

## SECTION XV.

## COMMERCE.

## § 1. Introductory.

1. **General.**—The development of the commerce of Australia might be considered from several standpoints—for example, the historical, the legal, or the purely financial—all of which are important.

The importance of the subject demands a reference to the constitutional power of the Commonwealth in respect to commerce and to the various Acts which have been passed in the exercise of that power, since these profoundly affect its trade and commerce.

In setting out the statistics of commerce regard will be had to the significant features of its development, both from the historical and financial point of view.

2. **Constitutional Powers of Commonwealth in regard to Commerce.**—Under the provisions of the Commonwealth Constitution Act [*vide* pp. 47 to 54 of this volume] power to make laws with respect to “trade and commerce with other countries and among the States” is vested in the Commonwealth Parliament. [Chap. I., Part V., sec. 51. (i.). *vide* p. 48.]

The Constitution Act further provides in relation to trade that:—

“On the establishment of the Commonwealth, the collection and control of duties of customs and of excise, and the control of the payment of bounties, shall pass to the Executive Government of the Commonwealth.” [Section 86.]

“Uniform duties of customs shall be imposed within two years after the establishment of the Commonwealth.” [Section 88.]

“On the imposition of uniform duties of customs the power of the Parliament to impose duties of customs and of excise, and to grant bounties on the production or export of goods, shall become exclusive.

“On the imposition of uniform duties of customs all laws of the several States imposing duties of customs or of excise, or offering bounties on the production or export of goods, shall cease to have effect, but any grant of or agreement for any such bounty lawfully made by or under the authority of the Government of any State shall be taken to be good if made before the thirtieth day of June, one thousand eight hundred and ninety-eight, and not otherwise.” [Section 90.]

“Nothing in this Constitution prohibits a State from granting any aid to or bounty on mining for gold, silver, or other metals, nor from granting, with the consent of both Houses of the Parliament of the Commonwealth expressed by resolution, any aid to or bounty on the production or export of goods.” [Section 91.]

“On the imposition of uniform duties of customs, trade, commerce, and intercourse among the States, whether by means of internal carriage or ocean navigation, shall be absolutely free.” [Section 92, 1st paragraph.]

"The power of the Parliament to make laws with respect to trade and commerce extends to navigation and shipping, and to railways the property of any State." [Section 98.]

"The Commonwealth shall not, by any law or regulation of trade, commerce, or revenue, give preference to one State or any part thereof over another State or any part thereof." [Section 99.]

"The Commonwealth shall not, by any law or regulation of trade or commerce, abridge the right of a State or of the residents therein to the reasonable use of the waters of rivers for conservation or irrigation." [Section 100.]

"There shall be an Interstate Commission, with such powers of adjudication and administration as the Parliament deems necessary, for the execution and maintenance, within the Commonwealth, of the provisions of this Constitution relating to trade and commerce, and of all laws made thereunder." [Section 101.]

"The Parliament may by any law with respect to trade or commerce forbid, as to railways, any preference or discrimination by any State, or by any authority constituted under a State, if such preference or discrimination is undue and unreasonable or unjust to any State; due regard being had to the financial responsibilities incurred by any State in connection with the construction and maintenance of its railways. But no preference or discrimination shall, within the meaning of this section, be taken to be undue and unreasonable, or unjust to any State, unless so adjudged by the Interstate Commission." [Section 102.]

"The members of the Interstate Commission—

- (i.) Shall be appointed by the Governor-General in Council;
  - (ii.) Shall hold office for seven years, but may be removed within that time by the Governor-General in Council, on an address from both Houses of the Parliament in the same session praying for such removal on the ground of proved misbehaviour or incapacity;
  - (iii.) Shall receive such remuneration as the Parliament may fix; but such remuneration shall not be diminished during their continuance in office."
- [Section 103.]

"Nothing in this Constitution shall render unlawful any rate for the carriage of goods upon a railway, the property of a State, if such rate is deemed by the Interstate Commission to be necessary for the development of the territory of the State, and if the rate applies equally to goods within the State and to goods passing into the State from other States." [Section 104.]

Provisions of a temporary nature and which have now ceased to operate were also made as follows:—

"But notwithstanding anything in this Constitution, goods imported before the imposition of uniform duties of customs into any State, or into any colony which, whilst the goods remain therein, becomes a State, shall, on thence passing into another State within two years after the imposition of such duties, be liable to any duty chargeable on the importation of such goods into the Commonwealth, less any duty paid in respect of the goods on their importation." [Section 92.]

"Notwithstanding anything in this Constitution, the Parliament of the State of Western Australia, if that State be an original State, may, during the first five years after the imposition of uniform duties of customs, impose duties of customs on goods passing into that State and not originally imported from beyond the limits of the Commonwealth; and such duties shall be collected by the Commonwealth.

"But any duty so imposed on any goods shall not exceed during the first of such years the duty chargeable on the goods under the law of Western Australia in force at the imposition of uniform duties, and shall not exceed during the second, third, fourth, and fifth of such years respectively, four-fifths, three-fifths, two-fifths, and one-fifth of such

latter duty, and all duties imposed under this section shall cease at the expiration of the fifth year after the imposition of uniform duties.

"If at any time during the five years the duty on any goods under this section is higher than the duty imposed by the Commonwealth on the importation of the like goods, then such higher duty shall be collected on the goods when imported into Western Australia from beyond the limits of the Commonwealth." [Section 95.]

## § 2. Commonwealth Commercial Legislation.

1. **Customs Act 1901 (No. 6 of 1901).**—"An Act relating to the Customs," assented to on the 3rd October, 1901, came into operation by proclamation on the 4th October, 1901. This provided for the establishment of the necessary administrative machinery for all matters pertaining to the customs, and prescribed, *inter alia*, the manner in which customs duties shall be computed and paid. It does not however determine the rates thereof.

During the interval between the inception of the Commonwealth, viz., on 1st January, 1901, and the coming into operation of the Customs Act 1901, the Customs Acts of the several States were administered by the Executive Government of the Commonwealth, under section 86 of the Constitution.

2. **Customs Tariff Act 1902 (No. 14 of 1902).**—The first Commonwealth Customs Tariff imposing uniform rates of customs duty in all the States was introduced in the House of Representatives on the 8th October, 1901. "An Act relating to Duties of Customs," assented to on the 16th September, 1902, made provision that uniform duties of customs specified in the tariff schedule should be imposed from the 8th October, 1901, at four o'clock in the afternoon, reckoned according to the standard time in force in the State of Victoria. From this time onwards trade between the States became free, with, however, the exception, under section 95 of the Constitution Act, of the right of Western Australia to levy duty on the goods from other States. [Repealed by the Customs Tariff Act 1908 (No. 7 of 1908).]

3. **Sea Carriage of Goods Act (No. 14 of 1904).**—"An Act relating to the Sea Carriage of Goods," assented to on the 15th December, 1904, to commence on the 1st January, 1905, provides that—"Where any bill of lading or document contains any clause, covenant or agreement whereby (a) the owner, charterer, master, or agent of any ship or the ship itself, is relieved from the liability for loss or damage to goods arising from the harmful or improper condition of the ship's hold, or any other part of the ship in which goods are carried, or arising from negligence, fault, or failure in the proper loading, stowage, custody, care, or delivery of goods received by them or any of them to be carried in or by the ship; or (b) any obligations of the owner or charterer of any ship to exercise due diligence and to properly man, equip, and supply the ship, to make and keep the ship seaworthy, and to make and keep the ship's hold, refrigerating and cool chambers, and all other parts of the ship in which goods are carried, fit and safe for their reception, carriage, and preservation, are in any wise lessened, weakened, or avoided; or (c) the obligations of the master, officers, agents, or servants of any ship to carefully handle and stow goods, and to care for, preserve, and properly deliver them, are in any wise lessened, weakened, or avoided; that clause, covenant, or agreement shall be illegal, null and void, and of no effect."

"In every bill of lading with respect to goods a warranty shall be implied that the ship shall be, at the beginning of the voyage, seaworthy in all respects and properly manned, equipped, and supplied."

"In every bill of lading with respect to goods, unless the contrary intention appears, a clause shall be implied whereby, if the ship is at the beginning of the voyage seaworthy

in all respects and properly manned, equipped, and supplied, neither the ship nor her owner, master, agent, or charterer shall be responsible for damage to or loss of the goods resulting from (a) faults or errors in navigation; or (b) perils of the sea or navigable waters; or (c) acts of God or the King's enemies; or (d) the inherent defect, quality, or vice of the goods; or (e) the insufficiency of package of the goods; or (f) the seizure of the goods under legal process; or (g) any act of omission of the shipper or owner of the goods, his agent, or representative; or (h) saving or attempting to save life or property at sea; or (i) any deviation in saving or attempting to save life or property at sea."

**4. Secret Commission Act 1905 (No. 10 of 1905).**—"An Act relating to Secret Commissions, Rebates, and Profits," assented to on the 16th November, 1905, provides that—"Any person who, without the full knowledge and consent of the principals directly or indirectly, (a) being an agent of the principal, accepts or obtains, or agrees or offers to accept or obtain, for any person, for himself, or for any person other than the principal; or (b) gives or agrees to give or offers to the agent of a principal, or to any person at the request of an agent of the principal, any gift or consideration as an inducement or reward for any act done or to be done, or any forbearance observed or to be observed, or any favour or disfavour shewn or to be shewn in relation to the principal's affairs or business, or on the principal's behalf, or for obtaining or having obtained, or aiding or having aided to obtain for any person an agency or contract for or with the principal, shall be guilty of an indictable offence."

"Any person who (a) gives to an agent; or (b) being an agent receives or uses, with intent to deceive the principal, any receipt, account, or document in respect of which the principal is interested, or in relation to a dealing, transaction, or matter in which the principal is interested, the receipt, account, or document being false, erroneous, or defective in any material particular, or likely in any way to mislead the principal, shall be guilty of an indictable offence."

"Any agent who, without the full knowledge and consent of the principal, buys from or sells to himself, or any firm of which he is a partner, or any company of which he is a director, manager, officer, or employé, or in which he or any person for him or on his behalf is a shareholder, any goods for or on behalf of his principal, shall be guilty of an indictable offence."

