, and reducing them to a common basis of comparison, it will be found

that the amount of thermo-dynamic power capable of being generated by the food consumed in Australasia is only exceeded by that eaten in Germany, Holland, and Belgium. For the purpose of comparison the figures of Dr. Edward Smith, F.R.S., in his well known work on *Foods*, have been used, and the heat developed has been reduced to the equivalent weight lifted 1 foot high. In estimating the thermo-dynamic effect of food, grain has been reduced to its equivalent in flour, and regard has been paid to the probable nature of the meat consumed. The figures for potatoes are given as they appear in the *Dictionary of Statistics*; but it is a probable supposition that but a small proportion of the quantity over 400 lb. set down for any country is required for human consumption, and the figures relating to some of the countries—notably the three just mentioned—are therefore excessive. The substances specified above are largely supplemented by other foods, both in America and in Europe, but not more so than in these colonies, and the figures in the table may be taken as affording an accurate view of the comparative quantity and food value of the articles of consumption in the countries mentioned. To make such a comparison perfectly just, however, the average amount of work which each individual in the community is called upon to perform should be taken into consideration. In Australasia the proportion of women and children engaged in laborious occupations is far smaller than in Europe and America, and the hours of labour of all persons are also less, so that the amount of food-energy required is reduced in proportion. In his *Dictionary of Statistics*, under the heading of "Diet," Mulhall gives a measure of the aggregate amount of work performed by persons doing physical and mental labour, and it would appear that when burnt in the body the food of an average man should be equal to at least 3,300 foot tons of work daily; of a woman, 2,200; and of a child, 1,100 foot tons. For Australasia the average of all persons would be about 2,125 foot tons, whereas from the table just given it would appear that the amount of work to which the daily food consumed by each individual in the colonies is equivalent is not less than 4,076 foot tons.

It must be admitted, however, that the method of comparison adopted in the table is not entirely satisfactory, as the different functions of various kinds of food have not been considered. Experiments and observations made in Europe show that a standard may be set up by which the amount of nutrients required to maintain different classes of people may be measured. Professor Voit, of Munich, whose authority is accepted by European specialists, has ascertained that to sustain a labouring man engaged in moderately hard muscular work there are required 118 grams of protein and quantities of carbo-hydrates and fats sufficient with the protein to yield 3,050 calories of energy. There are 454 grams in a pound avoirdupois, and the calorie is the amount of heat that would raise the temperature of 4 lb. of water 1° Fahrenheit. Applying the ascertained values of the various foods, the consumption of which has just been given, it will be found that the daily consumption per

inhabitant is equivalent to 105 grams of protein and 3,195 calories, or about the quantity Professor Voit declares to be sufficient for a labouring man. If allowance be made for the fact that only 40 per cent. of the population are adult males, 33 per cent. women, and 27 per cent. children, the quantity of food consumed in Australasia would appear to be far in excess of the actual requirements of the population, and though the excess may be looked upon as waste, it is none the less evidence of the wealth of the people whose circumstances permit them to indulge in it.

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

Country.	lb.	Country.	lb.
Australasia .....	2·36	Austria-Hungary .....	3·77
New South Wales.....	2·57	Italy .....	1·34
Victoria .....	2·15	Spain .....	1·70
Queensland .....	2·96	Holland .....	6·92
South Australia.....	1·92	Belgium .....	3·15
Western Australia....	4·07	Switzerland .....	3·24
Tasmania .....	1·80	Sweden .....	1·87
New Zealand .....	2·10	Denmark .....	3·70
United Kingdom .....	1·41	Turkey .....	4·37
France.....	2·05	United States .....	4·40
Germany.....	3·00	Canada .....	2·11
Russia.....	1·23	Brazil .....	4·37

Taking Australasia as a whole, it compares very favourably with most European countries in the average quantity of intoxicants consumed, as the following statement shows. The figures, which are reduced to gallons of proof spirit from data given in Mulhall's *Dictionary of Statistics*, would appear even more favourable to Australasia were the fact of the large preponderance of males over females in these colonies made a feature of the comparison :—

