

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 annual consumption per inhabitant of the principal articles of common diet, based on the experience of the last ten years, is given below :—

| Article. | New South Wales. | Victoria. | Queensland. | South Australia. | Western Australia. | Tasmania. | Commonwealth. | New Zealand. | Australasia. |
|----------------|------------------|-----------|-------------|------------------|--------------------|-----------|---------------|--------------|--------------|
| | lb. | lb. | lb. | lb. | lb. | lb. | lb. | lb. | lb. |
| Grain— | | | | | | | | | |
| Wheat | 356.1 | 325.5 | 339.8 | 380.0 | 455.5 | 402.7 | 353.0 | 393.4 | 359.6 |
| Rice | 9.5 | 7.6 | 17.8 | 9.1 | 17.9 | 5.7 | 10.1 | 8.9 | 9.9 |
| Oatmeal | 5.8 | 6.9 | 4.4 | 5.5 | 10.4 | 15.6 | 6.6 | 9.3 | 7.0 |
| Potatoes | 179.0 | 240.9 | 161.6 | 126.5 | 189.9 | 651.8 | 213.9 | 536.5 | 268.2 |
| Sugar | 109.4 | 97.7 | 125.8 | 101.9 | 107.1 | 97.9 | 106.4 | 98.8 | 105.1 |
| Tea | 7.4 | 6.7 | 7.1 | 8.2 | 9.7 | 6.2 | 7.3 | 6.5 | 7.1 |
| Coffee | 0.5 | 0.7 | 0.5 | 0.7 | 0.8 | 0.4 | 0.6 | 0.4 | 0.6 |
| Cheese | 3.6 | 3.2 | 4.2 | 2.6 | 6.0 | 2.3 | 3.5 | 5.1 | 3.8 |
| Butter | 20.9 | 13.9 | 13.8 | 13.0 | 28.7 | 8.8 | 17.0 | 16.3 | 16.9 |
| Salt | 40.8 | 14.7 | 61.5 | 17.0 | 19.0 | 19.8 | 30.8 | 36.5 | 31.6 |
| Meat— | | | | | | | | | |
| Beef | 154.5 | 116.1 | 190.4 | 127.0 | 142.1 | 101.5 | 134.5 | 90.0 | 125.8 |
| Mutton | 113.7 | 71.0 | 38.2 | 75.0 | 134.3 | 73.8 | 91.0 | 110.0 | 94.2 |
| Pork and Bacon | 12.0 | 11.8 | 13.5 | 11.4 | 32.5 | 12.2 | 13.5 | 12.5 | 13.3 |

It will be seen that the consumption of wheat in the Commonwealth is 353 lb., ranging from 325 lb. in Victoria to 455 lb. in Western Australia, the average consumption for Australasia being 360 lb. per head. There is in all the states a tendency towards reducing the consumption of bread-stuffs, the place of bread being taken by potatoes and other vegetables. In Western Australia and in Tasmania the large influx of miners some years ago materially increased the consumption of bread-stuffs, as shown by the high figures in the above table, but of late years the tendency in these, as in the other states, is towards a smaller consumption. The consumption of rice remains about the same from year to year, the average being 9.9 lb., varying from 5.7 lb. in Tasmania to 17.9 lb. in Western Australia. The consumption of rice increases greatly as an advance is made from the temperate to tropical regions. At Port Darwin rice is not only the staple food of the Chinese, but of the great bulk of the European population, the average annual consumption per head being, Chinese, 450 lb. Japanese, 200 lb. Europeans 50 lb. The use of tea is universal in Australia, but there has been a perceptible decline in the quantity used during the last fifteen years. The consumption is largest in Western Australia, with 9.7 lb. per head, while South

Australia comes next with 8·2 lb. per head. Sugar also enters largely into consumption, the average in the two principal states being 109 lb. per head in New South Wales and 98 lb. in Victoria. The figure for Queensland is based on the returns of production and export; the consumption for 1903 appears to have been only 100·5 lb. per head. 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, where the annual demand amounts to 12·8 oz. per head; but, like tea, the consumption of this beverage is not now so great as formerly.

In some of the states the consumption of potatoes per head of population may be less than is shown in the table. It is probable that the high average consumption of 651·8 lb. in Tasmania and 536·5 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 states, with the result that a quantity has to be given to live stock and poultry. Under these circumstances, it is impossible to determine with exactitude the quantity entering into the food consumption of the population.

The consumption of meat has been ascertained with exactness for five of the states, but these may be taken as fairly representing the whole group. The average quantity of beef annually consumed in the Commonwealth amounts to 134·5 lb. per head; of mutton, to 91·0 lb.; and of pork, 13·5 lb.; in all, 239·0 lb. It would thus appear that each inhabitant requires daily nearly two-thirds 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 consumption in New Zealand cannot be accurately determined, but it is probable that about 212·5 lb. of meat is the average annual consumption per inhabitant, of which beef comprises 90·0 lb.; mutton, 110·0 lb.; and pork, 12·5 lb.

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 nearly four times that quantity. In the United States, a meat-exporting country, the consumption is about two-thirds of 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. |
|--------------------|-----------------|---------------------|-----------------|
| | b. | | 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 | 233 |

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

| Country. | Lb. per Inhabitant. | | | | | | Tea and Coffee — Oz. |
|----------------|---------------------|-------|--------|-----------------------|-----------|-------|-------------------------|
| | Grain. | Meat. | Sugar. | Butter and Cheese. | Potatoes. | Salt. | |
| United Kingdom | 378 | 109 | 75 | 19 | 380 | 40 | 91 |
| France | 540 | 77 | 20 | 8 | 570 | 20 | 66 |
| Germany | 550 | 64 | 18 | 8 | 1,020 | 17 | 78 |
| Russia | 635 | 51 | 11 | 5 | 180 | 19 | 6 |
| Austria | 460 | 61 | 18 | 7 | 560 | 14 | 28 |
| Italy | 400 | 26 | 8 | 4 | 50 | 18 | 20 |
| Spain | 480 | 71 | 6 | 3 | 20 | 17 | 6 |
| Portugal | 500 | 49 | 12 | 3 | 40 | 17 | 18 |
| Sweden | 560 | 62 | 22 | 11 | 500 | 28 | 112 |
| Norway | 440 | 78 | 13 | 14 | 500 | 40 | 144 |
| Denmark | 560 | 64 | 22 | 22 | 410 | 25 | 140 |
| Holland | 560 | 57 | 35 | 15 | 820 | 20 | 240 |
| Belgium | 590 | 65 | 27 | 15 | 1,050 | ... | 142 |
| Switzerland | 440 | 62 | 26 | 11 | 140 | ... | 110 |
| Roumania | 400 | 82 | 4 | 9 | 80 | ... | 8 |
| Servia | 400 | 84 | 4 | 9 | 80 | ... | 8 |
| United States | 370 | 150 | 53 | 20 | 170 | 39 | 162 |
| Canada | 400 | 90 | 45 | 22 | 600 | 40 | 72 |
| Australasia | 377 | 233 | 105 | 21 | 268 | 32 | 123 |

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 states, 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 2,000 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 Australasia is equivalent is not less than 4,071 foot tons.

It must be admitted, however, that the method of comparison adopted in the preceding paragraph is not entirely satisfactory, as the 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, 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 29 per cent. of the population are adult males, 24 per cent. women, and 47 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 so much waste, it is none the less evidence of the condition of a people whose circumstances permit them to indulge in it.

The consumption of many other articles of common use can be ascertained with some exactness, and this is given for the seventeen specified in the following list. In all cases where the commodities are wholly imported the actual quantities entering into consumption can be given; where there is a local manufacture it has been necessary in some instances

to make an estimate, but as the data for such are ample the figures given may be taken as fairly reliable.

The principal feature of the table is the high consumption of Western Australia of most of the articles comprised in the list. Amongst the most notable of these are tinned fish, 8.25 lb. per inhabitant, compared with the Commonwealth average of 4.34 lb.; preserved milk 18.47 lb., compared with 3.82 lb.; onions 28.73 lb., compared with 16.93 lb.; candles 10.49 lb., compared with 4.67 lb.; kerosene oil 7.62 gallons, compared with 3.55 gallons; and soap 18.33 lb., compared with 14.04 lb.

