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## 10 Trade

**OVERVIEW**

Under the Australian Constitution, the Commonwealth Government is responsible for legislation relating to trade and commerce with other countries. The Department of Foreign Affairs and Trade is in turn responsible for developing and maintaining Australia's position as a world trading nation through international trade and commodity commitments and agreements, developing export markets, and formulating proposals for the Government on Australia's international trade policy and trading objectives. It is also responsible for matters relating to the commercial development, marketing, and export of minerals and fuels. It employs Trade Commissioners at many overseas centres.

The statistics in this chapter are recorded on a general trade basis, i.e. total exports include both Australian produce and re-exports; total imports comprise goods entered directly for domestic consumption, together with goods imported into customs warehouses.

State statistics for exports comprise State of origin. 'State of origin' is defined as the State in which the final stage of production or manufacture occurs. For imports, the State is that in which the import entry was lodged with the Australian Customs Service.

Both imports to, and exports from Victoria increased in 1995-96, continuing the trend since the 1990-91 recession. Between 1994-95 and 1995-96, imports increased by 3% to \$24,666 million, whilst exports increased by 18% to \$15,392 million. Imports into Victoria in 1995-96 accounted for 38% of Australia's total imports of \$64,670 million, whilst exports from Victoria amounted to 24% of Australia's total exports of \$64,548 million.

**10.1 OVERSEAS TRADE: RECORDED VALUES OF IMPORTS INTO, AND EXPORTS FROM, VICTORIA**

Year	Imports \$m	Exports \$m	Excess of imports \$m
1990-91	14 902	8 803	6 099
1991-92	15 353	9 545	5 808
1992-93	18 147	11 044	7 103
1993-94	20 770	12 349	8 420
1994-95	23 967	13 006	10 961
1995-96	24 666	15 392	9 274

Source: *International Merchandise Trade, Australia* (5422.0)

**Imports**

In 1995-96, almost 67% of Victoria's imports came from seven countries. The major import sources were the United States of America (USA) (\$5,838 million); Japan (\$3,429 million); Germany (\$1,996 million); China, excluding Taiwan (\$1,675 million); Taiwan (\$773 million); the United Kingdom (\$1,502 million) and New Zealand (\$1,207 million).

The major commodities imported into Victoria were Road Vehicles (including air cushion vehicles) (\$2,629 million); General industrial machinery and equipment n.e.s., and machine parts n.e.s. (\$1,718 million); Electrical machinery, apparatus, and appliances n.e.s., and electrical parts thereof (\$1,633 million); Miscellaneous manufactured articles n.e.s. (\$1,395 million); Machinery specialised for particular industries (\$1,340 million) and Telecommunications and sound recording and reproducing apparatus and equipment (\$1,146 million).

## 10.2 IMPORTS FROM MAJOR TRADING PARTNERS, VICTORIA, 1995-96

SITC (a) Number Description	USA \$m	Japan \$m	Germany \$m
71 Power generating equipment and machinery	350	144	82
72 Machinery specialised for particular industries	384	167	231
74 General industrial machinery and equipment n.e.s. and machine parts n.e.s.	535	358	224
76 Telecommunications and sound recording and reproducing apparatus and equipment	137	248	107
77 Electrical machinery, apparatus, and appliances n.e.s., and electrical parts thereof	333	245	196
78 Road vehicles (including air cushion vehicles)	471	1 251	303
79 Other transport equipment	607	16	9
87 Professional, scientific and controlling instruments and apparatus n.e.s.	297	87	83
88 Photographic apparatus, equipment and supplies and optical goods n.e.s.; watches and clocks	242	51	52
89 Miscellaneous manufactured articles n.e.s.	352	76	34
.. Other commodities	2 130	786	672
<b>Total</b>	<b>5 838</b>	<b>3 429</b>	<b>1 996</b>
Percentage of Victorian imports	24%	14%	8%

(a) Standard International Trade Classification.