"Whoever aids, abets, counsels, or procures, or is in any way directly or indirectly knowingly concerned in or privy to (a) the commission of any offence against this Act; or (b) the commission outside Australia of any act, in relation to the affairs or business or on behalf of a principal residing in Australia, which, if committed in Australia, would be an offence against this Act, shall be deemed to have committed the offence and be punishable accordingly."

"This Act applies to trade and commerce with other countries and among the States, and to agencies of and contracts with the Commonwealth or any department or officer thereof."

**5. Commerce (Trade Descriptions) Act 1905 (No. 16 of 1905).**—"An Act relating to Commerce with other Countries," assented to on the 8th December, 1905, and brought into operation by proclamation on the 8th June, 1906, gives power to compel the placing of a proper description on certain prescribed goods, or on packages containing the same, being imports or exports of the Commonwealth. In this Act, unless the contrary intention appears, "trade description" in relation to any goods, means any description, statement, indication, or suggestion, direct or indirect, "(a) as to the nature, number, quantity, quality, purity, class, grade, measure, gauge, size, or weight of the goods; or (b) as to the country or place in or at which the goods were made or produced; or (c) as to the manufacturer or producer of the goods or the person by whom they were selected, packed, or in any way prepared for the market; or (d) as to the mode of manufacturing, producing, selecting, packing, or otherwise preparing the goods; or (e) as to the material or ingredients of which the goods are composed, or from which they are derived; or (f)

as to the goods being the subject of an existing patent privilege, or copyright, and includes a customs entry relating to goods; and any mark which, according to the custom of the trade or common repute, is commonly taken to be an indication of any of the above matters, shall be deemed to be a trade description within the meaning of this Act."

" 'False trade description' means a trade description which, by reason of anything contained therein or omitted therefrom, is false or likely to mislead in a material respect as regards the goods to which it is applied, and includes every alteration of a trade description, whether by way of addition, effacement, or otherwise, which makes the description false or likely to mislead in a material respect."

The goods prescribed are:—(a) Articles used for food or drink by man, or used in the manufacture or preparation of articles used for food or drink by man; or (b) medicines or medicinal preparations for internal or external use; or (c) manures; or (d) apparel (including boots and shoes), and the materials from which such apparel is manufactured; or (e) jewellery; or (f) seeds and plants.

**6. Australian Industries Preservation Act 1906 (No. 9 of 1906).**—"An Act for the Preservation of Australian Industries and for the Repression of Destructive Monopolies," assented to 24th September, 1906, provides that any person or any corporation making or engaging or continuing in any combination "with intent to restrain trade or commerce to the detriment of the public or with intent to destroy or injure by means of unfair competition any Australian industry the preservation of which is advantageous to the Commonwealth, having due regard to the interests of the producers, workers, or consumers," or any person or corporation monopolising or attempting or conspiring to monopolise any part of the trade of the Commonwealth with intent to control, to the detriment of the public, the supply or price of any service, merchandise, or commodity, is guilty of an offence. (Amended, see Act No. 5 of 1908.)

**7. Customs Tariff 1906 (No. 14 of 1906).**—"An Act relating to Duties of Customs" amends the Customs Tariff of 1902 in relation to the duties on harvesters and agricultural implements and machinery and prescribes the prices to be the maximum prices of Australian harvesters and drills delivered to the purchaser at the railway station or port nearest to the factory where they are made. [Repealed by Customs Tariff Act 1908 (No. 7 of 1908).]

**8. Customs Tariff (South African Preference) 1906 (No. 17 of 1906).**—"An Act relating to Preferential Duties of Customs on certain goods the produce or manufacture of the British Colonies or Protectorates in South Africa which are included within the South African Customs Union," assented to 12th October, 1906, to operate from 1st October, 1906, provides for special preferential rates of duty on certain goods imported from and being the produce of any of the Colonies or Protectorates included within the South African Customs Union.

**9. Australian Industries Preservation Act 1907 (No. 5 of 1908).**—"An Act to amend the Australian Industries Preservation Act 1907," assented to 14th April, 1908, provides additional machinery for procuring evidence of offences against the principal Act.

**10. Customs Tariff 1908 (No. 7 of 1908).**—"An Act relating to Duties of Customs," assented to 3rd June, 1908, repeals Section 5 of the Customs Tariff 1902 (No. 14 of 1902) and the schedule of that Act and the whole of the Customs Tariff 1906 (No. 14 of 1906) as from 8th August, 1907, at 4 o'clock in the afternoon, reckoned according to the standard time in the State of Victoria,<sup>1</sup> and imposes new rates of Customs Duties from that time. This Act provides preference rates of customs duties on certain "goods the produce or manufacture of the United Kingdom which are shipped in the United Kingdom to Australia and not transhipped, or if transhipped then only if it is proved to the satisfaction of the Collector (of customs) that the goods have not, since they were shipped in the United Kingdom, been subjected to any process of manufacture."

1. "Standard time" is identical in the States of New South Wales, Victoria, Queensland, and Tasmania.

11. **Customs Tariff Amendment 1908 (No. 13 of 1908).**—"An Act to amend the Tariff Act of 1908," assented to 10th June, 1908, provides that where the rate of duty to be paid on goods the produce or manufacture of the United Kingdom is not set out in the Customs Tariff 1908, and where such goods are not expressly declared to be free, the "General Tariff" rates shall apply. This Act also provides that no higher duty shall be payable under the South African Preference Act 1906, than the duty under the General Tariff of the Customs Tariff 1908, and that no duty shall be payable under that Act on any goods which are free of or exempt from duty under the General Tariff of the Customs Tariff 1908. The purpose of this Act is merely to remove possible doubt as to the intention of the original Acts.

### § 3. Method of Recording Imports and Exports.

1. **Value of Imports.**—The recorded value of goods imported from countries beyond the Commonwealth represents the amount on which duty is payable or would be payable if the duty were charged *ad valorem*. The value of goods subject to duty is taken to be 10 per cent. in advance of the fair market value in the principal markets of the country whence the goods were exported, the increase being roughly intended to represent the cost plus insurance, freight, and other charges to the place of landing.

2. **Value of Exports.**—The recorded value of goods exported is taken to represent the value in the principal markets of the Commonwealth in the ordinary commercial acceptance of the term.

3. **Records of Past Years.**—In the years preceding federation each State independently recorded its trade, and in so doing did not distinguish other Australian States from foreign countries. As the aggregation of the records of the several States is, necessarily, the only available means of ascertaining the trade of Australia for comparison with later years, it is unfortunate that past records of values and the direction of imports were not on uniform lines admitting of the preparation of a record for Australia as a whole. On the introduction of the Customs Act 1901, the methods of recording values were made uniform throughout the States, but it was not until September, 1903, that a fundamental defect in the system of recording transhipped goods was remedied. Up to this date goods arriving in any Australian port for transshipment to a port in another Australian State were recorded at the latter port only, where they were ordinarily recorded as from the transshipping State, and not as an import from the overseas country.

In recording exports an analogous defect also existed in most of the States, since goods despatched from one Australian State for transshipment in another State to an overseas country were simply recorded in the former as an export to the transshipping State; thus no proper record of the export as overseas was made. Owing to this defect the overseas trade prior to September, 1903, is understated by an amount which it is impossible to accurately estimate, since it varies with the development of the shipping facilities of the States concerned. To discover the direction of the transhipped trade is not possible. The figures presented in the tables hereinafter are therefore the values as recorded, and must be taken as subject to the defects explained.

4. **Vessels (Ships) Imported and Exported.**—The imports or exports of vessels were not recorded prior to the year 1905. The value of vessels imported during the years 1905, 1906, and 1907 was, respectively, £265,957, £366,300, and £680,700, while the exports for the same years were respectively £79,975, £51,365, and £90,201.

5. **Ships' Stores.**—Prior to 1906 goods shipped in Australian ports on board overseas ships as ships' stores were included in the general exports. From 1906 ships' stores have been specially recorded as such, and omitted from the return of exports. The value of ships' stores during 1906 amounted to £875,966, of which bunker coal represented £575,471, or 65.7 per cent., and during 1907 to £998,897, bunker coal representing £663,724, or 66.45 per cent.

## § 4. Oversea Trade.

1. **Total Oversea Trade.**—The following table shews the total trade of the Commonwealth with oversea countries from the earliest date for which records are available. In consequence of the defects of record, referred to in the preceding section, the results can be only an approximate to the actual figures. The very marked rise and sudden fall in the value of imports during the period 1837 to 1842 were contemporaneous with heavy land speculation and a subsequent severe financial crisis. The great increase of trade in the early fifties is due to the discovery of gold. In the State of Victoria the value of imports from oversea countries increased from £500,000 in 1851 to nearly £11,000,000 in 1853, and to £13,000,000 in 1854; while in New South Wales similar imports rose from £1,390,000 in 1851 to £5,500,000 in 1854, when the total imports into the Commonwealth reached the sum of £34 13s. 10d. per head, and the total trade £56 3s. 10d. per head of the population. The rapid influx of persons anxious to share the good fortunes of these times, however, soon reduced the value of the trade per head, till, in 1858, it had declined to £31 19s. 6d. per head. The period 1867-1872 shews a marked reduction in the value of trade per head. For some years prior to this period New South Wales had experienced a succession of indifferent seasons, and Victoria was suffering from a congested labour market consequent on the decline of alluvial gold-mining in that State. This congestion of the labour market during the years 1862 to 1866 gave rise to the agitation for a protective tariff to provide employment in manufacture, and in April, 1866, the Tariff Act, which expressed the protective policy since adhered to in Victoria, was assented to.