The annual consumption per inhabitant based on the experience of the last five years was:—

| Article. | New South Wales. | | Queensland. | South Australia. | Western Australia. | Tasmania. | Commonwealth. | New Zealand. | Australasia. |
|---------------------------|------------------|-----------|-------------|------------------|--------------------|-----------|---------------|--------------|--------------|
| | Victoria. | Victoria. | | | | | | | |
| | lb. | lb. | lb. | lb. | lb. | lb. | lb. | lb. | lb. |
| Cocoa and chocolate ... | 0.77 | 0.80 | 0.40 | 1.08 | 0.92 | 0.73 | 0.76 | 0.72 | 0.75 |
| Currants and raisins .. | 4.04 | 4.67 | 4.02 | 5.29 | 5.47 | 4.67 | 4.45 | 6.84 | 4.85 |
| Dates | 1.27 | 0.96 | 0.64 | 0.76 | 1.05 | 0.51 | 1.06 | 1.76 | 1.14 |
| Fish (preserved) | 4.69 | 3.42 | 4.62 | 3.43 | 8.25 | 3.50 | 4.34 | 3.94 | 4.26 |
| Honey..... | 1.69 | 0.73 | 1.30 | 1.64 | 1.19 | 0.55 | 1.28 | 0.60 | 1.16 |
| Maizena (cornflour) | 1.69 | 1.58 | 0.82 | 1.09 | 1.36 | 0.57 | 1.45 | 1.28 | 1.42 |
| Milk (condensed) .. | 3.63 | 2.37 | 3.45 | 1.37 | 18.47 | 2.30 | 3.82 | 1.60 | 3.32 |
| Mustard | 0.25 | 0.18 | 0.23 | 0.24 | 0.36 | 0.19 | 0.23 | 0.28 | 0.24 |
| Onions | 13.35 | 21.70 | 18.03 | 9.50 | 28.73 | 11.66 | 16.93 | ... | ... |
| Pepper | 0.19 | 0.24 | 0.22 | 0.30 | 0.30 | 0.23 | 0.23 | 0.30 | 0.23 |
| Sago | 0.20 | 0.19 | 0.78 | 0.45 | 0.12 | 0.62 | 0.36 | ... | ... |
| Tapioca .. | 1.59 | 1.58 | 1.22 | 1.42 | 1.75 | 0.59 | 1.49 | 2.64 | ... |
| Blue (washing) | 0.25 | 0.30 | 0.25 | 0.28 | 0.30 | 0.33 | 0.27 | 0.25 | 0.27 |
| Candles | 4.17 | 4.51 | 3.82 | 4.00 | 10.49 | 7.15 | 4.67 | 6.59 | 4.99 |
| Soap | 14.97 | 12.27 | 15.10 | 12.00 | 18.33 | 15.44 | 14.04 | 13.98 | 13.99 |
| Starch..... | 4.01 | 4.70 | 3.40 | 2.20 | 3.15 | 2.67 | 3.80 | 2.50 | 3.57 |
| Kerosene oil | galls. | galls. | galls. | galls. | galls. | galls. | galls. | galls. | galls. |
| | 3.13 | 3.44 | 3.86 | 3.63 | 7.62 | 7.76 | 3.55 | 3.49 | 3.53 |

The following table gives the annual consumption of tobacco in Australasia and the principal countries of the world. The use of tobacco is more prevalent in Western Australia and Queensland than in any of the other states, but not to the extent which the figures of consumption would indicate, as both Western Australia and Queensland have a larger proportion of adult males amongst their population than the other states, and the proportionate number of smokers is larger

Compared with other parts of the world, the average consumption of Australasia will not appear excessive :—

| Country. | lb. | Country. | lb. |
|------------------------|------|----------------------|------|
| Australasia..... | 2·60 | Austria-Hungary..... | 3·77 |
| New South Wales..... | 2·80 | Italy..... | 1·34 |
| Victoria..... | 2·02 | Spain..... | 1·70 |
| Queensland..... | 2·99 | Holland..... | 6·92 |
| South Australia..... | 2·02 | Belgium..... | 3·15 |
| Western Australia..... | 4·58 | Switzerland..... | 3·24 |
| Tasmania..... | 2·35 | Sweden..... | 1·87 |
| New Zealand..... | 2·64 | 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 Australia as a whole, the consumption of tobacco per inhabitant is slightly less than it was ten years ago; but there has been a considerable change in the consumption in some of the states. In Queensland there has been a fall in amount consumed per inhabitant of nearly half a pound, in New South Wales one-tenth, in South Australia one-tenth, and in Victoria one-third of a pound. In Western Australia there has been an increase of nearly half a pound, in Tasmania an increase of one-seventh of a pound, and in New Zealand of two-fifths of a pound. In regard to the description of tobacco used, the chief point noticeable is the large increase in the consumption of cigarettes. In 1890 about 88·4 per cent. of the total consumption was of ordinary tobacco; in 1903 the proportion had fallen to 84·2 per cent.; of cigars, the consumption in 1890 was about 8·5 per cent., compared with 5·2 per cent. at present, and of cigarettes 3·1 per cent. in 1890, compared with 10·6 per cent. for the year 1903.

All the states except Tasmania manufacture tobacco, and the following figures show the consumption of the article during the year 1903 :—

| State. | Consumption of— | | | |
|-----------------------|-----------------|---------|-------------|---|
| | Tobacco. | Cigars. | Cigarettes. | Tobacco, including Cigars and Cigarettes. |
| | lb. | lb. | lb. | lb. |
| New South Wales ... | 3,365,532 | 180,444 | 440,104 | 3,986,080 |
| Victoria | 2,002,125 | 173,031 | 272,693 | 2,447,849 |
| Queensland | 1,366,307 | 60,876 | 124,138 | 1,551,321 |
| South Australia | 575,528 | 57,960 | 108,019 | 741,507 |
| Western Australia ... | 839,860 | 63,748 | 108,752 | 1,012,360 |
| Tasmania | 378,147 | 17,032 | 21,461 | 416,640 |
| Commonwealth..... | 8,527,499 | 553,091 | 1,075,167 | 10,155,757 |
| New Zealand..... | 1,852,423 | 80,027 | 230,279 | 2,162,729 |
| Australasia | 10,379,922 | 633,118 | 1,305,446 | 12,318,486 |

The average consumption per inhabitant for the same year was as follows :—

| State. | Average consumption per inhabitant. | | | |
|-----------------------|-------------------------------------|---------|-------------|---|
| | Tobacco. | Cigars. | Cigarettes. | Tobacco, including Cigars and Cigarettes. |
| | lb. | lb. | lb. | lb. |
| New South Wales ... | 2·36 | 0·13 | 0·31 | 2·80 |
| Victoria | 1·66 | 0·14 | 0·22 | 2·02 |
| Queensland | 2·63 | 0·12 | 0·24 | 2·99 |
| South Australia | 1·57 | 0·16 | 0·29 | 2·02 |
| Western Australia ... | 3·80 | 0·29 | 0·49 | 4·58 |
| Tasmania | 2·13 | 0·10 | 0·12 | 2·35 |
| Commonwealth..... | 2·18 | 0·14 | 0·27 | 2·59 |
| New Zealand..... | 2·26 | 0·10 | 0·28 | 2·64 |
| Australasia..... | 2·19 | 0·13 | 0·28 | 2·60 |

The consumption of opium in Australia for other than medicinal purposes is principally by the Chinese. An investigation was recently made by Mr. Nicholas Lockyer, Collector of Customs, Sydney, who found that, as regards opium smoking, the Chinese were divided into three classes—the largest class, comprising 70 per cent. of the whole, do not use opium; about 20 per cent. consume an ounce of the narcotic per week; and 10 per cent. four ounces per week. This gives an average consumption of $\frac{2}{3}$ of an ounce for every adult Chinese, equivalent to 1·95 lb. per annum. The total number of male adult Chinese in Australia is approximately 29,000, and a consumption of 1·95 lb. would represent a total of 56,550 lb. The average net import of opium into the Commonwealth during the last five years was 51,259 lb. which confirms the general accuracy of Mr. Lockyer's estimate. The quantity consumed in each year was as follows :—

| | lb. |
|------------|--------|
| 1889 | 56,061 |
| 1900 | 48,568 |
| 1901 | 55,638 |
| 1902 | 54,423 |
| 1903 | 41,603 |

Australasia as a whole 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 states 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 | 2·30 |

