FOOD SUPPLY AND COST OF LIVING.

CONSIDERING the comparatively high rate of wages which prevails, food of all kinds is fairly cheap, 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 of Australasia are given below :---

Article.	New South Wales.	Victoria.	Qucensland.	South Australia.	Western Australia.	Tasmania.	New Zealand.	Australasia.
Grain—	900.0	000.0						
Pice III.	390.0	300.0	246.0	390.0	390.0	362.0	454.0	334.0
Ostmosl lh	11.0	<i>R</i> .0	19.0	12.3	20.2	8.2	8.0	10.7
Detetaca Il	4 2	0.0	4.3	4.3	4.9			4.9
rotatoes	200.5	353.0	281.0	205.0	99.7	550.0	461.0	305.0
Sugar1b.	93.5	90.8	80.0	96.3	106.2	87.0	86.8	91.2
Tea1b.	7.8	1.7	8.4	6.2	10.6	6.2	6.2	7.3
Coffeeoz.	11.2	17.4	10.4	21.9	24.2	10.2	9.2	13.4
Cheeselb.	$5\cdot 2$	2.8						4.0
Butterlb.	16.7	14.6			·.,			15.7
Saltlb.	43.8	21.0	51.5		19.4	22.2	33.9	36.5
Meat—								
Beeflb.	176.8	155.0	280.0	1		60.0	90.0	161-1
Muttonlb.	104.8	98.0	90.0			350.0	110.0	103.7
Pork and bacon lb.	9.5	12.0						10.8

It will be seen that the consumption of wheat varies from 246 lb. in Queensland to 454 lb. in New Zealand, the average consumption being 334 lb. per head. Rice varies greatly in the quantity used, only 7.1 lb. being the consumption of Victoria as against 25.2 lb. in Western Australia. The consumption of oatmeal does not vary much, but it is larger in Victoria than in the other Colonies. The use of tea is universal in Australia, the consumption being largest in Western Australia and Queensland, with 10.6 lb. and 8.4 lb. respectively. Sugar also enters largely into consumption, the average being 93.5 lb. per head in New South Wales and 90.8 lb. in Victoria. Coffee is not a universal beverage in Australasia, the consumption being a little more than oneninth that of tea. It is used most largely in South Australia and Western Australia, where the annual demand amounts to 21.9 oz. and 24.2 oz. respectively.

The consumption per head of potatoes in some of the Colonies is probably less than the foregoing table shows; thus, in the case of Tasmania, the return shows a consumption of 550 lb.; and in New Zealand, of 461 lb. It is probable that potatoes are in some years grown in excess of the local requirements, and the market in New South Wales and other continental Colonies not being sufficient to absorb this excess, it remains unconsumed or is 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 five Colonies, but these may be taken as fairly representing the whole group. The average quantity of beef consumed in the year amounts to 161·1 lb. per head; that of mutton, to 103·7 lb.; and that of pork, 10·8 lb.; in all, 275·6 lb. It would appear that each inhabitant of these Colonies requires daily about 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.; in Australia it is four times that quantity; while 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.	Lb. per Inhabitant.	Country.	Lb. per Inhabitant.
Great Britain	109	Holland	$57 \\ 62 \\ 78 \\ 64 \\ 62 \\ 150 \\ 90 \\ 276$
France	77	Sweden	
Germany	64	Norway	
Russia	51	Denmark	
Austria	61	Switzerland	
Italy	26	United States	
Spain	71	Canada	
Belgium	65	Australasia	

Judged by the standard of the food consumed, the lot of the population of Australasia must appear far more tolerable than that of the people of most other countries: This will most clearly appear 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 :---