Source: Foreign Trade statistics, unpublished data

The USA supplied almost a quarter of Victorian imports, with industrial and electrical machinery (item nos. 72, 74 and 77) to the value of \$1,252 million constituting the major items. Japan, which supplied 14% of Victorian imports was the major source of road vehicles for the State. Over a third of Japanese imports were road vehicles, comprising 48% of all road vehicles imported to Victoria. Eight per cent of Victorian imports came from Germany. These were spread over a wide range of commodities of which industrial and electrical machinery (item nos. 72, 74 and 77) and road vehicles were the major import commodities.

**Exports**

In 1995-96, almost 54% of Victoria's exports went to six countries. The major export destinations were Japan (\$1,954 million); Korea (\$1,922 million); New Zealand (\$1,594 million); Singapore (\$1,162 million); Hong Kong (\$821 million) and the USA (\$785 million).

The major commodities exported from Victoria in 1995-96 were Dairy products and birds' eggs (\$1,364 million); Textile fibres and their wastes (\$1,083 million); Non-ferrous metals (\$1,025 million); Meat and meat preparations (\$656 million); Petroleum, petroleum products and related materials (\$592 million) and Road vehicles (including air cushion vehicles) (\$569 million).

Over the two years 1993-94 to 1995-96, Victorian exports increased in most areas. Exports of Office machines and automatic data processing machines rose over 770% (\$48 million in 1993-94 to \$418 million in 1995-96). Other growth areas have been in Transport equipment (excluding road vehicles) (136%); Cereals and cereal preparations (48%); and Dairy products and birds' eggs (32%). Vegetables and fruit exports fell by 16% whilst Petroleum, petroleum products, and related materials fell by 13%.

## 10.3 EXPORTS TO MAJOR TRADING PARTNERS, VICTORIA, 1995-96

SITC (a) Number	Description	Japan \$m	Korea \$m	New Zealand \$m
01	Meat and meat preparations	199	39	6
02	Dairy products and birds' eggs	246	8	9
33	Petroleum, petroleum products and related materials	2		109
54	Medicinal and pharmaceutical products	12	1	81
68	Non ferrous metals	179	277	29
71	Power generating machinery and equipment	18	200	18
77	Electrical machinery, apparatus, and appliances n.e.s. and electrical parts thereof	7	3	68
78	Road vehicles (incl. air cushion vehicles)	9	27	264
89	Miscellaneous manufactured articles n.e.s.	17	3	72
97	Gold, non-monetary (excl. gold ore and concentrates)	386	1 039	5
..	Other commodities	879	325	933
<b>Total</b>		<b>1 954</b>	<b>1 922</b>	<b>1 594</b>
Percentage of Victorian exports		13%	12%	10%

(a) Standard International Trade Classification.

Source: Foreign Trade statistics, unpublished data

Thirteen per cent of Victorian exports were sent to Japan, the most significant commodities being gold (\$386 million) and dairy products and birds eggs (\$246 million). A further 12% of exports were sold to the Republic of Korea, of which 54% (\$1,039 million) comprised gold. New Zealand was the destination for an additional 10% of Victorian exports. Exports to New Zealand included a wide variety of commodity items, the most significant being road vehicles and petroleum products, which comprised 17% and 7% respectively of exports to New Zealand.

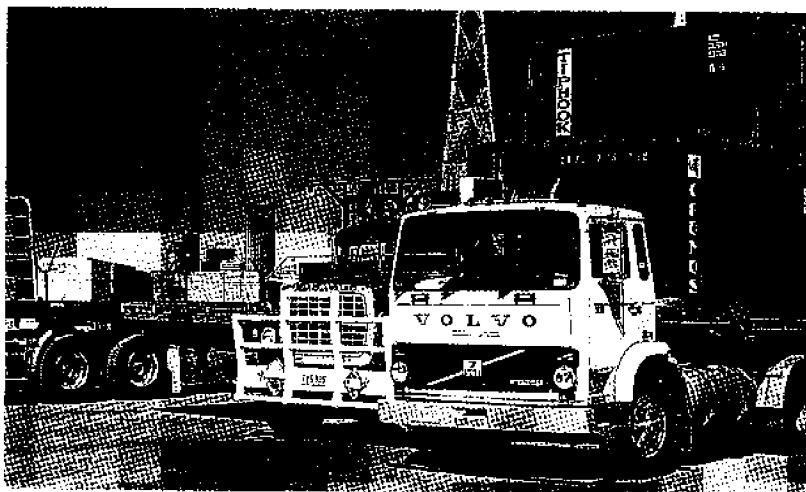
## 10.4 OVERSEAS IMPORTS AND EXPORTS, COUNTRIES OF ORIGIN AND CONSIGNMENT, VICTORIA