The following table shows the consumption for all the states during the year 1903 :—

| State. | Spirits. | | Wine. | | Beer, &c. | | Equivalent in Alcohol (proof) per Inhabitant |
|---------------------|-----------|-----------------|-----------|-----------------|------------|-----------------|--|
| | Total. | Per Inhabitant. | Total | Per Inhabitant. | Total. | Per Inhabitant. | |
| | galls. | galls. | galls. | galls. | galls. | galls. | galls. |
| New South Wales. | 1,127,222 | 0·79 | 952,884 | 0·67 | 13,583,223 | 9·55 | 2·20 |
| Victoria | 741,535 | 0·61 | 1,503,019 | 1·24 | 14,033,907 | 11·61 | 2·42 |
| Queensland | 444,349 | 0·86 | 198,817 | 0·38 | 4,919,987 | 9·49 | 2·19 |
| South Australia ... | 169,292 | 0·46 | 817,382 | 2·22 | 3,063,063 | 8·33 | 2·08 |
| Western Australia. | 314,656 | 1·42 | 166,450 | 0·75 | 4,829,101 | 21·82 | 4·45 |
| Tasmania | 94,372 | 0·53 | 31,470 | 0·18 | 1,511,404 | 8·51 | 1·69 |
| Commonwealth. | 2,891,426 | 0·74 | 3,670,022 | 0·94 | 41,940,685 | 10·71 | 2·36 |
| New Zealand | 619,649 | 0·76 | 122,490 | 0·15 | 7,759,330 | 9·46 | 2·03 |
| Australasia | 3,511,075 | 0·74 | 3,792,512 | 0·80 | 49,700,015 | 10·49 | 2·30 |

The largest consumption of spirits per inhabitant is in Western Australia, Queensland being second. Wine is used most freely in South Australia and Victoria, and beer in Western Australia. The average consumption of alcohol in the Commonwealth for the year 1903 amounted to 2·36 gallons of proof spirit per inhabitant, ranging from 4·45 gallons in Western Australia to 1·69 gallons in Tasmania. There was a great diminution in the quantity of alcohol consumed in Australasia in the year immediately following the bank crisis, and in 1895 the consumption fell to 2·1 gallons, as compared with 2·94 gallons in 1891. From 1895 there was a gradual increase, and the consumption for the last eight years has ranged between 2·4 and 2·5 gallons.

During the last ten years there has been a considerable change as regards some of the states in the character of the beverages consumed, as the accompanying tables show :—

| State. | Consumption of Malt Liquors in 1893. | | Consumption of Malt Liquors in 1903. | |
|------------------------|---|--------------------|---|--------------------|
| | Total. | Per Inhabitant. | Total. | Per Inhabitant. |
| | galls. | galls. | galls. | galls. |
| New South Wales..... | 11,178,264 | 9·29 | 13,583,223 | 9·55 |
| Victoria | 13,197,987 | 11·25 | 14,033,907 | 11·61 |
| Queensland..... | 3,591,891 | 8·69 | 4,919,987 | 9·49 |
| South Australia..... | 3,226,479 | 9·51 | 3,063,063 | 8·33 |
| Western Australia..... | 584,043 | 9·44 | 4,829,101 | 21·82 |
| Tasmania..... | 1,130,048 | 7·51 | 1,511,404 | 8·51 |
| Commonwealth | 32,908,712 | 9·85 | 41,940,68 ⁵ | 10·71 |
| New Zealand | 5,102,276 | 7·71 | 7,759,330 | 9·46 |
| Australasia | 38,010,988 | 9·50 | 49,700,015 | 10·49 |

The consumption per inhabitant of malt liquors both for the Commonwealth and New Zealand showed an increase during the ten years. The consumption of spirits has remained practically the same in the Commonwealth, the increase being very little, and in New Zealand there has been a slightly larger increase in the volume per inhabitant.

The following is a statement of the consumption in 1893 and 1903 respectively :—

| State. | Consumption of Spirits in 1893. | | Consumption of Spirits in 1903. | |
|-------------------------|---------------------------------|-----------------|---------------------------------|-----------------|
| | Total. | Per Inhabitant. | Total. | Per Inhabitant. |
| | galls. | galls. | galls. | galls. |
| New South Wales..... | 990,984 | 0·83 | 1,127,222 | 0·79 |
| Victoria | 693,929 | 0·59 | 741,535 | 0·61 |
| Queensland..... | 405,316 | 0·98 | 444,349 | 0·86 |
| South Australia..... | 150,055 | 0·44 | 169,292 | 0·46 |
| Western Australia | 87,241 | 1·41 | 314,656 | 1·42 |
| Tasmania..... | 64,316 | 0·43 | 94,372 | 0·53 |
| Commonwealth | 2,400,841 | 0·72 | 2,891,426 | 0·74 |
| New Zealand | 461,283 | 0·70 | 619,649 | 0·76 |
| Australasia | 2,862,124 | 0·72 | 3,511,075 | 0·74 |

The consumption of wine can be determined only approximately. Wine is an article of local production not subject to excise duty, and it is quite possible that a certain quantity may be consumed without its production being noted. The following statement gives the probable consumption for the periods named :—

| State. | Consumption of Wine in 1893. | | Consumption of Wine in 1903. | |
|-------------------------|------------------------------|-----------------|------------------------------|-----------------|
| | Total. | Per Inhabitant. | Total. | Per Inhabitant. |
| | galls. | galls. | galls. | galls. |
| New South Wales..... | 1,019,130 | 0·85 | 952,884 | 0·67 |
| Victoria | 1,394,045 | 1·19 | 1,503,019 | 1·24 |
| Queensland | 237,078 | 0·57 | 198,817 | 0·38 |
| South Australia..... | 341,398 | 1·01 | 817,382 | 2·22 |
| Western Australia | 68,671 | 1·11 | 166,450 | 0·75 |
| Tasmania..... | 13,595 | 0·90 | 31,470 | 0·18 |
| Commonwealth | 3,073,917 | 0·92 | 3,670,022 | 0·94 |
| New Zealand | 112,105 | 0·17 | 122,490 | 0·15 |
| Australasia | 3,186,022 | 0·80 | 3,792,512 | 0·80 |

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 6·1 to 13·8, the average being 9·97 per cent. Four of the states manufacture spirits, and five make wine, while beer is brewed in all of them. Details of the production during 1903 will be found elsewhere in this volume.

EXPENDITURE ON LIVING.

In previous issues of this volume statements appeared showing the annual expenditure of the people of New South Wales and of the other states of the Commonwealth on food, clothing, house rent, and other services usually grouped together under the term "cost of living." The necessity for some such table arose from the circumstance that the states lived under separate tariffs, which in various ways influenced the prices of commodities. But with the uniform system of Customs that prevails throughout Australia, the conditions governing the cost of commodities are, so far as they are affected by the operation of tariff charges, made practically the same.

The explanation of the differences that exist in the total expenditure of the peoples of the various states will be found rather in difference of consumption than of prices, and the extent of this difference in consumption will be seen from a scrutiny of the tables relating to the annual consumption of thirty-four articles of common use given in the earlier part of this chapter.

The cost of providing food, and beverages other than intoxicants, consumed in Australia during the year 1903 may be set down at £65,499,000. This sum represents the price to the consumer, and covers all charges except that of cooking and preparing the food for the table. The expenditure on wines, spirits, and beer amounted to £14,217,000, so that the total expenditure for all food and beverages was £79,716,000, equal to £20 7s. per inhabitant, or 1s. 1·4d. daily. Excluding intoxicants, the yearly expenditure per inhabitant was £16 14s. 5d., and the average per day, 11d. Compared with the cost of food supply in other countries, this may appear considerable, but the last two years were abnormal as regards the prices of several of the staple articles of diet, while allowance must also be made for the profusion with which flesh meat is consumed and wasted in Australia.

Of the total cost of food and beverages, viz., £79,716,000, the expenditure on fresh meat is the largest item, being 25 per cent. of the whole; bread is 9·23 per cent.; milk, butter, and cheese, 15·18 per cent.; vegetables and fruits, 10·98 per cent.; sugar, 4·76 per cent.; tea,

coffee, cocoa, 2·51 per cent.; and wines, beers, and other spirituous liquors, 17·83 per cent. The following is the approximate retail cost of the chief articles that enter into daily consumption :—

| | £ |
|--|-------------|
| Bread | 7,357,000 |
| Fresh meat | 19,920,000 |
| Vegetables and fruits | 8,752,000 |
| Milk, butter, cheese, etc. | 12,102,000 |
| Other farm produce | 2,100,000 |
| Sugar | 3,796,000 |
| Tea, coffee, etc. | 2,004,000 |
| Other foods | 7,710,000 |
| Non-alcoholic beverages | 1,758,000 |
| | <hr/> |
| Total expenditure on food | £65,499,000 |
| Wines, beer, and spirituous liquors | 14,217,000 |
| | <hr/> |
| Total expenditure on food and beverages... | £79,716,000 |