		L	fee-	- 				
Country.	Grain.	Mcat.	Sugar.	Butter and Cheese.	Potatocs.	Salt.	Tea and Coff UZ.	Daily Energ Foot ton
The first of Prince dama	970	100	75	10	280	40	01	9 720
United Kingdom	3/3	109	10	19	570	90	91 66	2,709
France	540		10		1 490	17	- 00 - 0	4 708
Germany	000 495	51	10	05	1,020	10	10	2 5 2 9
Austria	460	61	19	7	560	14	20	3 502
Austria	400	01	10		50	19	20	9 152
Spain	400	20	6	4	90	17	6	2,102
Dontu and	500	40	19	2	40	17	18	2,007
Sweden	560	62	99	l ıı́	500	28	112	4 012
Norway	440	78	13	14	500	40	144	3 627
Donmark	560	64	- 99	00	410	25	140	4 071
Holland	560	57	35	15	820	20	240	4 635.
Belgium	590	65	27	15	1 050	-0	142	5.034
Switzerland	440	62	26	11	140		110	2,766
Roumania	400	82	4	9	80		8	2.414
Servia	400	84	4	. 9	80		Š	2,422
United States	370	150	53	20	170	39	162	3.415
Canada	400	90	45	22	600	40	72	4.013
Australasia	350	276	91	20	305	36.2	127	4,470

Taking the articles of 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 of 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 included in this table are largely supplemented both in America and Europe by other foods, but not more so than in these Colonies; and in the table

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just given will probably be found a just view of the comparative quantity and food value of the articles of consumption in each of the countries mentioned. To make such a comparison perfectly just, 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 Mulhall's Dictionary of Statistics, under the heading of "Diet," is given a measure of the aggregate amount of work performed by persons doing physical and mental labour, and it would appear that the food of an average man, when burnt in the body, should be equal to at least 3,300 foot tons of work daily; that 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, the amount of work which the daily food consumed by each individual in the Colonies from the principal foods consumed is equivalent to, is not less than 4,470 foot tons.

It must be admitted, however, that the method of comparison adopted in the foregoing 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 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 115 grams of protein and 3,494 calories, or about the quantity Professor Voit declares to be sufficient for a labouring If allowance be made for the fact that only 40 per cent. of man. the population are adult males, 33 per cent. women, and 27 per cent. children, the quantity of food consumed in New South Wales 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 them to indulge in it.

The following table, in which the figures for Australasia are calculated for the five years ended with 1892, while those for other countries are taken from an article in the "Journal de la Société de Statistique de Paris," gives the annual consumption of tobacco in Australasia and

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the principal countries of the world. The use of tobacco appears to be more prevalent in Western Australia and New South Wales than in any of the other Colonies, while the least consumption is in South Australia, Tasmania, and New Zealand. Compared with other parts of the world, the average consumption of Australasia will not appear excessive :—

Country.	Lb.	Country.	Lb.
Australasia New South Wales Victoria Queensland South Australia Western Australia Tasmania New Zealand United Kingdom France. Germany. Russia	$\begin{array}{c} 2 \cdot 83 \\ 3 \cdot 38 \\ 3 \cdot 01 \\ 2 \cdot 83 \\ 1 \cdot 94 \\ 3 \cdot 82 \\ 2 \cdot 02 \\ 2 \cdot 09 \\ 1 \cdot 38 \\ 2 \cdot 05 \\ 3 \cdot 00 \\ 1 \cdot 82 \end{array}$	Finland Austria-Hungary Italy Spain Holland Belgium Switzerland Sweden Denmark Norway United States Canada	$\begin{array}{c} 2 \cdot 73 \\ 2 \cdot 73 \\ 1 \cdot 28 \\ 1 \cdot 10 \\ 6 \cdot 92 \\ 3 \cdot 15 \\ 3 \cdot 24 \\ 1 \cdot 87 \\ 2 \cdot 24 \\ 2 \cdot 29 \\ 4 \cdot 40 \\ 2 \cdot 11 \end{array}$

Taking Australasia as a whole, it compares very favourably with most of the European countries in the quantity of intoxicants annually consumed by each inhabitant, 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 look even more favourable to Australasia were the fact of the large preponderance of males over females in these Colonies made a feature in the comparison :—

Country.	Consumption.,	Country.	Consumption.
United Kingdom France Germany Russia Austria Italy Spain	gallons. 3:57 5:10 3:08 2:02 2:80 3:40 2:85	Portugal Holland Belgium Denmark Scandinavia United States Australasia	gallons. 3·00 4·00 5·00 4·36 2·65 2·20