## OVERSEA TRADE OF COMMONWEALTH, 1826 to 1907.

Year.	Recorded Value.			Value per Inhabitant.*			Percentage of Exports on Imports.
	Imports.	Exports.	Total.	Imports.	Exports.	Total.	
	£1,000.	£1,000.	£1,000.	£ s. d.	£ s. d.	£ s. d.	%
1826	435	131	566	8 3 10	2 9 4	10 13 2	30.1
1827	478	98	576	8 13 10	1 15 8	10 9 6	20.5
1828	735	122	857	12 17 0	2 2 8	14 19 8	16.6
1829	846	218	1,064	14 2 0	3 12 8	17 14 8	25.8
1830	697	194	891	10 11 6	2 18 11	13 10 5	27.8
1831	753	412	1,165	10 6 8	5 13 0	15 19 8	54.7
1832	956	495	1,451	11 19 4	6 3 11	18 3 3	51.8
1833	1,036	500	1,536	11 7 8	5 9 11	16 17 7	48.3
1834	1,373	756	2,129	13 9 10	7 8 6	20 18 4	55.1
1835	1,600	903	2,503	14 12 6	8 5 1	22 17 7	56.4
1836	1,659	985	2,644	13 18 4	8 5 3	22 3 7	59.4
1837	1,510	967	2,477	11 12 10	7 9 1	19 1 11	64.0
1838	2,055	1,054	3,109	14 7 3	7 7 4	21 14 7	51.3
1839	2,578	1,044	3,622	16 0 8	6 9 11	22 10 7	40.5
1840	3,615	1,513	5,128	20 1 6	8 8 1	28 9 7	41.9
1841	3,145	1,335	4,480	15 6 0	6 10 0	21 16 0	42.4
1842	1,742	1,264	3,006	7 10 11	5 9 7	13 0 6	72.6
1843	1,926	1,281	3,207	7 16 7	5 4 2	13 0 9	66.5
1844	1,201	1,291	2,492	4 13 4	5 0 4	9 13 8	107.5
1845	1,518	1,721	3,239	5 11 9	6 6 8	11 18 5	113.4
1846	1,995	1,794	3,789	6 19 5	6 5 5	13 4 10	89.9
1847	2,441	2,200	4,641	8 2 3	7 6 3	15 8 6	90.1
1848	2,000	2,278	4,278	6 4 10	7 2 2	13 7 0	113.9
1849	2,451	2,359	4,810	6 18 11	6 13 9	13 12 8	96.2
1850	3,009	2,688	5,697	7 14 8	6 18 1	14 12 9	89.3
1851	2,962	2,708	5,670	7 0 7	6 8 7	13 9 2	91.4

1. Reckoned on mean population of the year.

## OVERSEA TRADE OF COMMONWEALTH, 1826 TO 1907.—Continued.

Year.	Recorded Value.			Value per Inhabitant. <sup>1</sup>			Percentage of Exports on Imports.
	Imports.	Exports.	Total.	Imports.	Exports.	Total.	
	£1,000.	£2,000.	£1,000.	£ s. d.	£ s. d.	£ s. d.	%
1852	4,798	10,896	15,694	10 1 9	22 18 3	33 0 0	227.0
1853	14,990	14,403	29,393	26 17 11	25 16 10	52 14 9	96.1
1854	22,478	13,928	36,406	34 13 10	21 10 0	56 3 10	62.0
1855	14,428	15,134	29,562	19 7 11	20 6 11	39 14 10	105.0
1856	16,631	16,234	32,865	19 18 4	19 8 9	39 7 1	97.6
1857	18,872	16,127	34,999	20 9 0	17 9 5	37 18 5	85.5
1858	17,668	14,625	32,293	17 9 11	14 9 7	31 19 6	82.8
1859	20,376	17,027	37,403	18 19 6	15 17 1	34 16 7	83.6
1860	20,536	16,081	36,617	18 6 5	14 6 11	32 13 4	78.3
1861	17,651	17,413	35,064	15 5 2	15 1 1	30 6 3	98.7
1862	20,599	18,065	38,664	17 7 1	15 4 5	32 11 6	87.7
1863	21,248	19,336	40,584	17 4 7	15 13 7	32 18 2	91.0
1864	20,503	18,977	39,480	15 17 4	14 13 6	30 10 10	92.6
1865	20,660	19,706	40,366	15 4 4	14 10 4	29 14 8	95.4
1866	21,311	18,972	40,283	15 0 10	13 7 10	28 8 8	89.0
1867	15,964	18,384	34,348	10 18 1	12 11 2	23 9 3	115.2
1868	18,436	21,650	40,086	12 3 11	14 6 6	26 10 5	117.4
1869	19,910	20,066	39,976	12 14 4	12 16 4	25 10 8	103.8
1870	17,833	18,012	35,845	11 0 2	11 2 5	22 2 7	101.0
1871	17,017	21,725	38,742	10 3 3	12 19 6	23 2 9	127.7
1872	18,833	22,518	41,351	10 18 9	13 1 7	24 0 4	119.6
1873	24,567	26,370	50,937	13 17 10	14 18 2	28 16 0	107.4
1874	24,554	25,646	50,200	13 9 9	14 1 8	27 11 5	104.5
1875	24,939	24,978	49,917	13 6 2	13 6 7	26 12 9	100.1
1876	23,963	23,540	47,503	12 8 7	12 4 2	24 12 9	98.2
1877	25,797	23,107	48,904	12 18 8	11 11 8	24 10 4	89.6
1878	26,181	23,773	49,954	12 14 0	11 10 8	24 4 8	90.8
1879	24,233	21,184	45,417	11 7 10	9 19 2	21 7 0	87.4
1880	22,939	27,255	50,194	10 8 10	12 8 1	22 16 11	118.8
1881	29,067	27,528	56,595	12 16 2	12 2 8	24 18 10	94.7
1882	36,103	27,313	63,416	15 7 7	11 12 9	27 0 4	75.6
1883	35,454	30,058	65,512	14 9 9	12 5 8	26 15 5	84.8
1884	36,988	28,708	65,696	14 9 6	11 4 8	25 14 2	77.6
1885	36,862	26,667	63,529	13 18 2	10 1 3	23 19 5	72.3
1886	34,179	21,700	55,879	12 9 4	7 18 4	20 7 8	63.5
1887	29,572	23,421	52,993	10 8 8	8 5 3	18 13 11	79.2
1888	36,881	28,900	65,781	12 11 7	9 17 2	22 8 9	78.4
1889	37,577	29,553	67,130	12 8 8	9 15 7	22 4 3	78.6
1890	35,168	29,321	64,489	11 6 4	9 8 9	20 15 1	83.4
1891	37,711	36,043	73,754	11 16 0	11 5 6	23 1 6	95.6
1892	30,107	33,370	63,477	9 4 0	10 3 10	19 7 10	110.8
1893	23,765	33,225	56,990	7 2 7	9 19 4	17 1 11	139.8
1894	21,897	32,131	54,028	6 9 0	9 9 4	15 18 4	146.7
1895	23,195	33,644	56,839	6 14 1	9 14 6	16 8 7	145.0
1896	29,658	32,964	62,622	8 8 5	9 7 2	17 15 7	111.1
1897	31,958	37,783	69,741	8 18 3	10 10 9	19 9 0	118.2
1898	31,481	40,165	71,646	8 12 11	11 0 7	19 13 6	127.6
1899	34,330	48,599	82,929	9 6 0	13 3 5	22 9 5	141.6
1900	41,388	45,957	87,345	11 1 3	12 5 9	23 7 0	111.0
1901	42,434	49,696	92,130	11 3 9	13 2 1	24 5 10	117.1
1902	40,676	43,915	84,591	10 10 11	11 7 10	21 18 9	108.0
1903	37,811	48,250	86,061	9 13 10	12 7 4	22 1 2	127.6
1904	37,021	57,486	94,507	9 7 3	14 10 9	23 18 0	155.3
1905	38,347	56,841	95,188	9 10 11	14 3 0	23 13 11	148.2
1906	44,745	69,738	114,483	10 19 0	17 1 5	28 0 5	155.9
1907	51,809	72,824	124,633	12 9 4	17 10 6	29 19 10	140.6

1. Reckoned on mean population of the year.



The graphs illustrating the movement of the oversea trade of Australia (See pages 609, 610) shew that periods of depressed trade have been recurrent at more or less regular intervals of from seven to nine years, and measured by population, each succeeding depression since 1855 has carried the trade per head lower than the preceding one, until the lowest point was reached in 1894.

The year 1892 marked the beginning of a period of acute financial stress, culminating in the commercial crisis of 1893. The collapse of these years, by no means confined to Australia, but affecting in varying degree many countries, is plainly reflected in the records of the trade of that period, for the trade for 1894 had fallen to £54,028,227, a decline of no less than 26.75 per cent. in three years. In 1895 there was slight recovery, and a continuous upward movement until 1901, when the trade reached £92,130,183, or £24 5s. 10d. per head. A decline, due to drought, in the exports of agricultural, pastoral, and dairy produce, reduced the trade of 1902 to £84,591,037, but although in the next year there was a further shrinkage in the exports of agricultural produce, the increase in the value of the exports of metals, specie, butter, and wool was so large as to effect an increase in the total trade. From 1902 the increase has been continuous, reaching in 1907 the amount of £124,633,280, equal to £29 19s. 10d. per inhabitant.

**2. Ratio between Exports and Imports.**—The foregoing table shews the percentage of exports on imports for each year. From this it will be seen that, with few exceptions due to temporary dislocations of trade, prior to 1892 the balance of trade has been on the side of imports, but from 1892 the reverse has been the case, the value of exports having increased by 118.44 per cent. and the imports by 72.07 per cent. The excess of imports in the earlier years represents the introduction of capital in the form of Government loans and for investment in private undertakings, and the excess of exports in the later years represents mainly the interest and profit on the earlier investments, repayment of loans to foreign bondholders, and also freight on trade which is carried mainly by ships of the United Kingdom and foreign countries.

## § 5. Direction of Trade.

**1. Countries of Origin of Imports.**—In April 1908 the British Board of Trade appointed a Departmental Committee "to consider and report how far any change is desirable in the form in which the Trade Accounts of the United Kingdom are published as regards the countries from which imports are received and to which exports are sent."

In addition to the returns shewing the trade of the United Kingdom with foreign countries according to the country of shipment the Board of Trade have, since 1904, published supplementary returns shewing the trade according to the country of consignment. This action has been endorsed by the committee from whose report the following extracts are taken:—"The evidence generally is undoubtedly to the effect that the imports are best shewn by countries from which they are consigned, and the exports by countries to which they are consigned. Some witnesses have expressed the opinion that it would be useful if the trade returns could be made to indicate the countries in which imported goods were actually produced or manufactured. In the majority of cases the country from which goods are consigned to the United Kingdom is probably the country of their origin or manufacture. It may frequently happen, however, that goods procured by purchase in a particular country from which they are consigned to the United Kingdom have originally been produced or manufactured in some other country, and in these cases, the real interchange of trade is properly shewn in our trade statistics by treating the goods as consigned from the country from which they were procured by the British importer, and not from the country in which they were produced or manufactured. The importer of such goods would indeed, as a rule have no definite knowledge as to their primary origin, since it would not be in the interest of the foreign seller to divulge that information."