Country	Imports			Exports		
	1993-94 \$m	1994-95 \$m	1995-96 \$m	1993-94 \$m	1994-95 \$m	1995-96 \$m
Austria	73	89	97	5	9	12
Bangladesh	11	13	12	48	31	47
Belgium-Luxembourg	192	225	253	32	28	75
Brazil	132	167	174	37	60	77
Canada	292	430	453	147	110	101
China -						
Excluding Taiwan Province	1 416	1 576	1 675	481	560	640
Taiwan Province only	765	747	773	512	629	662
Czechoslovakia and Slovak Federal Republic	17	14	11	6	8	5
Denmark	107	114	108	8	8	10
Egypt, Arab Republic of	2	3	3	93	44	120
Fiji	31	39	60	132	127	214
Finland	194	237	239	5	6	9
France	432	487	536	132	167	143
French Polynesia	—	—	—	8	30	27
Germany	1 550	2 093	1 996	245	258	263
Greece	20	25	29	10	4	12
Hong Kong	209	205	241	530	563	821
India	171	224	234	106	115	139
Indonesia	324	355	378	241	267	364
Iran	5	6	3	80	29	82
Iraq	—	—	—	2	17	—
Ireland	60	122	146	5	5	10
Israel	55	63	64	16	17	14
Italy	594	718	807	185	259	249
Japan	3 779	3 987	3 429	2 178	1 852	1 954
Korea, Republic of	491	609	634	901	1 096	1 922

10.4 OVERSEAS IMPORTS AND EXPORTS, COUNTRIES OF ORIGIN AND CONSIGNMENT, VICTORIA  
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Country	Imports			Exports		
	1993-94 \$m	1994-95 \$m	1995-96 \$m	1993-94 \$m	1994-95 \$m	1995-96 \$m
Kuwait	1	—	—	28	32	41
Macau	7	6	5	1	2	4
Malaysia	318	428	458	611	756	737
Mauritius	1	1	1	29	31	39
Mexico	48	55	55	110	61	43
Nauru, Republic of	7	6	8	21	20	19
Netherlands	199	229	233	32	43	60
New Caledonia	1	—	—	65	51	76
New Zealand	1 024	1 191	1 207	1 093	1 241	1 594
Norway	51	83	47	7	10	9
Pakistan	83	86	72	41	30	77
Papua New Guinea	92	125	128	209	187	236
Philippines	49	105	117	255	284	339
Poland	10	13	12	6	9	16
Portugal	22	26	31	5	6	7
Russian Federation	9	7	7	69	39	23
Samoa (American)	—	—	1	23	12	22
Saudi Arabia	173	242	225	133	127	195
Singapore	407	494	571	1 125	1 339	1 162
Solomon Islands	1	1	0	17	15	35
South Africa	71	73	83	115	192	207
Spain	90	149	181	32	29	29
Sri Lanka	20	22	21	46	37	71
Sweden	408	495	591	23	39	69
Switzerland	250	302	288	29	58	45
Thailand	261	323	322	347	439	513
Turkey	17	23	26	30	51	92
United Arab Emirates	13	14	5	72	63	112
United Kingdom	1 229	1 365	1 502	338	365	378
United States of America	4 696	5 260	5 838	914	754	785
Vietnam	35	36	56	26	42	55
Yemen Arab Republic	—	—	—	1	1	11
Other and unknown	384	332	220	308	338	324
<b>Total</b>	<b>20 770</b>	<b>23 967</b>	<b>24 666</b>	<b>12 349</b>	<b>13 006</b>	<b>15 392</b>