The following table shows the consumption for all the Colonies during the year 1893, except in the case of Western Australia and Tasmania, where the figures refer to the year 1892. In the case of South Australia and Western Australia, whence no returns relating to breweries are

	Spirits	• •	Wine.		Beer, &	t in proof) itant.	
Colony.	Total.	Per inhab- itant.	Total.	Per inhab- itant.	Total.	Per inhab- itant.	Equivalent Alcohal (j per inhab
	galls.	galls.	galls.	galls.	galls.	galls.	galls.
New South Wales.	999,984	0.83	1,019,130	0.84	11,178,264	9.23	2·30
Victoria	793,947	0.68	1,026,573	0.88	13,198,119	11.27	2.41
Queensland	405,316	0.92	237,078	0.56	3,591,891	8.42	2.21
South Australia	150,055	0 [.] 44	341,398	1.00	3,257,988	9.53	1.97
Western Australia.	86,865	1.55	113,816	2.23	589,747	9.53	3.45
Tasmania	78,953	0.52	19,891	0.13	1,443,016	9.44	1.78
New Zealand	461,283	0.40	112,105	0.12	5,102,276	7.71	1· 74 ·
Total and Means	2,976,403	0.74	2,869,991	0.71	38,361,301	9.23	2.20

obtainable, the consumption of beer has been assumed to be the average of the other five Colonies :---

The largest consumption of spirits per inhabitant is in Western Australia, Queensland being second. Wine is used most freely in Western Australia, South Australia, and Victoria, and beer in the Colony of Victoria. The average consumption of alcohol in all the Colonies amounts to 2.20 gallons of proof spirit per inhabitant, ranging from 3.45 gallons in Western Australia to 1.74 gallons in New Zealand. There has been a great diminution in the quantity of alcohol consumed in the Australasian Colonies 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 it fell to 2.62 gallons; and in 1893, still further to 2.20 gallons.

It is popularly supposed that Australian wines and beers are not heavily charged with spirit as compared with the imported articles; this belief is erroneous. Several descriptions of Australian wines have a natural strength of 30 per cent. of proof spirit, while from analyses recently made it would appear that the strength of these wines offered for sale varies from 24 to 37 per cent. of spirit. On the same authority it was stated that imported beers ranged from 13.88 to 15.42 per cent. in the case of English, and from 9.58 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 that Colony, and does not 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 $\pounds 55,445,000$. Since the year named there has been a shrinkage of incomes and a falling-off in the consumption of articles of luxury, so that the expenditure just given may be excessive when compared with that of the year 1893. The distribution of this expenditure, together with the rates per inhabitant, is shown below :—

	Total Expenditure.	Per Inhabitant.
	£	f.s.d
Food and non-alcoholic beverages	17,228,300	14116^{2}
Fermented and spiritnous liquors	4,512,200	$3 16 4\frac{1}{4}$
Tobacco	1,414,300	$1 \ 3 \ 11\frac{1}{4}$
Clothing and drapery	8,391,600	$7 \ 2 \ 0$
Furniture	805,900	0 13 7출
Bent or value of buildings used as dwellings	6,726,700	5 13 10
Locomotion	1,705,600	$1 8 10\frac{1}{2}$
Fuel and light	1,797,300	1 10 5
Personal attendance service and lodging	3,318,000	$2 16 3\frac{1}{4}$
Medical attendance, medicine, and nursing	1,427,800	1 4 2
Beligion charities education (not including State		
expenditure)	716,400	$0\ 12\ 1\frac{1}{2}$
Art and amusement	1,595,900	$1 \ 7 \ 2$
Books newspapers &c.	765,400	0 12 115
Postage and telegrams, direct taxation	743,100	0 12 7
Household expenses not included elsewhere	2,814,600	2 7 75
Miscellaneous expenses	• • 1,482,000	$1 \ 5 \ 1$
· · · · · · · · · · · · · · · · · · ·	£55,445,100	46 18 7