From the 1st January, 1905, the Trade and Customs Department, in addition to the usual record of the countries whence goods directly arrived in Australia, has kept a record of the countries of their origin. The following table shews, for the years 1906 and 1907, the value of imports recorded as direct from the principal countries, and also the disposition of the value of imports against the countries where they were produced or manufactured. A similar comparison for the year 1905 will be found in the previous issue of this work.

### IMPORTS FROM COUNTRIES OF SHIPMENT AND COUNTRIES OF ORIGIN, 1906-7.

Country.	Imports according to							
	Country of Shipment.				Country of Origin.			
	1906.		1907.		1906.		1907.	
	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.
United Kingdom ...	£ 26,575,833	59.59	£ 31,906,447	61.59	£ 22,904,344	51.19	£ 26,843,610	51.81
BRITISH POSSESSIONS—								
Canada ...	303,751	0.68	386,170	0.75	305,497	0.68	464,263	0.90
Ceylon ...	643,906	1.44	725,444	1.40	620,524	1.39	729,300	1.41
Hong Kong ...	230,311	0.51	280,792	0.50	6,209	0.01	5,186	0.01
India ...	1,703,606	3.81	1,948,566	3.76	1,720,343	3.85	1,976,195	3.81
New Zealand ...	3,156,489	7.06	2,585,264	4.99	2,988,776	6.68	2,494,662	4.81
Straits Settlements ...	269,013	0.60	307,111	0.59	136,849	0.31	176,550	0.34
Other British Possessions	444,194	0.99	488,083	0.94	691,211	1.54	660,696	1.28
Total British Possessions ...	6,751,270	15.09	6,701,430	12.93	6,469,409	14.46	6,506,862	12.56
Total British Countries ...	33,327,103	74.48	38,607,877	74.52	29,373,753	65.65	33,350,462	64.37
FOREIGN COUNTRIES—								
Austria-Hungary ...	8,823	0.02	13,923	0.03	109,014	0.24	227,609	0.44
Belgium ...	909,620	2.03	1,000,377	1.93	446,251	0.99	632,486	1.22
China ...	58,338	0.13	81,278	0.16	271,295	0.61	365,455	0.69
France ...	462,622	1.03	486,550	0.94	1,473,367	3.29	1,742,623	3.36
Germany ...	3,204,844	7.16	3,551,255	6.85	3,929,116	8.78	4,623,136	8.92
Japan ...	422,552	0.94	541,286	1.05	450,893	1.01	575,045	1.11
Netherlands ...	151,638	0.34	131,252	0.25	228,896	0.51	277,394	0.54
Norway ...	307,282	0.69	333,804	0.64	407,514	0.91	524,544	1.01
Spain ...	21,568	0.05	14,296	0.03	104,827	0.23	116,259	0.22
Sweden ...	52,306	0.12	148,968	0.29	212,229	0.48	379,041	0.73
Switzerland ...	27,085	0.06	38,542	0.07	474,804	1.06	631,905	1.32
United States ...	4,633,553	10.36	5,869,099	11.33	5,605,612	12.53	6,765,182	13.06
Other Foreign Countries	1,157,573	2.59	990,521	1.91	1,657,341	3.71	1,557,892	3.01
Total Foreign Countries ...	11,417,809	25.52	13,201,156	25.48	15,371,159	34.35	18,458,571	35.63
Total Imports from all Countries ...	44,744,912	100	51,809,033	100	44,744,912	100	51,809,033	100

The only country from which the value of direct imports exceeds by any large amount the value of the imports of goods which were manufactured or produced therein, that is to say, the only country which shews a balance of any magnitude as a distributor of the goods of other countries to Australia, is the United Kingdom. The records of our imports therefrom during the year 1907 shew that while the total direct imports from that country amounted to £31,906,447, the value of the manufactures or produce of the United Kingdom itself, imported from all countries whatsoever during the same year, was £26,843,610. From the foregoing figures it appears that goods to the value of at least £5,062,837 were received from other countries through the United Kingdom.

Other countries which shew balances as distributors to Australia, though absolutely of much less amount, are Belgium, Hong Kong, New Zealand, and Straits Settlements. The countries mentioned are, of course, not the only countries through which goods are indirectly imported into Australia, for the direct imports from other countries, notably France and Germany, include considerable values which are not of the produce of those countries. These values, however, are more than balanced by value of French and German goods received through the United Kingdom and other countries.

2. **Direct Imports according to Country of Shipment.**—The following table, shewing the average yearly value of imports from each of the principal countries during each succeeding quinquennial period from 1887 to 1906, and for the year 1907, shews considerable change in direction of imports during the past twenty years. The countries mentioned in this table are those where the goods were shipped or whence they were directly consigned to Australia:—

**TRADE WITH VARIOUS COUNTRIES, 1887 to 1907.**

**IMPORTS (INCLUDING BULLION AND SPECIE).**

Country.	Yearly Average of Quinquennial Periods.				Year 1907.
	1887-91.	1892-6.	1897-1901.	1902-6.	
	£	£	£	£	£
United Kingdom ...	24,818,787	18,241,366	22,794,700	23,163,660	31,906,447
<b>British Possessions—</b>					
Canada ...	95,592	89,861	230,459	291,253	386,170
Cape Colony ...	3,090	11,364	3,858	7,105	15,602
Ceylon ...	124,057	239,774	410,057	603,660	725,444
Fiji ...	170,100	92,125	104,459	79,820	98,002
Hong Kong ...	769,699	460,883	313,578	303,322	260,792
India ...	745,070	606,181	914,859	1,148,895	1,948,566
Mauritius ...	483,283	178,074	175,966	104,911	43,677
Natal ...	10,893	4,655	114	2,429	7,304
New Zealand ...	1,826,537	1,100,533	1,541,128	2,479,298	2,585,264
Papua ...	12,166	16,623	52,416	67,987	64,899
Straits Settlements ...	126,691	138,055	281,022	178,658	307,111
Other British Possessions	22,605	15,718	34,247	136,443	258,599
<b>Total British Possessions ...</b>	<b>4,389,783</b>	<b>2,953,846</b>	<b>4,062,163</b>	<b>5,403,781</b>	<b>6,701,430</b>
<b>Total British Countries ...</b>	<b>29,208,570</b>	<b>21,195,212</b>	<b>26,856,863</b>	<b>28,567,441</b>	<b>38,607,877</b>
<b>Foreign Countries—</b>					
Argentine Republic ...	336	101	3,264	229,872	30
Belgium ...	227,995	274,559	394,094	559,880	1,000,377
Chile and Peru ...	19,419	2,511	32,128	16,112	20,768
China ...	800,454	327,120	262,195	135,219	81,278
France ...	360,000	201,284	476,756	465,330	486,550
Germany ...	1,286,054	1,107,496	2,254,746	2,703,806	3,551,255
Hawaiian Islands, New Britain, New Caledonia, New Hebrides, and South Sea Islands ...	109,862	78,286	150,510	140,294	221,172
Italy ...	31,650	67,672	137,852	168,221	245,340
Japan ...	39,787	63,195	225,086	380,388	541,286
Java ...	424,173	464,351	461,748	510,689	222,230
Netherlands ...	19,940	12,125	36,919	101,531	131,252
Norway ...	354,924	154,277	284,024	303,446	333,804
Philippine Islands ...	13,350	15,869	69,385	70,669	95,582
Sweden ...	167,178	21,872	97,189	69,828	148,968
United States of America	2,268,620	1,682,092	4,355,724	5,014,408	5,869,099
Other Foreign Countries	49,669	56,545	219,717	282,847	252,165
<b>Total Foreign Countries ...</b>	<b>6,173,411</b>	<b>4,529,355</b>	<b>9,461,337</b>	<b>11,152,540</b>	<b>13,201,156</b>
<b>Total ...</b>	<b>35,381,981</b>	<b>25,724,567</b>	<b>36,318,200</b>	<b>39,719,981</b>	<b>51,809,033</b>

Expressing each item as percentage on the total of the imports, the following results are obtained, viz.:—

**IMPORTS.—PERCENTAGES OF THE IMPORTS FROM EACH COUNTRY ON THE  
TOTAL IMPORTS, 1887 to 1907.**

Country.	1887-91.	1892-6.	1897-1901.	1902-6.	1907.
	per cent.	per cent.	per cent.	per cent.	per cent.
United Kingdom ... ..	70.14	70.92	62.77	58.30	61.59
<b>BRITISH POSSESSIONS—</b>					
Canada ... ..	0.27	0.35	0.64	0.73	0.75
Cape Colony ... ..	0.01	0.04	0.01	0.02	0.03
Ceylon ... ..	0.35	0.93	1.13	1.52	1.40
Fiji ... ..	0.48	0.36	0.29	0.20	0.19
Hong Kong ... ..	2.18	1.79	0.86	0.76	0.50
India ... ..	2.11	2.36	2.52	2.89	3.76
Mauritius ... ..	1.37	0.69	0.49	0.27	0.08
Natal ... ..	0.03	0.02	...	0.01	0.01
New Zealand ... ..	5.16	4.28	4.24	6.24	4.99
Papua ... ..	0.03	0.06	0.14	0.17	0.13
Straits Settlements ... ..	0.36	0.54	0.77	0.45	0.59
Other British Possessions ... ..	0.06	0.06	0.09	0.34	0.50
Total British Possessions ... ..	12.41	11.48	11.18	13.60	12.93
Total British Countries ... ..	82.55	82.40	73.95	71.90	74.52
<b>FOREIGN COUNTRIES—</b>					
Argentine Republic ... ..	...	...	0.01	0.58	...
Belgium ... ..	0.64	1.07	1.09	1.41	1.93
Chile and Peru ... ..	0.06	0.01	0.09	0.04	0.04
China ... ..	2.26	1.27	0.72	0.34	0.16
France ... ..	1.02	0.78	1.31	1.17	0.94
Germany ... ..	3.63	4.31	6.21	6.81	6.85
Hawaiian Islands, New Britain, New Caledonia, New Hebrides and South Sea Islands ... ..	0.31	0.30	0.41	0.36	0.43
Italy ... ..	0.09	0.26	0.38	0.42	0.47
Japan ... ..	0.11	0.25	0.62	0.96	1.05
Java ... ..	1.20	1.80	1.27	1.29	0.43
Netherlands ... ..	0.06	0.05	0.10	0.26	0.25
Norway ... ..	1.01	0.60	0.78	0.76	0.64
Philippine Islands ... ..	0.04	0.06	0.19	0.18	0.18
Sweden ... ..	0.47	0.08	0.27	0.18	0.29
United States of America ... ..	6.41	6.54	12.00	12.62	11.33
Other Foreign Countries ... ..	0.14	0.22	0.60	0.72	0.49
Total Foreign Countries ... ..	17.45	17.60	26.05	28.10	25.48
Total ... ..	100	100	100	100	100