Country.	Proof gallons.	Country.	Proof gallons.
United Kingdom .....	3·57	Portugal .....	3·00
France.....	5·10	Holland.....	4·00
Germany.....	3·08	Belgium .....	4·00
Russia.....	2·02	Denmark .....	5·00
Austria .....	2·80	Scandinavia .....	4·36
Italy .....	3·40	United States .....	2·65
Spain .....	2·85	Australasia .....	2·29

The following table shows the consumption for all the colonies during the year 1896 :—

Colony.	Spirits.		Wine.		Beer, &c.		Equivalent in Alcohol (proof) per inhabitant.
	Total.	Per inhabitant.	Total.	Per inhabitant.	Total.	Per inhabitant.	
	galls.	galls.	galls.	galls.	galls.	galls.	galls.
New South Wales.	941,715	0·73	789,067	0·61	11,773,323	9·14	2·10
Victoria .....	865,937	0·73	1,592,791	1·35	13,468,550	11·43	2·62
Queensland .....	422,859	0·91	280,422	0·60	5,763,137	12·36	2·69
South Australia ...	143,104	0·40	708,996	1·98	3,276,778	9·13	2·18
Western Australia.	263,787	2·21	164,546	1·38	2,570,755	21·50	5·37
Tasmania .....	61,986	0·38	14,522	0·09	1,175,798	7·19	1·34
New Zealand .....	447,286	0·60	99,477	0·13	5,564,808	7·46	1·60
Australasia .....	3,146,674	0·73	3,649,821	0·84	43,593,149	10·09	2·29

The largest consumption of spirits per inhabitant is in Western Australia, Queensland being second. Wine is used most freely in South Australia, Western Australia, and Victoria; and beer, in the colony of Western Australia. The average consumption of alcohol in all the colonies amounts to 2·29 gallons of proof spirit per inhabitant, ranging from 5·37 gallons in Western Australia to 1·34 gallons in Tasmania. There has been a great diminution in the quantity of alcohol consumed in Australasia during the last few years. In 1889 the average consumption was 2·82 gallons of proof alcohol; in 1890 it was 2·90 gallons; in 1891, 2·93 gallons; in 1892, 2·62 gallons; in 1893, 2·20 gallons; in 1894, 2·09 gallons; in 1895, 2·06 gallons; and in 1896, 2·29 gallons. Part of the increased consumption in 1896 must be set down to the fact that it was for the first time possible in that year to calculate the Western Australian consumption exactly; but a slight increase in consumption took place in every colony during the year, owing, no doubt, to the improved economic condition of the people.

Several descriptions of Australian wines have a natural strength of 30 per cent. of proof spirit, while from analyses which have been made it would appear that the strength of these wines offered for sale varies from 24 to 37 per cent. of spirit. Imported beers range from 13·88 per cent. to 15·42 per cent. in the case of English, and from 9·58 per cent. to 11·76 per cent. of proof spirit in Lager, while the local manufacture varied according to the make from 11·21 to 15·12, the average being 13·75 per cent. It is generally understood, however, that since the imposition of excise duties on colonial beer in New South Wales in 1887, the strength of the article has been somewhat reduced in this colony, and does not now average more than 13 per cent. of proof spirit.

## COST OF LIVING.

Sufficient data are not available to enable a calculation to be made of the cost of living in all the colonies, but with the materials to hand an estimate can be arrived at for New South Wales. In the year 1892 an estimate was made of the yearly expenditure of the population of that colony, and it was found that it amounted to £55,445,000; but during the following years there were a shrinkage in incomes and a falling-off in the consumption of articles of luxury, and a revision of the figures in 1894 brought out a total some 16 per cent. lower, notwithstanding the increase in population. On the basis of the estimates for that year, the following would be the average expenditure per inhabitant, distributed under the principal heads, for 1896 :—