Source: Foreign Trade statistics, unpublished data



## 10.5 OVERSEAS IMPORTS AND EXPORTS, COMMODITY GROUPS, VICTORIA

SITC (a) Number	Description	Imports			Exports		
		1993-94 \$m	1994-95 \$m	1995-96 \$m	1993-94 \$m	1994-95 \$m	1995-96 \$m
00	Live animals chiefly for food	25	47	39	33	58	57
01	Meat and meat preparations	14	16	19	619	650	656
02	Dairy products and birds' eggs	63	76	91	1 031	1 146	1 364
03	Fish, crustaceans, and molluscs	147	176	179	150	137	150
04	Cereals and cereal preparations	50	64	64	355	233	527
05	Vegetables and fruit	195	195	219	418	288	353
06	Sugar, sugar preparations, and honey	31	43	45	17	14	23
07	Coffee, tea, cocoa, spices, and manufactures thereof	172	213	232	121	117	136
08	Feeding stuff for animals (excluding unmilled cereals)	33	32	24	125	125	143
09	Miscellaneous edible products and preparations	126	109	88	41	55	76
11	Beverages	78	83	84	61	65	87
12	Tobacco and tobacco manufactures	63	98	80	6	11	11
21	Hides, skins, and fur skins (raw)	1	—	—	105	178	187
22	Oil seeds and oleaginous fruit	24	40	36	30	15	47
23	Crude rubber (including synthetic and reclaimed)	79	105	110	9	11	9
24	Cork and wood	168	160	121	73	91	113
25	Pulp and waste paper	42	64	86	3	9	4
26	Textile fibres and their wastes	99	123	119	1 034	1 287	1 083
27	Crude fertilisers and crude minerals (excluding coal, petroleum, and precious stones)	41	45	39	7	15	22
28	Metalliferous ores and metal scrap	4	9	14	25	61	60
29	Crude animal and vegetable materials, n.e.s.	54	67	71	64	76	65
32	Coal, coke, and briquettes	2	1	1	13	13	14
33	Petroleum, petroleum products, and related materials	430	502	659	681	366	592
34	Gas, natural and manufactured	—	—	—	20	62	62
41	Animal oils and fats	1	1	1	32	53	54
42	Fixed vegetable oils and fats	58	70	83	5	2	2
43	Animal and vegetable oils and fats, processed and waxes of animal or vegetable origin	6	4	8	26	30	26
51	Organic chemicals	466	502	544	27	32	32
52	Inorganic chemicals	90	106	118	31	30	34
53	Dyeing, tanning, and colouring materials	186	202	207	48	57	81
54	Medicinal and pharmaceutical products	269	307	362	225	244	292
55	Essential oils and perfume materials; toilet, polishing, and cleansing preparations	111	120	121	32	43	53
56	Fertilisers manufactured	100	161	188	—	1	3
57	Explosives and pyrotechnic products	225	275	304	120	151	172
58	Artificial resins and plastic materials, cellulose esters and ethers	240	251	278	43	59	61
59	Chemical materials and products, n.e.s.	284	269	295	139	136	137
61	Leather, leather manufactures, n.e.s., and dressed fur skins	73	79	70	112	182	180
62	Rubber manufactures, n.e.s.	286	315	313	68	86	84

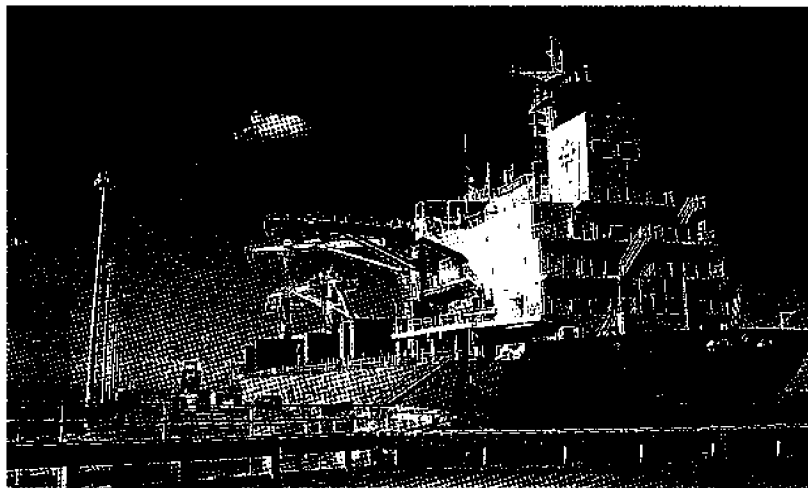
10.5 OVERSEAS IMPORTS AND EXPORTS, COMMODITY GROUPS, VICTORIA continued