**3. Imports Shipped from the United Kingdom.**—The foregoing table shews that while the value of direct imports from the United Kingdom during 1907 is above the yearly average of the period under review, the proportion to total imports has diminished, having fallen from 70.14 per cent. during the years 1887-91 to 61.59 per cent. in 1907. It will be observed, however, that the percentage proportion for 1907 is an advance on that of the immediately preceding quinquennium. The apparent diversion of Australian trade from Great Britain is more fully dealt with hereinafter, viz., in Section 11 of

this chapter. The values of the principal imports from the United Kingdom during the year 1907 are as follows :—

Ale and beer, £361,368. Apparel and textiles:—apparel, £3,533,300; textiles, £8,868,575; arms, ammunition and explosives, £489,675; books and periodicals, £431,884; brushware, £118,589; earthenware, etc., £173,604; clocks and watches, £128,926; cocoa and chocolate, £213,078; confectionery, £122,373; cordage, metal, £95,277; cordage, other, £122,811; cutlery, £137,800; drugs and chemicals:—alkalies (soda), £81,591; fertilisers, £100,393; medicines, £161,893; other drugs and chemicals, £555,506; electrical materials, £246,455; fancy goods, £199,070; fish, fresh and preserved, £169,808; furniture, £78,379; glass and glassware, £128,438; indiarubber manufactures, £317,041; instruments, musical, £87,160; instruments, scientific, etc., £232,364; iron and steel:—pig, £155,803; bar, hoop, ingot, etc., £529,291; scrap, £44,883; girders, beams, etc., £64,675; plate and sheet, galvanised, £1,279,278; not galvanised, £179,113; pipes and tubes, £374,905; rails, fishplates, etc., £563,468; tinned plates, plain, £247,290; wire, £61,739; wire netting, £400,112; jewellery and precious stones, £427,788; leather and leather manufactures, £305,386; machines and machinery, £1,741,527; metals, manufactures of, £1,613,725; milk, preserved, £103,769; oils (not essential), £174,341; paints and colours, £301,070; paper, £649,442; pickles, sauces, etc., £105,669; plated-ware, £189,127; soap, £61,457; specie, £396,655; spirits, £810,989; stationery, £261,097; tobacco, £185,398; tools of trade, £234,341; varnishes, £66,701; vehicles:—bicycles, etc., £177,724; motors, £190,442; other vehicles, £122,058; vessels (ships), £665,760; yarns, £137,507.

**4. Imports Shipped from British Possessions.**—The growth of the value of imports from other British possessions during the past twenty years has been such as to increase the proportion to total imports from 12.41 per cent. in the years 1887-91 to 12.93 per cent. in 1907, the actual values being respectively £4,389,783 and £6,701,430. Of the total imports from British possessions during 1907, 58.58 per cent. were from New Zealand, 29.07 per cent. from India, and 10.83 per cent. from Ceylon.

**5. Principal Imports from British Possessions, 1907.**—These are as follows:—

(i.) *Canada.* Apparel and textiles, £26,433; boots and shoes, £7773; drugs and chemicals, £21,071; fish, £36,517; agricultural implements and machinery, £91,096; other machines and machinery, £47,647; paper, £41,787; timber, £28,722; bicycles and other vehicles, £13,632.

The imports from Canada include manufactures of the United States to the value of about £95,000, the largest items being machinery and medicines, while on the other hand Canadian produce—paper, £60,000, and implements and machinery, £60,000—is received into Australia from other countries, mainly from the United Kingdom and from the United States.

(ii.) *Ceylon.* Coffee and chicory, £4030; nuts, £18,220; tea, £672,801. The large increase in the imports from Ceylon—from £124,057 during the years 1887-91, to £725,444 in 1907—is due to the displacement of China teas in the Australian markets by those of India and Ceylon. Of the total imports of tea during the year 1907, 58.76 per cent. was the produce of Ceylon.

(iii.) *Fiji.* Bananas, £51,402; copra, £8081; sugar, £30,310.

(iv.) *Hong Kong.* Apparel and textiles, £22,150; fish, preserved, £9736; rice, £62,417; oils, £24,379; tea, £52,508. The imports from Hong Kong are mainly the produce of China.

(v.) *India.* Bags and sacks, £1,089,433; canvas, £206,969; carpets, mats, etc., £11,410; coffee and chicory, £15,650; cotton, raw, £20,173; rice, £22,464; shellac, £19,324; manures, £24,041; oils, £56,980; skins and hides, £23,934; spices, £6416; tea, £323,475; wax, paraffin, £7757.

(vi.) *Mauritius.* Sugar, £43,660.

(vii.) *Natal.* Coal, £3180; maize, £2162.

(viii.) *New Zealand.* Apparel and textiles, £18,102; horses, £22,953; sheep, £39,259; military stores, £21,445; coal, £4590; copra, £13,719; fibre, £109,004; fish, £33,292; gold, bullion and ore, £1,406,516; grain—barley, £17,798; hops, £11,930; implements and machinery (agricultural) £5164; machines and machinery, £21,098; meats, £24,900; seeds, £18,635; ships, £20,000; skins and hides, £237,702; timber, £397,699; wool, £28,187.

(ix.) *Straits Settlements.* Rice, £44,828. Oils, fats, and waxes:—Kerosene, £33,407; paraffin wax, £9779; other oils, etc., £15,982—spices, £38,803; tapioca, £58,053; wood and wicker manufactures, £11,248. The rice imported from the Straits Settlements is largely the produce of Burma, and the oils of Sumatra.

**6. Imports from Foreign Countries.**—The imports from foreign countries during the year 1907 represented 25.48 per cent. of the total imports as compared with 17.45 per cent. during the years 1887-91. Compared, however, with the average of the past ten years, the proportion during the year 1907 shews a slight decline.

**7. Principal Imports from Foreign Countries.**—The details are as follows:—

(i.) *Argentine Republic.* The imports from the Argentine Republic are almost entirely of grain and fodder, and were abnormally large in the years 1902 and 1903 in consequence of the failure of crops in Australia in these years.

(ii.) *Belgium.* Apparel, £35,098; textiles, £51,820; candles, £10,119; drugs, chemicals, and fertilisers, £46,540; glass and glassware, £114,391—iron and steel:—Partly manufactured, £80,998; girders, beams, etc., £11,604; plate and sheet, £49,199; railway iron, £28,990; wire, £39,526; wire netting, £55,253—jewellery, £35,169; leather, £10,820; machines and machinery, £45,575; matches and vestas, £36,711; metal manufactures, £52,985; motors, £22,734; paper, £46,944; wine, £41,180; zinc manufactures, £27,191.

A large proportion of the iron, steel and metal manufactures, and of the manures from Belgium, is of German origin. The motors are almost entirely of French manufacture.

(iii.) *Chile.* Soda nitrate, £20,768.

(iv.) *China.* Apparel and textiles, £10,457; rice, £5589; tea, £54,336.

The decline of the value of imports from China during the past twenty years is due to the loss of the tea trade, which now draws its supplies mainly from India and Ceylon.

(v.) *France.* Apparel and textiles, £70,072; corks, £22,435; drugs and chemicals, £162,486; fruits, £8097; leather, £9899; spirits, £45,875; tiles, £14,892; cigars and cigarettes, £9064; wine, £23,105.

The value of the direct imports recorded from France is much below the value of imports of goods of French origin. The most important imports of French origin are—apparel and textiles, £889,545; cream of tartar, £113,085; leather, £24,177; pipes, smoking, £62,759; spirits, £176,748; wines, £94,430; vehicles, motors, £59,945.

(vi.) *Germany.* Ale and beer, £43,133; apparel and textiles, £455,962; arms, ammunition, and explosives, £54,346; brushware, £23,633; cement, £23,208; chinaware, etc., £101,874; cocoa and chocolate, £23,361; drugs and chemicals: calcium carbide, £79,574; fertilisers, £21,971; other drugs, etc., £121,327; furniture, £66,510; glass and glassware, £100,337; hops, £12,416; indiarubber manufactures, £42,711; metals and manufactures of metals:—metals unmanufactured, £23,563; iron and steel—bar, ingot, etc., £50,596; plate and sheet, £39,800; pipes and tubes, £30,702; railway iron, £25,192; tools of trade, £19,867; wire, £320,238; wire netting, £122,355; machines and machinery, £214,908; lamps and lampware, £43,049; other manufactures of metals, £231,009—musical instruments, £281,904; jewellery, £42,933; leather and leather manufactures (excluding boots and shoes), £37,735; matches and vestas, £27,549; milk, preserved, £30,011; paper, £240,951; spirits, £59,709; stationery, £55,222; tobacco, £33,173.

The imports from Germany, as stated in the foregoing list, include considerable amounts of the produce and manufacture of other countries, but on the other hand still

larger amounts of German goods are received into the Commonwealth from other countries.

(vii.) *Italy.* Apparel and textiles, £52,342; fruits, £35,502; matches and vestas, £33,472; marble, £18,158; nuts, £14,349; sulphur, £10,407.

(viii.) *Japan.* Apparel and textiles, £275,995; bags, baskets, etc., £19,659; china-ware and earthenware, £11,264; fancy goods, £9688; fertilisers (superphosphates), £11,123; furniture, £13,212; perfumery, £10,630; rice, £25,597; oils and waxes, £26,536; sulphur, £51,418; timber, £33,971.

(ix.) *Java.* Cotton, raw, £9828; hats and caps, £10,208; rice, £59,694; kapok, £80,498; tea, £43,696.

(x.) *Netherlands.* Apparel and textiles, £12,938; cocoa and chocolate, £21,587; cameos and precious stones, £7774; spirits, £43,212. The value of the imports of Netherlands manufacture from all countries of cocoa and chocolate amounted to £55,306, and of spirits to £96,536.