The total expenditure on food just given works out at an average of £16 14s. 5d. per inhabitant, which is considerably higher than in ordinary years, but the high prices of meat, butter, etc., are accountable for the increase. The amount is probably higher than in any other country, but the mere statement of expenditure affords but a partial view of the question, as the earnings of the people must be taken into consideration, otherwise the comparison is of little value. If this be done it will be found that few countries approach Australia in the small proportion of income absorbed in providing food for their people, for although in 1903 the ratio amounted to 44·4 per cent. of the total earnings, it must be borne in mind that the prices of foods of all kinds were abnormally high in that year; in an ordinary year the proportion would be about 37 per cent. The following table taken from Mulhall's *Dictionary of Statistics*, shows that while the actual cost of food and drink is £20 7s. in Australia, as against £14 4s. 9d. in Great Britain, the earnings required to pay for that 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. It should, however, be borne in mind that comparisons of this kind are more or less fanciful. The economic condition of a people is more readily and conclusively ascertained by reference to the

actual quantities of foods of various kinds entering into consumption, than by the nominal value of such foods and the proportion of the average income spent in their attainment :—

| 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 |
| Australia | 20 7 0 | 44·4 | 133 |

The expenditure of Australia coming under the designation "cost of living" amounted in 1903 to £42 19s. 10d. per head, made up of the following items. The expenditure of New Zealand is not included.

| Division of Expenditure. | Total Expenditure. | Per Inhabitant. |
|--|---------------------|-----------------|
| | £ | £ s. d. |
| Food and non-alcoholic beverages | 65,499,000 | 16 14 5 |
| Fermented and spirituous liquors | 14,217,000 | 3 12 7 |
| Tobacco | 3,365,000 | 0 17 2 |
| Clothing and drapery | 17,868,000 | 4 11 3 |
| Furniture | 2,075,000 | 0 10 7 |
| Rent or value of buildings used as dwellings | 19,574,000 | 5 0 0 |
| Locomotion | 7,156,000 | 1 16 6 |
| Fuel and light | 5,416,000 | 1 7 8 |
| Personal attendance, service, and lodging | 7,032,000 | 1 15 11 |
| Medical attendance, medicine, and nursing | 4,652,000 | 1 3 9 |
| Religion, charities, education (not including state expenditure) | 3,075,000 | 0 15 8 |
| Art and amusement | 4,831,000 | 1 4 8 |
| Books, newspapers, etc. | 1,804,000 | 0 9 3 |
| Postage and telegrams, not incidental to earning the incomes | 1,098,000 | 0 5 7 |
| Direct taxes not falling on trade | 1,706,000 | 0 8 9 |
| Household expenses not included elsewhere | 5,447,000 | 1 7 10 |
| Miscellaneous expenses | 3,574,000 | 0 18 3 |
| Total | £168,389,000 | 42 19 1 |

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 | 28 11 5 |
| Germany..... | 20 3 4 | Holland | 20 17 4 |
| Russia..... | 10 1 11 | Belgium | 25 8 2 |
| Austria | 14 4 9 | Switzerland | 18 0 0 |
| Italy | 11 11 0 | United States | 32 16 2 |
| Spain | 15 12 6 | Canada | 23 6 2 |
| Portugal..... | 11 5 6 | | |
| Sweden | 20 8 4 | Australia | 42 19 10 |

The expenditure of Australia as compared with population is, according to this table, largely in excess of that of other countries, but as expenditure depends upon income, a table such as the above has little meaning unless regard be paid to the amount of income available for expenditure and the purchasing power of money. This latter question is too involved to be dealt with so far as European and American countries are concerned within the limits at disposal in this volume. It may, however, be mentioned that so far as the primary food requirements are concerned the purchasing power of money is greater in Australia than in any of the countries mentioned in the foregoing list: house rents, however, are higher, as well as the price of most descriptions of wearing apparel. The question of cost of living is further dealt with in another place.

PRICES OF COMMODITIES.

The area of Australia is so extensive, and the population, except on the sea-board, so scattered, that the determination with any exactness of the average prices of the various commodities consumed is almost a matter of impossibility. No attempt has therefore been made to ascertain the average for the whole continent, and in the following pages the prices refer to the Sydney markets alone. There is a further reason. Until the discovery of gold there were virtually only two important markets in all Australia—Sydney and Hobart—and of these Sydney was much the more considerable. Any comparisons of the prices of commodities extending back beyond 1852 must be based mainly upon the experience of Sydney, although from 1840 onwards there is sufficient information in the chapter on the Industrial Progress of Australia in this volume to enable Sydney prices to be adjusted for Melbourne, Hobart, Adelaide, and the other chief centres of population. For the earlier years the authority of contemporary newspapers has been followed where the official records are obscure or silent, but since 1836 these records have been available, and have for the most part been followed.

The accompanying table exhibits the average prices of eight commodities during each year since 1820 :—

| Year. | Bread per 2-lb. loaf. | Fresh Beef per lb. | Butter per lb. | Cheese per lb. | Sugar per lb. | Tea per lb. | Pota- toes per cwt. | Maize per bushel. |
|-------|-----------------------------|--------------------------|-------------------|-------------------|------------------|----------------|---------------------------|-------------------------|
| | d. | d. | s. d. | s. d. | d. | s. d. | s. d. | s. d. |
| 1820 | 5 | 5½ | 2 9 | 1 1 | ..... | ..... | 7 3 | 5 6 |
| 1821 | 6 | 5½ | 2 8 | 1 2 | ..... | ..... | 7 3 | 5 0 |
| 1822 | 5 | 5½ | 2 6 | 1 3 | ..... | ..... | 5 9 | 4 9 |
| 1823 | 3½ | 5½ | 2 2 | 1 2 | ..... | ..... | 6 1 | 2 6 |
| 1824 | 5 | 5½ | 3 0 | 1 4 | ..... | ..... | 6 10 | 4 10 |
| 1825 | 4½ | 6 | 2 2 | 1 5 | ..... | ..... | 8 4 | 5 6 |
| 1826 | 5½ | 5½ | 2 4 | 0 10 | ..... | ..... | 9 0 | 4 0 |
| 1827 | 4½ | 6¼ | 2 3 | 1 1 | ..... | ..... | 8 0 | 5 0 |
| 1828 | 6 | 5 | 2 6 | 1 4 | ..... | ..... | 18 6 | 9 0 |
| 1829 | 7 | 6 | 1 10 | 1 1 | ..... | ..... | 12 6 | 7 9 |
| 1830 | 4½ | 3½ | 1 0 | 0 11 | 3½ | 2 6 | 8 0 | 3 10 |
| 1831 | 4 | 4½ | 1 8 | 0 6 | 3½ | 2 6 | 5 0 | 3 8 |
| 1832 | 5 | 5 | 2 3 | 0 7 | 3½ | 2 6 | 5 0 | 4 7 |
| 1833 | 4 | 3½ | 1 5 | 0 6 | 3½ | 2 6 | 10 0 | 2 11 |
| 1834 | 5 | 4 | 1 6 | 0 6 | 3½ | 2 6 | 14 0 | 4 4 |
| 1835 | 4 | 3½ | 1 10 | 0 5 | 3½ | 2 6 | 10 0 | 4 6 |
| 1836 | 5½ | 3 | 1 9 | 0 8½ | 3½ | 2 6 | 7 0 | 6 9 |
| 1837 | 3 | 4½ | 1 9 | 0 7½ | 3½ | 2 6 | 10 0 | 4 2 |
| 1838 | 5 | 5½ | 1 6 | 0 8½ | 3½ | 1 5 | 6 0 | 3 7 |
| 1839 | 11½ | 4¼ | 2 6 | 1 1 | 3½ | 1 6 | 10 0 | 9 0 |
| 1840 | 7½ | 6¼ | 2 0 | 1 0 | 3½ | 2 6 | 10 0 | 5 3 |
| 1841 | 4¼ | 6¼ | 2 6 | 0 10 | 3½ | 3 3 | 10 0 | 2 10 |
| 1842 | 5 | 4½ | 2 6 | 1 1½ | 3½ | 2 0 | 7 0 | 4 9 |
| 1843 | 3½ | 2¼ | 1 9 | 0 9 | 3 | 2 6 | 5 0 | 2 9 |
| 1844 | 2½ | 2¼ | 1 5 | 0 4½ | 2½ | 1 6 | 4 0 | 1 5 |
| 1845 | 2½ | 2¼ | 1 6 | 0 6 | 3 | 1 6 | 4 6 | 2 11 |
| 1846 | 3½ | 2½ | 1 8 | 0 6 | 4 | 2 3 | 3 0 | 4 1 |
| 1847 | 3½ | 2½ | 1 2 | 0 7 | 4 | 2 4 | 5 10 | 2 1 |
| 1848 | 3¼ | 2½ | 1 1 | 0 8 | 3¼ | 2 0 | 4 4 | 1 8 |
| 1849 | 2½ | 2¼ | 1 2 | 0 6¼ | 3¼ | 1 9 | 3 0 | 3 9 |
| 1850 | 4½ | 2¼ | 1 3 | 0 7 | 3½ | 1 10 | 4 0 | 4 1 |
| 1851 | 5 | 2¼ | 1 3 | 0 7 | 3½ | 1 4 | 6 0 | 3 7 |
| 1852 | 4½ | 3 | 1 3 | 0 7 | 3½ | 1 4 | 6 0 | 3 11 |
| 1853 | 6½ | 3½ | 1 5¼ | 0 7¼ | 3½ | 1 4 | 13 0 | 9 3 |
| 1854 | 7½ | 4½ | 2 3 | 0 9 | 5 | 2 6 | 18 6 | 10 0 |
| 1855 | 9 | 6 | 2 4 | 1 3 | 7 | 2 5 | 21 4 | 8 7 |
| 1856 | 7½ | 3½ | 1 11 | 1 2 | 5½ | 2 2½ | 10 0 | 3 8 |
| 1857 | 5 | 3½ | 2 0 | 1 0 | 7½ | 2 6 | 14 6 | 8 2 |
| 1858 | 6 | 4 | 2 0 | 1 0 | 7 | 2 6 | 15 6 | 6 5 |
| 1859 | 6 | 4 | 1 10 | 1 0 | 5 | 2 6 | 8 0 | 3 5 |