Division of Expenditure.	Per Inhabitant.		
	£	s.	d.
Food and non-alcoholic beverages .....	12	12	3
Fermented and spirituous liquors .....	3	3	1
Tobacco.....	0	18	9
Clothing and drapery.....	5	2	0
Furniture .....	0	7	5
Rent or value of buildings used as dwellings ..	4	7	11
Locomotion .....	1	4	10
Fuel and light .....	1	8	9
Personal attendance, service, and lodging.....	1	2	6
Medical attendance, medicine, and nursing .....	1	2	3
Religion, charities, education (not including State expenditure)	0	11	9
Art and amusement .....	0	15	6
Books, newspapers, etc. ....	0	11	9
Postage and telegrams, not incidental to earning the incomes	0	3	4
Direct taxes not falling on trade or property .....	0	7	11
Household expenses not included elsewhere.....	1	10	3
Miscellaneous expenses .....	0	18	8
<b>Total .....</b>	<b>£36</b>	<b>8</b>	<b>11</b>

The expenditure for the year, viz., £36 8s. 11d. per head, was at the rate of 2s. per day. The daily expenditure may be thus distributed :—

Division of Expenditure.	Per day.	Proportion
		of Expenditure.
	d.	per cent.
Food .....	8·3	34·6
Clothing and drapery .....	3·3	13·8
Rent .....	2·9	12·1
Direct taxes, postage, &c. ....	0·3	1·2
Sundries (including intoxicants) .....	9·2	38·3
<b>Total .....</b>	<b>24·0</b>	<b>100·0</b>

The conditions of life and the standard of living are much the same in all the colonies, but it would undoubtedly be incorrect to assume that the average expenditure throughout Australasia is equal to that of New South Wales. Making an arbitrary reduction on the New South Wales rates of 10 per cent. for the other colonies, the expenditure for Australasia would be as follows:—

Division of Expenditure.	Total	Per	
	Expenditure.	Inhabitant.	
	£	£	s. d.
Food and non-alcoholic beverages .....	50,207,800	11	14 7
Fermented and spirituous liquors .....	12,562,000	2	18 8
Tobacco .....	3,733,000	0	17 5
Clothing and drapery .....	20,313,600	4	14 11
Furniture.....	1,475,400	0	6 11
Rent or value of buildings used as dwellings .....	17,503,400	4	1 9
Locomotion .....	4,947,200	1	3 1
Fuel and light.....	5,729,800	1	6 9
Personal attendance, service, and lodging .....	4,482,300	1	0 11
Medical attendance, medicine, and nursing... ..	4,426,900	1	0 8
Religion, charities, education (not including State expenditure) .....	2,330,800	0	10 11
Art and amusement .....	3,086,800	0	14 5
Books, newspapers, etc. ....	2,344,200	0	11 0
Postage and telegrams, not incidental to earning the incomes .....	713,500	0	3 4
Direct taxes not falling on trade or property .....	1,841,500	0	8 7
Household expenses not included elsewhere.....	6,025,700	1	8 2
Miscellaneous expenses.....	3,707,600	0	17 4
<b>Total .....</b>	<b>£145,431,500</b>	<b>33</b>	<b>19 5</b>

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

Country.	Expenditure per Inhabitant.	Country.	Expenditure per Inhabitant.
	£ s. d.		£ s. d.
United Kingdom .....	29 14 9	Norway.....	19 0 0
France.....	23 19 4	Denmark .....	23 11 5
Germany.....	20 3 4	Holland .....	20 17 4
Russia.....	10 1 11	Belgium .....	25 8 2
Austria .....	14 4 9	Switzerland .....	18 0 0
Italy .....	11 11 0	United States .....	32 16 2
Spain .....	15 12 6	Canada .....	23 6 2
Portugal.....	11 5 6		
Sweden .....	20 8 4	Australasia .....	33 19 5

The table just given affords but a partial view of the question of the cost of living, for if the total earnings of the countries above enumerated be considered as an element of comparison, it will be found that



few countries approach Australasia in the small proportion of income absorbed in providing food for the people. The following table, given on the same authority as the preceding, shows that while the actual cost of food and drink is £14 13s. 3d. in Australasia as against £14 4s. 9d. in Great Britain, the earnings required to pay for this food are not larger proportionately than in the countries which show most favourably in the table. The number of working days in the year is assumed to be 300, allowing for thirteen days' sickness and fifty-two Sundays:—