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 :----

	Total	Per
	Expenditure.	Inhabitant.
	£ "	£ s. d.
Food and non-alcoholic beverages	53,448,800	13 11 24
Fermented and spirituous liquors	. 13,998,600	3 11 01
Tobacco	4.387.700	1 2 34
Clothing and drapery	26.033.900	6 12 14
Furniture	2,500,200	0 12 84
Rent or value of buildings used as dwellings	20,868,800	5 5 101
Locomotion	5 291 400	1 6 101
Fuel and light	5 575 900	1 4 9 91
Personal attendance, service, and lodging	10 204 200	- 10 0 1
Medical attendance medicine and pursing	4 490 600	1 9 53
Religion charities education (not including State	4,423,000	I 2 04
expenditure)	0 000 500	0 11 01
Art and amugament	4,222,000	
Deele anuschene	4,974,400	1 5 24
Books, newspapers, &c.	2,374,600	$0\ 12\ 0\frac{1}{2}$
Postage and telegrams, direct taxation	2.305.400	$0 11 8\bar{4}$
Household expenses not included elsewhere	8,731,900	$2 4 3^{\frac{1}{2}}$
Miscellaneous expenses	4,597,700	134
		<u> </u>
:	£172,035,600	43 12 10

The expenditure in New South Wales for the year given amounted to £46 18s. 7d. per head, or at the rate of 2s. $6\frac{3}{4}d$. per day. The daily expenditure may be thus distributed :—

	Pence per day.	Proportion of Expenditure.
Food Clothing Rent Direct taxes Sundries	9.6 4.7 3.7 0.4 12.4	$\begin{array}{c} 31 \cdot 1 \\ 15 \cdot 1 \\ 12 \cdot 1 \\ 1 \cdot 4 \\ 40 \cdot 3 \end{array}$
	30.8	100.0

According to Mulhall, the expenditure per inhabitant in the leading countries of Europe and in the United States is :---

Country.	Expe Inha	ndit per bita	ure .nt.	Country.	Expenditure per Inhabitant.		
United Kingdom France Germany Russia Austria Italy Spain Portugal Sweden	£ 29 23 20 10 14 11 15 11 20	s. 14 19 3 1 4 11 12 5 8	d. 9 4 11 9 0 6 6 4	Norway Denmark Holland Belgium Switzerland United States Canada Australasia	£ 19 28 20 25 18 32 23 43	s. 0 11 17 8 0 16 6 12	d. 0 5 4 2 0 2 2 10

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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 New South Wales 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 £18 7s. 11d. in this Colony, and £17 2s. 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 beverge.	Ratio of cost of food to earnings.	Day's earnings equal to annual cost of food.
United Kingdom France Germany Russia Austria Jtaly Spain Portugal Sweden Norway Denmark Holland Belgium Switzerland United States. Canada.	$\begin{array}{c} \pounds & \text{s. d.} \\ 14 & 4 & 9 \\ 12 & 4 & 5 \\ 10 & 18 & 5 \\ 5 & 19 & 7 \\ 7 & 17 & 4 \\ 6 & 4 & 10 \\ 8 & 9 & 0 \\ 7 & 3 & 0 \\ 9 & 18 & 11 \\ 9 & 15 & 0 \\ 11 & 14 & 0 \\ 10 & 8 & 0 \\ 12 & 3 & 1 \\ 8 & 11 & 7 \\ 9 & 17 & 7 \\ 8 & 9 & 0 \end{array}$	$\begin{array}{c} \text{per cent.} \\ 42 \cdot 2 \\ 44 \cdot 0 \\ 49 \cdot 1 \\ 52 \cdot 0 \\ 50 \cdot 8 \\ 51 \cdot 2 \\ 51 \cdot 2 \\ 59 \cdot 1 \\ 45 \cdot 2 \\ 47 \cdot 6 \\ 36 \cdot 0 \\ 46 \cdot 0 \\ 43 \cdot 4 \\ 45 \cdot 2 \\ 25 \cdot 3 \\ 32 \cdot 5 \end{array}$	$\begin{array}{c} \text{days.}\\ 127\\ 142\\ 148\\ 156\\ 152\\ 153\\ 154\\ 177\\ 136\\ 143\\ 108\\ 138\\ 130\\ 135\\ 76\\ 28\\ \end{array}$
Australasia	$17 \ 2 \ 3$	32.8	98