| Year. | Bread per 2-lb. loaf. | Fresh Beef per lb. | Butter per lb. | | Cheese per lb. | | Sugar per lb. | Tea per lb. | | Potatoes per cwt. | | Maize per bushel. | |
|-------|-----------------------------|--------------------------|-------------------|-----|-------------------|-----|------------------|----------------|----|----------------------|----|-------------------------|----|
| | | | s. | d. | s. | d. | | s. | d. | s. | d. | s. | d. |
| 1860 | 6½ | 4 | 1 | 6 | 1 | 10 | 5½ | 2 | 3 | 7 | 6 | 2 | 10 |
| 1861 | 6½ | 3 | 1 | 8 | 0 | 9 | 5½ | 2 | 4 | 7 | 3 | 5 | 1 |
| 1862 | 4½ | 4½ | 2 | 3 | 0 | 9 | 4½ | 2 | 0 | 8 | 0 | 5 | 0 |
| 1863 | 4 | 4½ | 1 | 6 | 0 | 10 | 4½ | 2 | 0 | 7 | 0 | 3 | 10 |
| 1864 | 5½ | 4 | 1 | 6 | 0 | 8 | 4½ | 2 | 0 | 5 | 0 | 3 | 11 |
| 1865 | 7½ | 3 | 1 | 9 | 0 | 9 | 4½ | 2 | 0 | 8 | 0 | 3 | 7 |
| 1866 | 6½ | 3 | 1 | 3 | 1 | 0 | 4 | 2 | 6 | 6 | 0 | 4 | 1 |
| 1867 | 3½ | 2½ | 1 | 6 | 0 | 7½ | 4 | 2 | 0 | 7 | 0 | 2 | 5 |
| 1868 | 4 | 3½ | 1 | 3 | 0 | 9 | 4 | 2 | 0 | 9 | 0 | 2 | 11 |
| 1869 | 3½ | 2 | 1 | 6 | 0 | 6 | 4 | 2 | 0 | 4 | 0 | 3 | 8 |
| 1870 | 3½ | 3½ | 1 | 3 | 0 | 6 | 4 | 2 | 0 | 5 | 0 | 3 | 4 |
| 1871 | 3½ | 2½ | 1 | 3 | 0 | 7½ | 4 | 2 | 3 | 4 | 0 | 3 | 0 |
| 1872 | 3½ | 2½ | 1 | 0 | 0 | 9 | 4 | 1 | 9 | 5 | 0 | 2 | 2 |
| 1873 | 4 | 2½ | 1 | 3 | 0 | 5 | 4 | 1 | 9 | 3 | 6 | 3 | 1 |
| 1874 | 3½ | 4 | 1 | 7 | 0 | 6 | 4 | 1 | 9 | 4 | 9 | 4 | 6 |
| 1875 | 3 | 3½ | 1 | 3 | 0 | 9 | 4½ | 1 | 9 | 5 | 6 | 4 | 3 |
| 1876 | 3½ | 5½ | 1 | 3 | 0 | 7 | 4 | 1 | 9 | 4 | 9 | 3 | 1 |
| 1877 | 4 | 4½ | 1 | 6 | 0 | 6 | 4 | 2 | 0 | 4 | 9 | 3 | 4 |
| 1878 | 4 | 4 | 1 | 3 | 0 | 6 | 4 | 1 | 9 | 5 | 10 | 4 | 0 |
| 1879 | 3½ | 4 | 0 | 10½ | 0 | 6 | 3½ | 1 | 6 | 6 | 0 | 3 | 1 |
| 1880 | 3 | 3½ | 0 | 10 | 0 | 7 | 4 | 2 | 0 | 4 | 3 | 2 | 6 |
| 1881 | 3½ | 3½ | 0 | 10½ | 0 | 6½ | 3½ | 2 | 0 | 4 | 0 | 3 | 7 |
| 1882 | 4 | 4½ | 1 | 3 | 0 | 8 | 4 | 2 | 0 | 5 | 6 | 5 | 4 |
| 1883 | 3½ | 4 | 1 | 4 | 0 | 10 | 4 | 2 | 0 | 6 | 0 | 4 | 0 |
| 1884 | 3 | 4½ | 1 | 3 | 0 | 9 | 3½ | 1 | 6 | 6 | 6 | 5 | 0 |
| 1885 | 3 | 4½ | 1 | 9 | 1 | 0 | 3 | 1 | 9 | 5 | 6 | 3 | 11 |
| 1886 | 3½ | 4½ | 1 | 9 | 1 | 1 | 3½ | 1 | 9 | 6 | 3 | 3 | 9 |
| 1887 | 3½ | 4 | 1 | 4 | 0 | 10½ | 3½ | 1 | 9 | 5 | 0 | 3 | 11 |
| 1888 | 3 | 4 | 1 | 7 | 0 | 8½ | 3½ | 1 | 6 | 6 | 0 | 3 | 4 |
| 1889 | 3½ | 3 | 1 | 4 | 0 | 9 | 3½ | 1 | 6 | 9 | 0 | 3 | 7 |
| 1890 | 3½ | 4 | 1 | 0 | 0 | 8 | 3½ | 1 | 6 | 6 | 0 | 3 | 10 |
| 1891 | 3½ | 4 | 1 | 1 | 0 | 9 | 3½ | 2 | 0 | 5 | 0 | 2 | 11 |
| 1892 | 3½ | 4 | 1 | 3 | 0 | 8 | 3 | 1 | 6 | 5 | 6 | 3 | 4 |
| 1893 | 3½ | 4 | 1 | 1½ | 0 | 8 | 2½ | 1 | 6 | 6 | 4 | 4 | 0 |
| 1894 | 2½ | 3 | 1 | 0 | 0 | 8 | 2½ | 1 | 6 | 4 | 6 | 2 | 6 |
| 1895 | 2½ | 3 | 1 | 0 | 0 | 8 | 2½ | 1 | 6 | 4 | 3 | 2 | 9 |
| 1896 | 3 | 3 | 1 | 0 | 0 | 8 | 2½ | 1 | 6 | 5 | 6 | 2 | 7 |
| 1897 | 3 | 2½ | 1 | 0 | 0 | 8 | 2½ | 1 | 6 | 5 | 3 | 2 | 3 |
| 1898 | 2½ | 2½ | 1 | 0 | 0 | 8 | 2 | 1 | 6 | 9 | 0 | 2 | 9 |
| 1899 | 3 | 3½ | 1 | 0 | 0 | 8 | 2½ | 1 | 6 | 9 | 4 | 3 | 4 |
| 1900 | 3 | 3½ | 0 | 11 | 0 | 7½ | 2½ | 1 | 4 | 6 | 9 | 3 | 0 |
| 1901 | 3 | 5 | 1 | 0 | 0 | 8 | 2½ | 1 | 3 | 7 | 6 | 3 | 6 |
| 1902 | 3½ | 6 | 1 | 2 | 0 | 10 | 2½ | 1 | 3 | 7 | 6 | 5 | 10 |
| 1903 | 3½ | 5½ | 0 | 11 | 0 | 9 | 2½ | 1 | 3 | 5 | 10 | 3 | 4 |
| 1904 | 2½ | 5 | 0 | 10½ | 0 | 8 | 2½ | 1 | 3 | 4 | 0 | ..... |  |

The most noteworthy feature of the history of prices in Australia—the great range of some of the commodities during the year—is not disclosed by the foregoing table. This variation is most noticeable during the early years, and amongst articles of local production, and was the result of the almost complete isolation of the country from the markets of the world. Prior to the discovery of gold, communication by letter with the outside world was at best uncertain, and as late as 1878 the regular mails were made up but once a month. The establishment of telegraphic communication, amongst other results, has had a marked effect on prices, so that except in rare instances, and for goods produced in excess of the demand, the production of Australia no longer determines the prices of goods required for the local markets. Exception must, of course, be made for perishable produce, which is still liable to a great range in price during the course of a single year, as will be shown by some examples here after given.