SITC (a) Number	Description	Imports			Exports		
		1993-94 \$m	1994-95 \$m	1995-96 \$m	1993-94 \$m	1994-95 \$m	1995-96 \$m
63	Cork and wood manufactures (excluding furniture)	69	82	85	6	6	8
64	Paper, paperboard, and articles of paper pulp, of paper, or of paperboard	550	618	665	100	85	101
65	Textile yarn, fabrics, made-up articles, n.e.s., and related products	1 126	1 231	1 131	167	211	256
66	Non-metallic mineral manufactures, n.e.s.	286	305	294	69	75	86
67	Iron and steel	310	407	386	350	387	412
68	Non-ferrous metals	153	179	191	875	1 015	1 025
69	Manufactures of metal n.e.s.	674	692	697	171	182	204
71	Power generating machinery and equipment	768	745	752	266	420	419
72	Machinery specialised for particular industries	1 066	1 263	1 340	131	156	176
73	Metalworking machinery	147	205	216	28	53	53
74	General industrial machinery and equipment, n.e.s. and machine parts n.e.s.	1 475	1 710	1 718	263	273	315
75	Office machines and automatic data processing equipment	616	650	685	48	74	418
76	Telecommunications and sound recording and reproducing apparatus and equipment	806	1 116	1 146	120	119	174
77	Electrical machinery, apparatus, and appliances n.e.s., and electrical parts thereof	1 400	1 575	1 633	303	330	334
78	Road vehicles (including air cushion vehicles)	2 278	2 768	2 629	430	422	569
79	Other transport equipment	414	403	751	105	229	248
81	Sanitary, plumbing, heating, and lighting fixtures and fittings n.e.s.	74	80	84	8	11	20
82	Furniture and parts thereof	128	135	145	15	16	29
83	Travel goods, handbags, and similar containers	84	98	102	2	3	2
84	Articles of apparel and clothing accessories	742	796	835	90	108	112
85	Footwear	281	325	342	20	22	25
87	Professional, scientific and controlling instruments, and apparatus n.e.s.	636	691	698	124	156	177
88	Photographic apparatus, equipment and supplies and optical goods n.e.s.; watches and clocks	431	538	566	246	305	359
89	Miscellaneous manufactured articles n.e.s.	1 197	1 441	1 395	200	211	224
9A	Commodities and transactions of merchandise trade n.e.c. (b)	722	979	867	2 264	1 949	2 594
<b>Total</b>		<b>20 769</b>	<b>23 966</b>	<b>24 666</b>	<b>12 349</b>	<b>13 006</b>	<b>15 392</b>

(a) Standard International Trade Classification.

(b) Includes gold, non-monetary (excl. gold ore and concentrates).

Source: Foreign Trade statistics, unpublished data



## REFERENCES

### Data sources

The foreign trade statistics presented in this chapter are compiled in broad agreement with the United Nations' recommendations for the compilation of international trade statistics. Overseas trade statistics are compiled by the ABS from documentation submitted by exporters and importers, or their agents, to the Australian Customs Service, as required by the Customs Act.

### ABS sources

*International Merchandise Trade, Australia* (5422.0)

*Foreign Trade statistics, unpublished data*

### Photographs

*Ship at Port Melbourne: Photographer Andrew Stiller, Public Affairs Branch, Dep't of Infrastructure (Title page and page 164)*

*Melbourne freight terminal: Photographer Andrew Stiller, Public Affairs Branch, Dep't of Infrastructure*

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