(xi.) *Norway.* Fish, preserved, £5173; milk, preserved, £13,642; timber, £292,938. The value of the total imports from all countries of preserved milk of Norwegian origin amounted to £133,054, and of preserved fish, to £23,172.

(xii.) *Philippine Islands.* Flax and hemp, £65,796; cigars, £27,502.

(xiii.) *Sweden.* Calcium carbide, £20,788; machines and machinery, £15,196; matches and vestas, £8526; paper, £12,463; timber, £84,071. The foregoing figures relate to direct imports, which represent only 39.30 per cent. of the total value of imports of the produce of that country imported during 1907. The principal articles of Swedish production, imported directly and indirectly, were:—Calcium carbide, £58,833; cream separators, £82,902; electrical machinery and appliances, £54,527; matches and vestas, £29,530; lamps and lampware, £8443; paper, £32,319; timber, £87,427.

(xiv.) *Switzerland.* Apparel and textiles, £23,471; milk, £2444; watches, £10,197. The value of imports recorded as direct from Switzerland amounts to only 5.70 per cent. of the value of the total imports of the produce of that country. The principal articles of Swiss production imported were:—Apparel and textiles, £538,748; cocoa and chocolate, £27,969; milk, £20,796; cigars, £12,827; watches, £60,082.

(xv.) *United States of America.* Apparel and textiles:—Boots and shoes, £44,542; other apparel, £94,477; textiles, £166,685—ammunition and explosives, £63,969; barley, £27,267; cameras, magic lanterns, phonographs, etc., £77,704; clocks and watches, £64,119; fish, £96,083; furniture, £78,590; glass and glassware, £46,633; glucose, £28,903; indiarubber manufactures, £31,454; leather, £90,706; meats, £41,031; medicines, £49,136; metal manufactures:—iron and steel: bars, ingots, etc., £42,236; girders, beams, etc., £12,884; pipes and tubes, £66,225; plate and sheet, £88,047; tools of trade, £216,335; wire, £172,500; machines and machinery, agricultural, £239,941; other machines and machinery, £725,450; other metal manufactures, £322,437; musical instruments, £40,005; oils, fats and waxes:—kerosene, £422,437; lubricating oils and greases, £123,461; naphtha, £25,165; paraffin wax, £40,524; turpentine, £81,628; paper, £222,277; resin, £72,340; soap, £37,144; stationery, £46,217; timber, £719,619; tobacco, cigars, etc., £461,799; wood manufactures, £87,025; vehicles, bicycles and motors, £113,373.

In addition to the direct imports from the United States, which include Canadian goods to the value of £74,000, United States goods to the value of nearly £1,000,000 were received through other countries. The greater part of this indirect trade from the United States is received through the United Kingdom, and the principal articles thus received are apparel and textiles, boots and shoes, leather, machines and machinery, timber, and tobacco.

**8. Direction of Exports.**—The following table shows the average yearly value of exports to principal countries during each quinquennial period from 1887 to 1906 and for the year 1907. As in the case of the import trade, considerable alteration in the direction of exports is evident. The largest increases in exports to British possessions are shewn to the various South African colonies, due to exports of agricultural and pastoral

produce and timber, and to India and Ceylon, mainly due to exports of gold, and in some recent years also of timber, chiefly railway sleepers. The large increases in the case of Belgium, Germany, and France are more apparent than real, and are mainly due to the increase in local sales of wool, skins, etc., and the resulting direct export to the countries mentioned, while formerly a much larger proportion of wool, etc., was sent to the United Kingdom for sale, and ultimately found its way from there to the Continent:—

### TRADE WITH VARIOUS COUNTRIES, 1887 to 1907.

#### EXPORTS (INCLUDING BULLION AND SPECIE).

Country.	Yearly Average of Quinquennial Periods.				Year.
	1887-91.	1892-6.	1897-1901.	1902-6.	1907.
	£	£	£	£	£
United Kingdom ...	22,003,741	23,030,779	25,337,456	25,461,689	33,975,579
British Possessions—					
Canada ...	503	12,793	77,627	172,757	124,698
Cape Colony ...	84,786	80,515	1,840,961	2,116,733	1,293,846
Ceylon ...	87,404	434,081	1,188,136	4,249,831	3,962,420
Fiji ...	105,267	121,771	173,080	246,671	318,787
Hong Kong ...	415,885	489,987	375,559	579,829	859,946
India ...	735,701	404,986	1,220,179	3,336,387	2,494,414
Mauritius ...	105,764	54,890	36,992	52,075	23,678
Natal ...	81,498	100,756	672,114	1,062,293	779,224
New Zealand ...	748,444	987,718	1,131,067	1,725,234	2,565,021
Papua ...	12,677	17,682	46,150	46,744	53,202
Straits Settlements ...	107,523	105,040	103,742	209,612	559,402
Other British Possessions ...	6,770	10,128	30,438	77,961	88,035
Total British Possessions	2,492,222	2,820,347	6,896,045	13,876,127	13,122,673
Total British Countries ...	24,495,963	25,851,126	32,233,501	39,337,816	47,098,252
Foreign Countries—					
Argentine Republic ...	...	195	20,938	30,485	17,479
Belgium ...	1,341,908	1,422,378	1,488,785	2,695,512	5,716,069
Chile and Peru ...	116,931	155,666	239,390	473,649	816,998
China ...	43,884	23,778	208,601	242,580	416,441
France ...	663,672	2,064,639	2,641,244	4,190,591	8,148,980
Germany ...	559,697	1,580,692	2,128,596	3,406,633	5,140,380
Hawaiian Is., New Britain, New Caledonia, New He- brides and South Sea Is.	275,892	227,754	349,922	350,796	400,235
Italy ...	16,136	44,954	177,742	156,913	187,621
Japan ...	8,950	48,232	138,686	580,670	706,279
Java ...	57,921	70,582	125,285	157,559	274,910
Netherlands ...	18,013	45,008	69,634	226,958	332,276
Norway ...	6	971	105	14	22,009
Philippine Islands ...	117,471	24,664	150,999	331,047	570,528
Spain ...	10,692	7,047	12,835	61,300	2,510
Sweden ...	4	1,433	1,485	3,915	1,286
United States of America ...	1,642,587	1,263,128	3,941,509	2,591,428	2,405,401
Other Foreign Countries ...	77,826	234,656	510,600	408,116	563,593
Total Foreign Countries	4,951,590	7,215,777	12,206,356	15,908,166	25,725,995
Total ...	29,447,553	33,066,903	44,439,857	55,245,982	72,824,247



If each item be expressed as a percentage on the total export, the results will be as follows:—

**EXPORTS.—PERCENTAGES OF THE EXPORT TO EACH COUNTRY ON THE TOTAL EXPORTS, 1887 to 1907.**

Country.	1887-91.	1892-6.	1897-1901.	1902-6.	1907.
	per cent.	per cent.	per cent.	per cent.	per cent.
United Kingdom ...	74.74	69.65	57.01	46.09	46.65
British Possessions—					
Canada ...	...	0.04	0.18	0.32	0.17
Cape Colony ...	0.29	0.24	4.14	3.83	1.78
Ceylon ...	0.30	1.31	2.67	7.69	5.44
Fiji ...	0.36	0.37	0.89	0.45	0.44
Hong Kong ...	1.41	1.48	0.85	1.05	1.18
India ...	2.50	1.23	2.75	6.04	3.43
Mauritius ...	0.36	0.17	0.08	0.09	0.03
Natal ...	0.28	0.30	1.51	1.92	1.07
New Zealand ...	2.54	2.99	2.55	3.12	3.52
Papua ...	0.04	0.05	0.10	0.08	0.07
Straits Settlements ...	0.36	0.32	0.23	0.38	0.77
Other British Possessions ...	0.02	0.03	0.07	0.14	0.12
<b>Total British Possessions</b>	<b>8.46</b>	<b>8.53</b>	<b>15.52</b>	<b>25.11</b>	<b>18.02</b>
<b>Total British Countries ...</b>	<b>83.20</b>	<b>78.18</b>	<b>72.53</b>	<b>71.20</b>	<b>64.67</b>
Foreign Countries—					
Argentine Republic ...	...	...	0.05	0.06	0.02
Belgium ...	4.58	4.30	3.35	4.88	7.85
Chile and Peru ...	0.39	0.47	0.54	0.86	1.12
China ...	0.15	0.07	0.47	0.44	0.57
France ...	2.25	6.24	5.94	7.59	11.19
Germany ...	1.90	4.78	4.79	6.17	7.06
Hawaiian Is., New Britain, New Caledonia, New He- brides and South Sea Is.	0.93	0.69	0.79	0.63	0.55
Italy ...	0.05	0.14	0.40	0.28	0.26
Japan ...	0.03	0.15	0.31	1.05	0.97
Java ...	0.19	0.21	0.28	0.28	0.38
Netherlands ...	0.06	0.14	0.16	0.41	0.46
Norway ...	...	...	...	...	0.03
Philippine Islands ...	0.40	0.07	0.34	0.60	0.79
Spain ...	0.03	0.02	0.03	0.11	...
Sweden ...	...	0.01	...	0.01	...
United States of America ...	5.58	3.82	8.87	4.69	3.30
Other Foreign Countries ...	0.26	0.71	1.15	0.74	0.78
<b>Total Foreign Countries...</b>	<b>16.80</b>	<b>21.82</b>	<b>27.47</b>	<b>28.80</b>	<b>35.33</b>
<b>Total ...</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

**9. Exports to the United Kingdom.**—Notwithstanding an increase of over 50 per cent. (54.41) in the actual value of exports to the United Kingdom during the year 1907 as compared with the yearly average of the period 1887-91, the proportion of the total exports despatched to the United Kingdom has fallen from 74.74 per cent. in the earlier period to 46.65 per cent. in the year 1907. This decrease is, to some extent, undoubtedly due to the fact that wool and other commodities which were formerly despatched to the

United Kingdom, and distributed from that centre, are now shipped direct to continental ports.