Potatoes have varied in price from year to year. The lowest average for a whole twelvemonth was 3s. per cwt. in 1846, and the highest was 21s. 4d. in 1855, shortly after the discovery of gold; and it may not be without interest to note that from 1853 to 1858 the price of potatoes was extraordinarily high. Commencing with the year first named, the averages were 13s., 18s. 6d., 21s. 4d., 10s. 14s. 6d., and 15s. 6d. per cwt. With regard to the variation in a single year, the following examples may be cited:—In 1820, from 4s. 6d. to 10s. per cwt.; in 1825, from 4s. to 12s.; in 1829, from 9s. to 26s.; in 1834, from 9s. to 19s.; in 1839, from 7s. to 25s.; in 1854, from 11s. to 24s.; in 1856, from 3s. to 11s.; and in 1888 from 2s. to 24s.

The price of maize has not been subject to very great fluctuation, since, being little used except for horse-feed, this grain is capable of being replaced by other products; nevertheless the prices have ranged from 1s. 5d. in 1844 to 10s. in 1854.

In the list given on pages 903 and 904 are included quotations for bread at per 2-lb. loaf. In most years the price varied somewhat regularly with that of wheat. There are, however, exceptions to this rule, chiefly in the years during which wheat brought an unusually high figure, when the price of bread was generally less than might have been expected. The lowest price at which bread has been retailed was 2½d. in 1849, and the highest was 14d. the 2-lb. loaf, which figure was paid for a short time in 1839.

In addition to the eight commodities which are given on pages 903 and 904, the following list of the average retail prices of articles largely used may not be without interest. The information begins with 1836, beyond which year it is difficult to determine the exact average

| Year. | Bacon per lb. | Eggs per doz. | Rice per lb. | Out- meal per lb. | Coffee per lb. | Salt per lb. | Beer (Col.) per gal. | Soap per lb. | Starch per lb. | Tobacco per lb. (Col.) | Tobacco per lb. (imp.) |
|-------|------------------|------------------|-----------------|-------------------------|-------------------|-----------------|----------------------------|-----------------|-------------------|------------------------------|------------------------------|
| | s. d. | s. d. | d. | d. | s. d. | d. | s. d. | d. | s. d. | s. d. | s. d. |
| 1836 | ... | 2 2 | 9 | ... | ... | ... | ... | 4½ | ... | ... | 3 3 |
| 1837 | ... | 2 6 | ... | ... | 1 6 | 1 | 1 0 | ... | ... | ... | 4 0 |
| 1838 | ... | 4 0 | 3 | ... | ... | ... | ... | ... | ... | ... | ... |
| 1839 | ... | 3 0 | 3 | ... | 1 6 | ... | ... | 4½ | ... | ... | 3 3 |
| 1840 | 0 10 | 2 9 | 2½ | ... | 1 4 | ... | ... | 4½ | ... | ... | 3 3 |
| 1841 | 0 11 | 2 3 | 2½ | ... | 1 4 | ... | ... | 4½ | ... | ... | 3 3 |
| 1842 | 0 10½ | 1 11 | 2 | ... | 1 4 | 1 | 1 9 | 4½ | ... | ... | 3 6 |
| 1843 | 0 10 | 2 0 | 1½ | ... | 0 10 | 0½ | 2 3 | ... | ... | 1 4 | 3 6 |
| 1844 | 0 5½ | 0 11 | 1¾ | ... | 0 8½ | 1½ | 1 3 | 3¾ | ... | 1 6 | 3 6 |
| 1845 | 0 6½ | 1 1 | 3 | ... | 0 7½ | 1½ | 1 1 | 3½ | ... | 1 6 | 4 6 |
| 1846 | 0 9½ | 1 3 | 1½ | ... | 0 10 | 1½ | 2 0 | 5 | ... | 1 9 | 4 6 |
| 1847 | 0 6½ | 1 1 | 3¾ | 6 | 1 1 | 1½ | 3 4 | 5 | 1 0 | 1 9 | 4 4 |
| 1848 | 0 9 | 1 3 | 3¾ | 6 | 1 1 | 1½ | 3 3 | 5 | 1 0 | 1 9 | 4 4 |
| 1849 | 0 8½ | 1 1 | 3¾ | 5¾ | 1 0 | 1½ | 2 8 | 5½ | 1 1 | 2 0 | 4 7 |
| 1850 | 0 8½ | 1 4 | 4 | 6 | 1 2 | 1¾ | 2 9 | 5½ | 1 0 | 2 7 | 4 10 |
| 1851 | 0 9½ | 1 8 | 4 | 6 | 1 3 | 1½ | 2 6 | 5½ | 1 0 | 3 8 | 7 9 |
| 1852 | 1 1 | 1 6 | 4 | 6 | 1 3 | 1½ | 2 6 | 6 | 1 0 | 4 0 | 8 0 |
| 1853 | 1 2½ | 2 3 | 4½ | 6 | 1 3 | 1½ | 2 4½ | 6 | 1 0 | 4 0 | 7 6 |
| 1854 | 1 4½ | 2 9 | 5 | 7½ | 1 6 | 2½ | 3 6 | 8 | 1 6 | 4 0 | 5 6 |
| 1855 | 0 11½ | 2 8 | 6 | 9 | 1 8 | 4 | 4 7 | 8 | 1 6 | 3 0 | 5 0 |
| 1856 | 0 10 | 2 2 | 5¼ | 7 | 1 7¼ | 3 | 3 6 | 7½ | 1 1½ | 2 6½ | 5 3 |
| 1857 | 0 9½ | 1 11 | 5 | 7 | 1 8 | 2¾ | 4 0 | 7 | 1 0 | 2 7 | 5 0 |
| 1858 | 0 7½ | 2 3 | 6 | 7 | 1 8 | 4½ | 4 3 | 7 | 1 5 | 2 6 | 5 0 |
| 1859 | 0 8½ | 1 10 | 4¼ | 7 | 1 8 | 2½ | 4 0 | 6½ | 1 0 | 2 6 | 5 0 |
| 1860 | 1 0 | 1 3 | 5 | 6 | 1 6 | 2½ | 3 6 | 7 | 1 0 | 2 3 | 5 0 |
| 1861 | 0 10 | 1 6 | 4 | 6 | 1 6 | 2½ | 3 6 | 6 | 0 10½ | 2 0 | 5 6 |
| 1862 | 0 10 | 1 5 | 3 | 5 | 1 5 | 1½ | 2 0 | 4½ | 0 8 | 4 6 | 6 0 |
| 1863 | 0 10½ | 1 7 | 3 | 4 | 1 4 | 1½ | 1 6 | 4 | 0 7 | 3 0 | 7 6 |
| 1864 | 0 10 | 1 6 | 3 | 4 | 1 4 | 1½ | 2 0 | 4 | 0 8 | 1 6 | 5 6 |
| 1865 | 0 9¾ | 1 6 | 3 | 4 | 1 4 | 1½ | 2 0 | 4 | 0 8 | 2 6 | 5 6 |
| 1866 | 1 0 | 1 6 | 4 | 4 | 1 4 | 1½ | 2 0 | 4½ | 0 7 | 2 6 | 5 0 |
| 1867 | 0 10 | 1 7 | 3½ | 4 | 1 4 | 1 | 1 6 | 4 | 0 7 | 1 9 | 4 6 |
| 1868 | 0 9½ | 1 2 | 4 | 4 | 1 4 | 1½ | 2 0 | 4 | 0 7 | 1 9 | 5 0 |
| 1869 | 0 10 | 1 3 | 3 | 4 | 1 0 | 1 | 1 4 | 4 | 0 8 | 1 0 | 3 6 |
| 1870 | 0 10½ | 1 4 | 3 | 4 | 1 2 | 1 | 1 4 | 4 | 0 7 | 1 3 | 3 6 |
| 1871 | 0 9½ | 1 4 | 2½ | 2½ | 1 0 | 0½ | 2 3 | 3 | 0 4½ | 1 0 | 3 0 |
| 1872 | 0 9 | 1 1 | 3 | 3 | 1 1 | 0¾ | 1 4 | 3 | 0 5 | 1 4 | 3 6 |
| 1873 | 0 9 | 1 4 | 2½ | 2¾ | 1 2 | 0½ | 2 3 | 3 | 0 5 | 2 0 | 3 6 |
| 1874 | 0 8½ | 1 6 | 3 | 3¾ | 1 4 | 0½ | 2 0 | 2¾ | 0 6 | 1 9 | 3 3 |