Country.	Average annual cost of food and beverage.	Ratio of cost of food to earnings.	Days' earnings equal to annual cost of food.
	£ s. d.	per cent.	days.
United Kingdom ...	14 4 9	42·2	127
France .....	12 4 5	44·0	142
Germany .....	10 18 5	49·1	148
Russia .....	5 19 7	52·0	156
Austria .....	7 17 4	50·8	152
Italy .....	6 4 10	51·2	153
Spain .....	8 9 0	51·2	154
Portugal .....	7 3 0	59·1	177
Sweden .....	9 18 11	45·2	136
Norway .....	9 15 0	47·6	143
Denmark .....	11 14 0	36·0	108
Holland .....	10 8 0	46·0	138
Belgium .....	12 3 1	43·4	130
Switzerland .....	8 11 7	45·2	135
United States.....	9 17 7	25·3	76
Canada.....	8 9 0	32·5	97
Australasia*.....	14 13 3	34·4	103

#### PRICE LEVELS.

The following tables have been compiled with the object of showing to what extent the colonies have been affected by the general fall in the prices of commodities during the past thirty-eight years. The figures refer to New South Wales alone, but they may be accepted as also indicating in a fairly accurate degree the position in which the other provinces of Australasia stand in regard to this matter. The total value of the exports of each of the colonies is greatly affected by the prices obtained for certain leading lines of raw produce, of which, in the case of New South Wales, wool, silver, and coal are the most important. In the subjoined table the price-level of domestic exports of that colony is given for the thirty-eight years beginning with 1860. In order to ascertain the price-level, all the principal articles of domestic produce exported have been taken, the prices of 1897 have been applied to the quantities of each of the other years, and the result has been compared

with the actual total of such year, the level of the year being found by dividing the actual value into the value which would have been obtained had the prices of 1897 prevailed. The average for 1897 is assumed to be 1,000, the price-levels or index numbers of the other years being as shown in the table. In order to further facilitate comparison of different years, the average of the five years 1870-74 has been assumed to be 1,000, and the prices of other years have been adjusted to that basis. In compiling the price-level for exports, only articles of insignificant value have been omitted from consideration, and in no year does the value of articles included form less than 85 per cent. of the total exports, while in some years the proportion rises as high as 95 per cent., the average of all years being above 90 per cent. It is considered that this system enables a truer estimate of the relative prices to be obtained than that of selecting the prices of certain articles without giving due weight to the quantities of such articles exported:—

Year.	Price-level of Exports.		Year.	Price-level of Exports.	
	1897 prices = 1,000.	Average of 1870-74 prices = 1,000.		1897 prices = 1,000.	Average of 1870-74 prices = 1,000.
1860	2,238	1,247	1879	1,652	921
1861	2,233	1,244	1880	1,621	903
1862	2,351	1,310	1881	1,609	897
1863	2,137	1,191	1882	1,661	926
1864	2,363	1,316	1883	1,661	926
1865	2,163	1,203	1884	1,647	919
1866	2,241	1,249	1885	1,446	806
1867	2,070	1,154	1886	1,390	775
1868	2,072	1,155	1887	1,428	797
1869	1,890	1,053	1888	1,386	773
1870	1,577	879	1889	1,408	785
1871	1,929	1,075	1890	1,360	758
1872	1,757	979	1891	1,236	689
1873	1,862	1,037	1892	1,170	652
1874	1,846	1,028	1893	1,059	590
1875	1,840	1,027	1894	955	532
1876	1,743	972	1895	979	546
1877	1,598	891	1896	1,029	573
1878	1,591	887	1897	1,000	557