The principal exports to the United Kingdom during the year 1907 were as follows:—Butter, £2,538,656; fruit, including pulp, £223,374; grain:—wheat, £3,521,827; flour, £62,952; hair, £23,558; jewellery and precious stones, £135,938; leather, £381,245; meats, frozen—beef, £87,903; mutton and lamb, £1,141,718; rabbits and hares, £470,136; other frozen meat, £19,416; potted meat, £38,181; preserved meat, £92,958. minerals and metals—copper, ingots, £775,202; in matte, £1,137,197; ore, £132,061; gold—bullion, £865,268; in matte, £1,841,326; silver—bullion, £70,705; in matte, £530,018; ore, £18,744; lead—pig, £259,645; in matte, £646,245; ores, n.e.i., £163,374; spelter and concentrates, £75,443; tin, ingots and ore, £1,011,131; oil, cocoanut, £141,081; pearlshell, £253,770; skins, hides, £72,693; rabbit and hare, £281,938; sheep, £304,802; other skins, £183,980; specie, gold, £1,476,669; tallow, £923,382; timber, £92,806; wine, £91,744; wool—greasy, £9,853,520; scoured, £3,080,280.

**10. Exports to British Possessions.**—The largest relative increase in the value of exports during the period under review has been in the direction of British Possessions. The increase of the value of exports to these countries, 426 per cent., has raised the proportion of total exports to British Possessions from 8.46 per cent., during 1887-91 to 18.02 per cent. in 1907. The countries mostly concerned in this great increase—which is in a large measure due to heavy shipments of gold—are Cape Colony, Ceylon, India, and New Zealand.

**11. Principal Exports to British Possessions, 1907.**—These are as follows:—

(i.) *Canada.* Butter, £13,377; meats, £31,317; oil, cocoanut, £4100; skins, £9108; timber, £4398; tin, £16,156; wool, £11,903.

(ii.) *Cape Colony.* Butter, £79,617; grain, wheat, £651,617; flour, £59,009; leather, £63,072; meats—frozen beef, £125,204; mutton and lamb, £39,631; other meats, £5835; specie, £50,000; sugar, £158,328; timber, £25,759.

(iii.) *Ceylon.* Butter, £5402; coal, £6545; horses, £4886; gold, bullion, £166,000; specie, £3,205,075; grain—flour, £17,711; lead, pig, £43,292; silver, bullion, £469,200; sugar, £7795.

(iv.) *Fiji.* Apparel and textiles:—apparel, including boots and shoes, £14,534; textiles, £16,997; bags, sacks, and cordage, £7663; biscuits, £11,908; coal, £14,685; drugs and chemicals, £8323; grain, prepared—bran, pollard, and sharps, £15,922; flour, £12,039; machines and machinery, £7872; metal manufactures, £36,758; oils, £14,896; specie, £52,000; timber, £12,293.

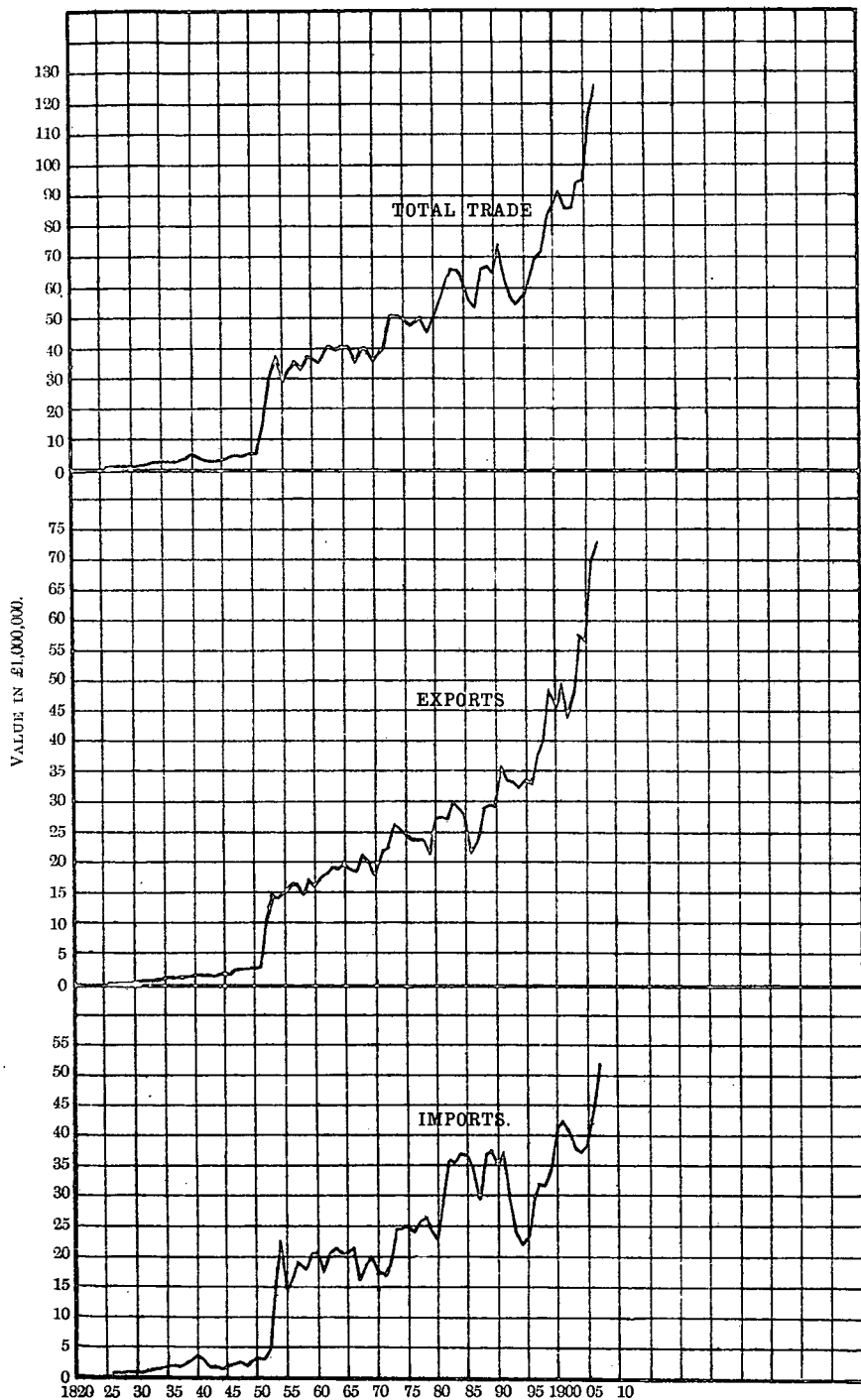
(v.) *Hong Kong.* Butter, £15,443; coal, £26,572; copper, ingots, £15,401; fish, £39,887; flour, £194,223; lead, pig, £74,493; sandalwood, £51,078; specie, gold, £397,522; wheat, £12,225.

(vi.) *India.* Coal, £23,788; copper, ingots, £85,096; gold, bullion, £919,256; specie, £805,353; horses, £224,341; grain, wheat, £5696; hay and chaff, £8211; lead, pig, £18,530; meats, £7510; silver, bullion, £72,460; tallow, £8754; timber, £266,865; wool, £20,115.

(vii.) *Natal.* Animals, living—horses, £4026; sheep, £23,187. Butter, £97,626; fodder, £2195; fruit, £7473; grain—wheat, £80,768; flour, £158,165; jams and jellies, £7109; leather, £7024; meats, frozen—beef, £90,884; mutton, £119,667; pork, £5416; poultry, £4486; meats, other, £6479; plants and trees, £5887; specie, gold, £100,000; tallow, £10,459; timber, £11,064.

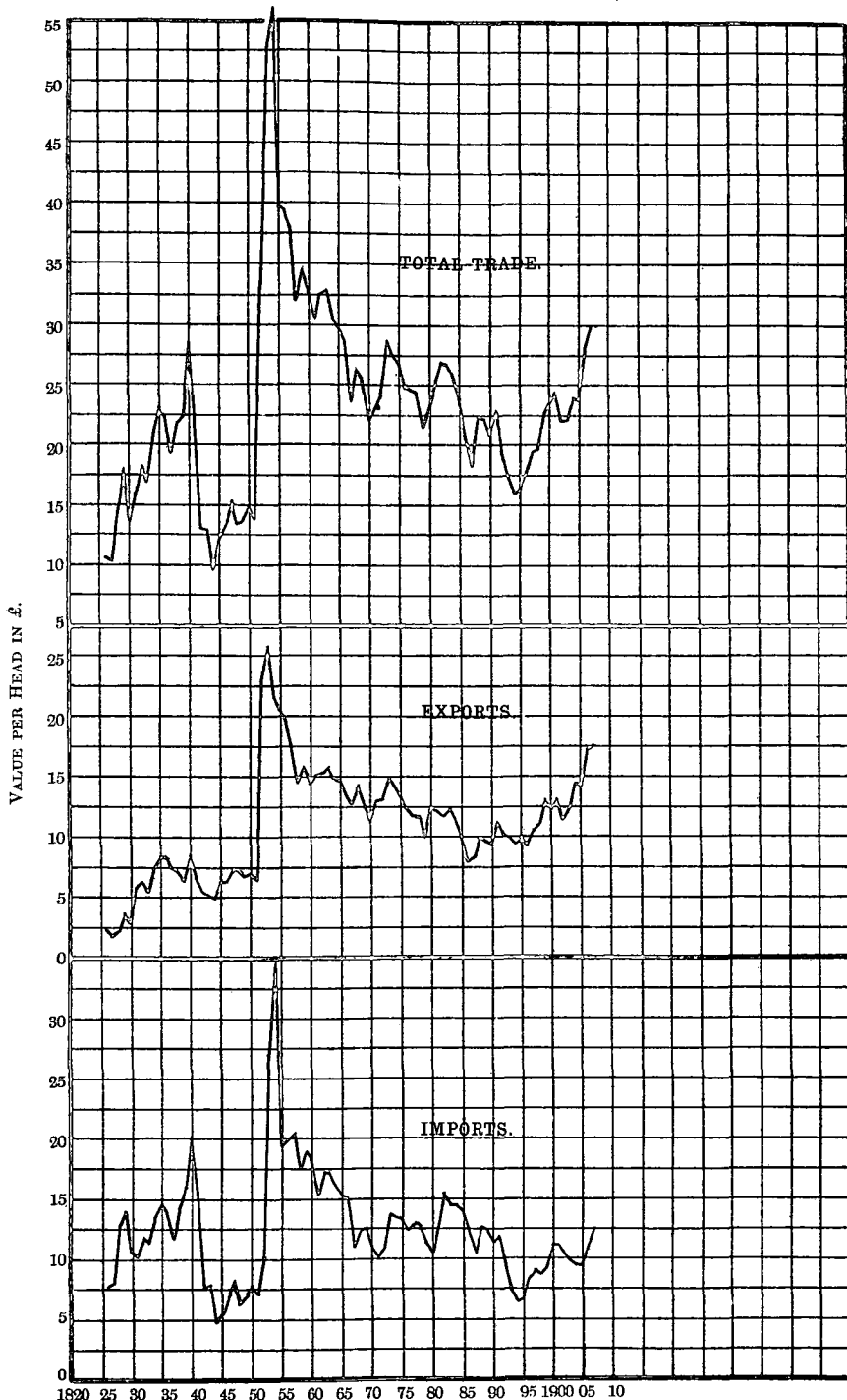
(viii.) *New Zealand.* Apparel, textiles, etc.:—apparel, boots and shoes, £22,597; other apparel, £28,421; textiles, £59,106; bags and sacks, £16,595. Books and periodicals, £39,101; coal, £103,705; drugs and chemicals—fertilisers, £65,573; medicines, £36,375; other drugs, etc., £38,946. Electrical materials, £20,930; fruit, fresh, £56,419; dried, £22,983; glass and glassware, £28,469; grain—oats, £35,298;

GRAPHS SHEWING VALUES OF IMPORTS, EXPORTS, AND TOTAL TRADE OF  
COMMONWEALTH, 1826 TO 1907.