| Year. | Bacon per lb. | Eggs per doz. | Rice per lb. | Oat- meal per lb. | Coffeo per lb. | Salt per lb. | Beer (Col.) per gal. | Soap per lb. | Starch per lb. | Tobacco per lb. (Col.) | Tobacco per lb. (imp.) |
|-------|------------------|------------------|-----------------|-------------------------|-------------------|-----------------|----------------------------|-----------------|-------------------|------------------------------|------------------------------|
| | s. d. | s. d. | d. | d. | s. d. | d. | s. d. | d. | s. d. | s. d. | s. d. |
| 1875 | 0 9½ | 1 6 | 3 | 3 | 1 2 | 1½ | 3 0 | 3 | 0 5 | 2 0 | 3 9 |
| 1876 | 0 9 | 1 0 | 3 | 3 | 1 2 | 1 | 2 0 | 2½ | 0 5 | 1 9 | 3 0 |
| 1877 | 0 8½ | 1 6 | 3 | 3½ | 1 3 | 1 | 2 0 | 2½ | 0 5 | 2 0 | 3 9 |
| 1878 | 0 9 | 1 3 | 3 | 3 | 1 3 | 0½ | 2 0 | 2 | 0 5 | 1 6 | 3 9 |
| 1879 | 0 8 | 1 7 | 2½ | 2½ | 1 0 | 0½ | 2 0 | 2 | 0 5 | 1 6 | 3 0 |
| 1880 | 0 7½ | 1 4 | 3 | 3 | 1 5 | 0¾ | 2 0 | 3 | 0 5½ | 2 0 | 4 0 |
| 1881 | 0 7½ | 1 0 | 3 | 3 | 1 5 | 0¾ | 2 0 | 3 | 0 5½ | 2 0 | 4 0 |
| 1882 | 1 0 | 2 0 | 3½ | 4 | 1 5 | 1 | 2 0 | 2½ | 0 6 | 3 0 | 5 0 |
| 1883 | 1 0 | 1 11 | 3 | 4 | 1 9 | 1 | 2 0 | 3 | 0 7 | 3 0 | 6 0 |
| 1884 | 0 11½ | 1 11 | 2½ | 3 | 1 4 | 1 | 2 0 | 3 | 0 6 | 3 0 | 5 0 |
| 1885 | 0 10½ | 1 10 | 3 | 3 | 1 5 | 0¾ | 2 0 | 3 | 0 6½ | 3 0 | 6 0 |
| 1886 | 0 10½ | 1 8 | 3½ | 2¾ | 1 6 | 1 | 2 0 | 4 | 0 6½ | 4 0 | 5 6 |
| 1887 | 0 10 | 1 7 | 3 | 2¾ | 1 6 | 1 | 2 0 | 3½ | 0 6½ | 4 0 | 5 6 |
| 1888 | 0 10½ | 1 7 | 3 | 2½ | 1 6 | 1 | 2 0 | 3½ | 0 6 | 4 0 | 5 6 |
| 1889 | 0 11 | 1 8 | 3 | 3½ | 1 6 | 1 | 2 0 | 3½ | 0 6 | 4 0 | 5 6 |
| 1890 | 1 0½ | 1 6 | 4 | 3 | 2 0 | 1 | 2 0 | 3½ | 0 5 | 4 0 | 6 0 |
| 1891 | 0 10 | 1 6 | 3 | 2½ | 2 0 | 1 | 2 0 | 3½ | 0 5 | 4 0 | 6 0 |
| 1892 | 0 9 | 1 6 | 3 | 2½ | 1 10 | 0¾ | 2 0 | 3 | 0 4½ | 4 0 | 6 0 |
| 1893 | 0 11 | 1 6 | 3 | 2½ | 1 10 | 0¾ | 2 0 | 3 | 0 4½ | 4 0 | 6 0 |
| 1894 | 0 7 | 1 3 | 3 | 2½ | 1 10 | 0¾ | 2 0 | 3 | 0 4½ | 4 0 | 6 0 |
| 1895 | 0 7½ | 1 0 | 2½ | 2 | 1 9 | 0¾ | 2 0 | 2 | 0 4 | 4 0 | 6 0 |
| 1896 | 0 7½ | 1 0 | 2 | 2 | 1 9 | 0¾ | 2 0 | 2 | 0 4 | 4 0 | 6 0 |
| 1897 | 0 8 | 1 0 | 2½ | 2½ | 1 9 | 0¾ | 2 0 | 2½ | 0 4 | 4 0 | 6 0 |
| 1898 | 0 8½ | 1 0 | 2 | 2½ | 1 9 | 0¾ | 2 0 | 2½ | 0 4 | 4 0 | 6 0 |
| 1899 | 0 8 | 0 11 | 2 | 2½ | 1 10 | 1 | 2 0 | 2½ | 0 3¾ | 4 0 | 6 0 |
| 1900 | 0 7½ | 0 11 | 2½ | 2½ | 1 6 | 0½ | 2 0 | 3 | 0 3½ | 4 0 | 6 0 |
| 1901 | 0 8½ | 1 3 | 2½ | 2½ | 1 6 | 0½ | 2 0 | 3 | 0 4 | 4 0 | 6 0 |
| 1902 | 0 10 | 1 6 | 2½ | 2½ | 1 6 | 0½ | 2 0 | 3 | 0 4 | 4 0 | 6 0 |
| 1903 | 0 10 | 1 6 | 3 | 2½ | 1 6 | 0¾ | 2 0 | 4 | 0 5 | 4 0 | 6 0 |
| 1904 | 0 8 | 1 0 | 2½ | 2½ | 1 6 | 0¾ | 2 0 | 4 | 0 5 | 4 0 | 6 0 |

In the quotation of prices in the foregoing tables the figures given are those charged in the retail shops. It is quite possible that produce of all kinds may have been bought at cheaper rates than those stated, but higher rates were also paid, and the figures will be found to represent the fair average rates, having regard to the class of goods consumed. It is of importance to take into consideration the quality of the produce consumed, for very considerable changes in the direction of improvement have taken place in this respect. Thus, the ordinary sugar now used, and obtainable for about 2d. per lb., is a good white sugar, whereas some years ago only a common quality of moist sugar was found on the tables of the people. A very material improvement has been effected in the quality of flour, a large proportion of the present consumption being roller-made. Salt-butter still forms the bulk

of the supply, but it is usually of recent make ; while formerly the butter was imported from Great Britain, and was several months old before reaching the dining-table. The candles now used are made of stearine, but the time is not remote when only the common tallow candle was in general use ; and so with many other articles of ordinary consumption. The retail prices are those actually paid from day to day, irrespective of the nominal wholesale rates of the commodities in the metropolitan markets.

PRICE-LEVELS OF ARTICLES OF COMMON USE.

A consideration of retail prices would not be complete without a statement of the price-level in different years. This can be given for foods ; but at present the data are hardly sufficient to establish an exact series of price-levels, taking into consideration all the elements of ordinary expenditure. The information in regard to foods is given below, the assumption being made that the quantities entering into consumption were the same formerly as at the present day. This assumption, however, is in some respects erroneous ; but there appear to be no other means within reach to effect a just comparison. Sugar, tea, coffee, butter, cheese, and potatoes are now more largely used than (say) prior to 1870 ; but bread, or other forms in which flour is used, and meat, are not consumed so largely. However, when full allowance is made on this score, the following table will still be found to approximate closely to the truth. The price-level is calculated on the prices ruling for beef, mutton, bread, sugar, rice, potatoes, tea, beer, and tobacco :—

| Period. | Price-level of principal Articles of Consumption. | |
|--------------------|---|------------------------|
| | 1821-37 prices =1,000. | 1901-03 prices =1,000. |
| 1821 to 1825 | 1,000 | 1,227 |
| 1826 „ 1830 | 1,000 | 1,227 |
| 1831 „ 1835 | 802 | 983 |
| 1836 „ 1840 | 930 | 1,141 |
| 1841 „ 1845 | 676 | 829 |
| 1846 „ 1850 | 669 | 821 |
| 1851 „ 1855 | 1,038 | 1,273 |
| 1856 „ 1860 | 1,153 | 1,414 |
| 1861 „ 1865 | 959 | 1,177 |
| 1866 „ 1870 | 753 | 924 |
| 1871 „ 1875 | 709 | 870 |
| 1876 „ 1880 | 759 | 931 |
| 1881 „ 1885 | 756 | 927 |
| 1886 „ 1890 | 730 | 895 |
| 1891 „ 1895 | 670 | 822 |
| 1896 „ 1900 | 646 | 793 |
| 1901 „ 1903 | 815 | 1,000 |

During the past forty years prices of food stuffs have changed very slightly, such changes as there have been tending in the direction of a reduction. The average of 1896-1900 was less than in any previous period, but in 1901-3 there was a considerable increase, and prices ruled higher than in any period since 1861-65. Little practical good can be gained by comparing the prices of one period with those of another, unless regard is also paid to the earnings of labour, and as means of comparison are afforded in the chapter of this work dealing with wages, it will be unnecessary to pursue the subject further in this chapter.