These figures show that there has been a great fall in the prices of colonial produce exported since 1860, or still greater since 1864, viz., from the index number 1,316 to 557, or nearly 58 per cent. Marked fluctuations, ranging to about 10 per cent., occurred between 1860 and 1866, when the index number was about the same as in the first-named year. From 1866 to 1870 there was a drop from 1,249 to 879, or about 30 per cent. A rise followed in 1871 to 1,075, or about 22 per cent., after which for four years prices continued fairly steady, until there was a further decline to 887 in 1878. In 1879 the level rose to 921

and for the next four years prices continued without much change, but from 1884 to 1885 there was a fall from 919 to 806. This was succeeded by a fairly even range until 1889, when the level stood at 785. From 1889 there was a steep decline to 532 in 1894, a fall of 32 per cent. for the five years, but in 1895 and 1896 prices recovered a little, and the level rose to 573—an advance of 7·7 per cent. In 1897 there was again a slight fall from 573 to 557, equivalent to 2·8 per cent. It will be seen that the purchasing power of money has steadily increased since 1864—if the Customs values of the exports fairly represent the prices ruling in the general community, whether in the colony or elsewhere—and that 20s. in 1897 would purchase the same articles of domestic export which in 1864 would have cost more than 47s., prices having fallen 57·7 per cent. during the period of thirty-three years. The greatest decline has taken place in the three staple exports of wool, silver, and coal. If these articles be excluded, it will be found that the fall in prices of the balance of the exports reaches 31·8 per cent.

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

Year.	Price-Level of Imports.		Year.	Price-Level of Imports.	
	1897 prices = 1,000.	Average of 1870-74 prices = 1,000.		1897 prices = 1,000.	Average of 1870-74 prices = 1,000.
1870	1,380	966	1884	1,232	862
1871	1,386	970	1885	1,129	790
1872	1,449	1,014	1886	1,109	776
1873	1,471	1,030	1887	1,119	783
1874	1,457	1,020	1888	1,113	779
1875	1,374	962	1889	1,160	812
1876	1,349	944	1890	1,149	804
1877	1,297	908	1891	1,096	767
1878	1,286	900	1892	1,051	736
1879	1,232	862	1893	1,012	708
1880	1,241	868	1894	961	673
1881	1,228	859	1895	951	666
1882	1,222	855	1896	990	693
1883	1,242	869	1897	1,000	700

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

of imports of merchandise for home consumption and exports of domestic produce, for periods of five years to the end of 1894, and for the three-year period 1895-97, with the relative fall per cent. :—

Period.	Imports.		Exports.	
	Average of five years, 1870-4, prices = 1,000.	Decline in prices in five years, per cent.	Average of five years, 1870-4, prices = 1,000.	Decline in prices in five years, per cent.
1870-74	1,000	.....	1,000	.....
1875-79	915	8·5	940	6·0
1880-84	863	5·9	914	2·9
1885-89	788	8·5	787	13·8
1890-94	737	6·5	645	18·0
1895-97	686	6·9	559	13·3

It will be seen that, assuming the index number of the five years 1870-74 to be 1,000, the fall in the succeeding five years was 8·5 per cent. for the imports, as compared with 6 per cent. for the exports. The average value of the imports for the five years ending with 1884 was 5·9 per cent. less than in the preceding quinquennial period, whereas the difference in the value of the exports was 2·9 per cent. During the next five years the average value of the imports declined 8·5 per cent., while the fall in the value of the exports was no less than 13·8 per cent., so that the index number for 1885-89 for both imports and exports was practically the same figure. As already mentioned, the fall for the period 1890-94 was much more heavy in regard to the exports than the imports, amounting to 18 as compared with 6·5 per cent.; but during the period 1895-97 the fall in the exports was about twice as great as in the imports. It may, therefore, be said that the period 1895-97 was rather more favourable to the colonies than the one immediately preceding.

New South Wales, in common with the other Australasian colonies, is chiefly affected by the fall in prices because it is a debtor country. In the chapter on "Private Finance" will be found certain calculations showing that the annual charge payable by the State and municipalities on their indebtedness to British creditors is £2,099,000 while the earnings of investments made in the colony by private persons, or drawn by absentees, amount to £2,471,000 per annum. As the whole of the interest on Government and municipal loans has to be paid by exports, irrespective of the fall in prices, and as a large portion also of the interest payable to private investors is in the same category, the fall is a matter of very serious importance to these colonies, viewed as debtor States. Fortunately the increase of production, as compared with the population, has been so great in New South Wales as to counteract the fall in prices; but it is hardly possible to believe that the probable increase of production will compensate the colony for a renewed fall at the alarming rate which characterised the period from 1889 to 1894.