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 twenty-four 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 the Colony is given for twenty-four years, beginning with 1870. In order to ascertain the price-level, all the principal articles of domestic produce exported have been taken, the prices of 1893 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 1893 prevailed. The average for 1893 is assumed to be 1,000, the price levels or index numbers of the other years being as shown in the following 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 ;---

Price-Level:			Price-Level.			
Year.	Year. 1870-4 prices 1893 p = 1,000. = 1,0	1893 prices == 1,000.	Year.	1870-4 prices = 1,000.	1893 prices = 1,000.	
1870	879 1,075 980 1,038 1,028 1,027 972 891 887 921 903 897	$1,489\\1,822\\1,660\\1,758\\1,743\\1,739\\1,646\\1,509\\1,503\\1,561\\1,530\\1,550$	1882 1883 1884 1885 1885 1887 1888 1889 1890 1891 1893	919 926 919 806 775 797 773. 785 785 689 652 590	$1,556 \\ 1,568 \\ 1,556 \\ 1,366 \\ 1,313 \\ 1,350 \\ 1,310 \\ 1,330 \\ 1,284 \\ 1,167 \\ 1,105 \\ 1,000$	

EXPORTS.

The years comprised in the foregoing table divide themselves into four periods. From 1870 to 1876 the average level at 1870-4 prices was 1,000; in 1877 prices fell, and for the next eight years averaged about 908; in 1885 prices again experienced a heavy fall, averaging for six years 782; and since 1890 there has been a further fall, so that the index number for 1893 is 590, being actually the lowest touched during over forty years.

It will be seen that the purchasing power of money has steadily increased since 1870-4, so that 20s. in 1893 would purchase the same articles of domestic export which in 1884 would have cost 31s., and in 1875, 35s. From this it must not be inferred that New South Wales has been altogether a loser by the fall in the prices of its exports, because the power of those exports to purchase imports must also be taken into consideration. It will, therefore, be necessary to consider also the price-levels of imports. These are given for the same years and in the same manner as the price-levels for the exports shown in the preceding table :—

Year.	Price-Lovel.			Price-Level.	
	1870-4 prices = 1,000.	1893 prices = 1,000.	Year.	1870–4 prices = 1,000.	1893 prices = 1,000.
1870 1871 1872 1873 1874 1875 1876 1877 1878 1879 1880 1881	$\begin{array}{r} 966\\970\\1,014\\1,030\\1,020\\962\\944\\908\\900\\862\\868\\859\end{array}$	$1,365 \\ 1,370 \\ 1,430 \\ 1,455 \\ 1,441 \\ 1,360 \\ 1,333 \\ 1,283 \\ 1,283 \\ 1,272 \\ 1,218 \\ 1,226 \\ 1,214$	1882	855 859 862 790 776 783 779 812 804 767 736 708	$\begin{array}{c} 1,207\\ 1,227\\ 1,217\\ 1,117\\ 1,096\\ 1,106\\ 1,100\\ 1,146\\ 1,136\\ 1,084\\ 1,040\\ 1,000\\ \end{array}$

IMPORTS.

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, with the relative fall per cent. —

IMPORTS AND EXPORTS.

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 1875–79 1880–84 1885–89 1890–93	1,000 915 861 787 754	8·5 5·9 8·5 4·3	1,000 940 913 787 672	6·0 2·9 13·8 14·6

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432 FALL IN PRICES OF IMPORTS AND EXPORTS.

It will be seen that, assuming the index number of the five years, -1870-4, 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 the same figure-787. As already mentioned, the fall for the period which has since elapsed has been much more heavy in regard to the exports than the imports.

New South Wales, in common with the other Australian Colonies, is chiefly affected by the fall in prices because it is a debtor country. chapter "Accumulation" of this volume will be found certain calculations showing that the annual charge payable by the State on its indebtedness to British creditors is £1,850,000, while the earnings of investments made in the Colony by private persons, or drawn by absentees, amount to £3,250,000 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 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 continued fall at the alarming rate of the past four years.

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