PRICE-LEVELS OF IMPORTS AND EXPORTS.

The following tables have been compiled with the object of showing to what extent Australia has been affected by the variation in the prices of commodities imported and exported during the past forty-one 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 states of Australasia stand in regard to this matter. The total value of the exports of each of the states is greatly affected by the prices obtained for certain leading lines of raw produce, of which wool, wheat and flour, tallow, silver and silver lead, hides, leather, tin, copper, coal, fruit, butter, sugar, meat and timber are the most important. The value of these articles represents a total of about seventeen and a half millions or ninety per cent. of the total export of domestic produce.

In the subjoined table the price-level of domestic exports is given for the forty-one 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 1903 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 sum obtained into the amount which would have been obtained had the prices of 1903 prevailed. The average for 1903 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, 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. The average of these years has been taken because the question is frequently raised as to the comparative prices of commodities before and after the demonetisation of silver by Germany in 1873. 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 excluded form more than 15 per cent. of the total exports, while in some years the proportion falls as low as 5 per cent., the average of all years being about 10 per cent. It is considered that this system enables a more

reliable estimate of the relative prices to be obtained than that of selecting the prices of certain articles without giving due weight to the quantities of such articles exported.

These figures show that there has been a great fall in the prices of Australian produce exported since 1860, or still greater since 1864, viz., from the index number 1,316 to 745, or over 43 per cent. Marked fluctuations, ranging to about 10 per cent., occurred between 1860 and 1866, when the index number was about the same as in the first-named year. From 1866 to 1870 there was a drop from 1,249 to 879, or about 30 per cent. A rise followed in 1871 to 1,075, or about 22 per cent., after which for four years prices continued fairly steady, until there was a further decline to 887 in 1878. In 1879 the level rose to 921 and for the next four years prices continued without much change, but from 1884 to 1885 there was a fall from 919 to 806. This was succeeded by a fairly even range until 1889, when the level stood at 785. From 1889 there was a steep decline to 532 in 1894, a fall of 32 per cent for the five years, but in 1895 and 1896 prices recovered a little, and the level rose to 573—an advance of 7·7 per cent. In 1897 there was again a slight fall from 573 to 557, equivalent to 2·8 per cent., but in 1898 the level rose to 590, and in 1899 to 736, a rise of 32 per cent. for the two years. The sharp rise in 1899 was entirely due to the improved price obtained for wool, and the fluctuation in the last four years has been mainly caused by the varying price of that commodity.

| Year. | Price-level of Exports. | | Year. | Price-level of Exports. | |
|-------|-------------------------|--|-------|-------------------------|--|
| | 1903 prices = 1,000. | Average of 1870-74 prices = 1,000. | | 1903 prices = 1,000. | Average of 1870-74 prices = 1,000. |
| 1860 | 1,674 | 1,247 | 1882 | 1,244 | 926 |
| 1861 | 1,672 | 1,244 | 1883 | 1,244 | 926 |
| 1862 | 1,761 | 1,310 | 1884 | 1,232 | 919 |
| 1863 | 1,599 | 1,191 | 1885 | 1,082 | 806 |
| 1864 | 1,769 | 1,316 | 1886 | 1,041 | 775 |
| 1865 | 1,619 | 1,203 | 1887 | 1,069 | 797 |
| 1866 | 1,676 | 1,249 | 1888 | 1,037 | 773 |
| 1867 | 1,550 | 1,154 | 1889 | 1,053 | 785 |
| 1868 | 1,551 | 1,155 | 1890 | 1,018 | 758 |
| 1869 | 1,414 | 1,053 | 1891 | 926 | 689 |
| 1870 | 1,181 | 879 | 1892 | 877 | 652 |
| 1871 | 1,442 | 1,075 | 1893 | 792 | 590 |
| 1872 | 1,316 | 979 | 1894 | 714 | 532 |
| 1873 | 1,395 | 1,037 | 1895 | 732 | 546 |
| 1874 | 1,383 | 1,028 | 1896 | 770 | 573 |
| 1875 | 1,377 | 1,027 | 1897 | 748 | 557 |
| 1876 | 1,305 | 972 | 1898 | 791 | 590 |
| 1877 | 1,197 | 891 | 1899 | 988 | 736 |
| 1878 | 1,191 | 887 | 1900 | 916 | 682 |
| 1879 | 1,236 | 921 | 1901 | 885 | 659 |
| 1880 | 1,214 | 903 | 1902 | 940 | 700 |
| 1881 | 1,205 | 897 | 1903 | 1,000 | 745 |

It will be seen that the purchasing power of money has steadily increased since 1864 and that 20s. in 1903 would purchase the same articles of domestic export which in 1864 would have cost 35s. 4d., prices having fallen 43·5 per cent. during the period of thirty-nine years. The greatest decline has taken place in the three staple exports of wool, silver, and coal, many of the minor articles having maintained or increased their price during the last fifteen years.

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. | |
|-------|-------------------------|--|-------|-------------------------|--|
| | 1903 prices = 1,000. | Average of 1870-74 prices = 1,000. | | 1903 prices = 1,000. | Average of 1870-74 prices = 1,000. |
| 1870 | 1,305 | 966 | 1887 | 1,058 | 783 |
| 1871 | 1,311 | 970 | 1888 | 1,053 | 779 |
| 1872 | 1,370 | 1,014 | 1889 | 1,097 | 812 |
| 1873 | 1,393 | 1,030 | 1890 | 1,086 | 804 |
| 1874 | 1,379 | 1,020 | 1891 | 1,038 | 767 |
| 1875 | 1,298 | 962 | 1892 | 995 | 736 |
| 1876 | 1,276 | 944 | 1893 | 957 | 708 |
| 1877 | 1,227 | 908 | 1894 | 908 | 673 |
| 1878 | 1,217 | 900 | 1895 | 900 | 666 |
| 1879 | 1,166 | 862 | 1896 | 936 | 693 |
| 1880 | 1,173 | 868 | 1897 | 945 | 700 |
| 1881 | 1,161 | 859 | 1898 | 957 | 708 |
| 1882 | 1,155 | 855 | 1899 | 952 | 704 |
| 1883 | 1,174 | 869 | 1900 | 1015 | 752 |
| 1884 | 1,164 | 862 | 1901 | 998 | 738 |
| 1885 | 1,069 | 790 | 1902 | 1,026 | 760 |
| 1886 | 1,049 | 776 | 1903 | 1,000 | 740 |

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

produce, for periods of five years to the end of 1899, and for the four years ended with 1903, with the relative fall per cent. :—

| Period. | Imports. | | Exports. | |
|---------|--|--|--|--|
| | Average of five years, 1870-4, prices = 1,000. | Decline in prices in five years, per cent. | Average of five years, 1870-4, prices = 1,000. | Decline in prices in five years, per cent. |
| 1870-74 | 1,000 | ..... | 1,000 | ..... |
| 1875-79 | 915 | 8·5 | 940 | 6·0 |
| 1880-84 | 863 | 5·9 | 914 | 2·9 |
| 1885-89 | 788 | 8·5 | 787 | 13·8 |
| 1890-94 | 737 | 6·5 | 645 | 18·0 |
| 1895-99 | 694 | 5·8 | 600 | 7·0 |
| 1900-03 | 748 | 7·8 (rise) | 697 | 16·2 (rise) |

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 heavier in regard to the exports than the imports, amounting to 18 as compared with 6·5 per cent.; but during the period 1895-99 the fall in the exports was not much greater than that in the imports, being 7·0 per cent. compared with 5·8 per cent. In the last four years the exports have risen by 16·2 per cent., and the imports by 7·8 per cent., so that the last two periods were the most favourable, as far as prices go, that have been experienced in Australia for many years.

The Australian states and New Zealand are chiefly affected by the fall in prices because they are debtor countries. In the chapter on "Private Finance" will be found certain calculations showing that the annual charge payable by the states and municipalities on their indebtedness to British creditors is £12,852,000, while the earnings of investments made in Australasia by private persons, or drawn by absentees, amount to £5,250,000 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 states. Fortunately the increase of production, as compared with the population, has been large enough in normal seasons to counteract the fall in prices.