EXPLANATION OF GRAPHS.—The base of each square represents an interval of five years, and the vertical height five million pounds sterling for Imports and Exports, and ten million pounds sterling for Total Trade.

GRAPHS SHEWING THE VALUES PER HEAD OF POPULATION OF IMPORTS, EXPORTS  
AND TOTAL TRADE OF COMMONWEALTH, 1826 TO 1907.



EXPLANATION OF GRAPHS.—The base of each square represents an interval of five years, and the vertical height fifty shillings per head of the population. The basic lines of Imports and Exports are *nil* per head, and that of Total Trade is five pounds per head.

flour, £55,006; rice, £29,107; indiarubber manufactures, £45,116; jewellery and precious stones, £14,101; lead, pig, £14,809; leather and leather manufactures, £39,673; metals, manufactures of:—agricultural implements and machinery, £29,062; other machines and machinery, £66,605; other manufactures of metals, £86,955; onions, £10,530; potatoes, £38,854; salt, £16,081; seeds, £6125; soap, £22,960; specie:—gold, £757,000, silver, £2600, bronze, £2290; spirits, £22,410; stationery, £15,064; sugar, £19,092; tea, £61,471; timber, £180,243; tin, ingots, £26,571; tobacco, £73,621; vessels, £9900, wine, £26,359.

(ix.) *Papua*. Apparel and textiles, etc., £6447; flour, £1244; meats, £8537; tobacco, £4743.

(x.) *Straits Settlements*. Animals, living, horses, £26,952; butter, £25,648; coal, £66,940; gold, specie, £10,000; grain, flour, £145,401; machines and machinery, £7131; meats, £22,703; tin ore, £187,702.

**12. Exports to Foreign Countries.**—The foregoing table shews a very great increase in the value of exports to foreign countries, both in actual amounts and in relation to total exports. The value of exports to foreign countries during 1907 shews an increase of 420 per cent. over similar figures for the years 1887-91, thus increasing the proportion per cent. of all exports from 16.80 per cent. in the earlier years to 35.33 per cent. in 1907. This increase is chiefly due to the growing demand among foreign nations for Australian wool, large consignments of which are now made direct to Belgium, France, Germany, and the United States.

**13. Principal Exports to Foreign Countries.**—These are as follows:—

(i.) *Argentine Republic*. Agricultural implements and machinery, £7976; timber, £8308.

(ii.) *Belgium*. Bark, tanning, £10,241; copper, £302,276; grain, wheat, £9029; lead, £235,138; leather, £92,796; silver ore, £316,057; hides and skins, £318,161; spelter, £961,065; tallow, £13,787; tin, £56,168; wool, £3,417,193.

(iii.) *Chile*. Coal, £447,595; wheat, £95,260.

(iv.) *China*. Horses, £3299; butter, £13,338; coal, £18,474; copper, £148,979; flour, £47,037; lead, £23,348; sandalwood, £10,886; specie, gold, £11,940; timber, undressed, £19,497.

(v.) *France*. Copper, £114,449; hides and skins, £768,267; lead, £31,172; spelter, £188,444; tin, £18,805; wool, £7,004,581.

(vi.) *Germany*. Bark, tanning, £78,352; copper, £133,620; fruit, fresh, £19,642; grain—bran, pollard, and sharps, £6846; wheat, £6230; hides and skins, £46,025; lead, £92,570; linseed cake and oilcake, £6715; meats, £76,561; oil, cocoanut, £24,743; ores:—antimony, £16,100; copper, £15,992; scheelite, £25,387; silver and silver lead, £101,510; tin, £76,042; wolfram, £130,037; spelter, concentrates, etc., other than gold, £55,411; other ores, £14,002; tallow, £3527; timber, £20,184; wool, £4,117,394.

(vii.) *Italy*. Copper, £24,476; skins, £51,829; wool, £77,413.

(viii.) *Japan*. Grain, wheat, £50,881; horses, £11,715; lead, £21,685; manures, £19,580; oils, £18,328; tallow, £32,065; wool, £481,771.

(ix.) *Java*. Butter, £45,000; coal, £18,893; drugs and chemicals, £5791; flour, £144,091; horses, £25,502.

(x.) *Netherlands*. Lead, £81,330; shale, kerosene, £11,957; silver ore, £56,641; spelter, £157,479; tallow, £7643; wool, £6654.

(xi.) *Peru*. Coal, £48,681; wheat, £214,400.

(xii.) *Philippine Islands*. Butter, £23,040; coal, £155,430; flour, £139,958; fodder, £16,102; meats, £133,412; timber, £65,046.

(xiii.) *United States of America*. Coal, £265,993; cocoanut oil, £20,030; copper, £700,509; gold, bullion, £239,714; hides and skins, £219,551; silver in matte, £39,134; tin, £32,609; wool, £815,254.

## § 6. Development of Export Trade to Eastern Countries.

1. **Trade with Eastern Countries.**—During recent years attention has been given by Australian exporters to the possibilities of the markets of eastern countries. Commissioners have been sent by the States to eastern trade centres to investigate and advise as to the requirements of these markets in regard to such commodities as Australia is prepared to supply, and a survey of the export returns of the past five years discloses a very material increase in the value of the export trade in the direction indicated.

The principal countries concerned in this trade are China, India, Ceylon and Burmah, Japan, Java, Philippine Islands, Straits Settlements, and Hong Kong, and the particulars given in the following tables apply to these countries only:—

### VALUE OF PRINCIPAL ITEMS OF MERCHANDISE EXPORTED FROM THE COMMONWEALTH TO EASTERN COUNTRIES, 1903 to 1907.

Article.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
Butter ... ..	68,591	84,569	93,707	109,792	136,299
Coal ... ..	223,204	167,588	260,343	336,550	319,292
Copper ... ..	89,412	330,324	426,937	176,835	250,051
Grain and pulse—					
Wheat ... ..	1,705	54,315	99,628	109,212	173,528
Flour ... ..	30,280	97,868	298,606	538,177	692,879
Other (prepared or unprepared) ...	4,565	74,645	58,858	8,874	17,614
Hay and chaff and compressed fodder ...	12,427	87,864	44,353	21,075	34,549
Horses ... ..	109,215	181,146	329,515	232,102	302,809
Lead ... ..	66,870	138,307	131,223	177,166	179,346
Meats ... ..	128,666	132,499	213,567	184,975	188,197
Sandalwood ... ..	37,908	25,417	38,793	70,579	66,306
Skins, hoofs, sinews, etc., and tallow ...	12,818	26,467	55,675	72,284	71,758
Tin ore ... ..	27,352	79,345	38,466	91,743	187,702
Timber, undressed ... ..	87,441	238,318	387,408	490,600	362,999
Wool ... ..	85,253	356,390	156,372	292,079	501,886
Other merchandise ... ..	157,635	163,811	337,182	209,135	304,934
Total merchandise ... ..	1,143,342	2,298,963	2,970,633	3,121,178	3,790,152
Specie and gold and silver bullion ...	9,537,575	10,268,946	6,466,358	7,339,865	6,059,735
Total exports ... ..	10,680,917	12,567,909	9,436,991	10,461,043	9,849,887

The following tables shew the value of the principal articles exported to each of the undermentioned eastern countries during each of the years 1903 to 1907:—

### BUTTER.

Country.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
China ... ..	3,908	10,854	9,966	14,518	13,338
Hong Kong ... ..	13,412	10,994	17,073	17,007	15,443
India, Ceylon, and Burma ... ..	5,679	4,897	5,615	7,152	6,766
Japan ... ..	1,872	3,014	2,233	4,475	6,464
Java ... ..	20,648	23,542	26,533	29,886	45,600
Philippine Islands ... ..	13,952	23,426	21,984	25,431	23,040
Straits Settlements... ..	9,120	7,842	10,303	11,323	25,648
Total ... ..	68,591	84,569	93,707	109,792	136,299

The exports of butter given above for the year 1907 were supplied by the several States as follows:—New South Wales, £28,616; Victoria, £93,281; Queensland, £13,123; South Australia, £1279.

**COAL.**

Country.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
China ... ..	7,078	5,805	16,643	31,652	18,474
Hong Kong ... ..	15,095	7,672	38,231	26,237	26,572
India, Ceylon, and Burma ...	28,340	24,927	31,129	18,610	30,333
Japan ... ..	...	263	7,019	...	2,650
Java ... ..	27,214	14,313	20,881	30,848	18,893
Philippine Islands ...	113,508	100,647	111,665	133,032	155,430
Straits Settlements...	31,969	13,961	34,775	96,171	66,940
Total ... ..	223,204	167,588	260,343	336,550	319,292

The increase in the exports of coal during 1906 and 1907 is really greater than appears from the above figures, as prior to 1906 "bunker" coal was treated as an export to the country for which the ship cleared. These exports of coal are all from New South Wales.

**COPPER.**

Country.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
China ... ..	16,171	263,046	257,800	34,297	148,979
Hong Kong ... ..	1,174	23,512	33,942	4,400	15,401
India, Ceylon, and Burma ...	72,067	103,165	133,231	117,322	85,096
Japan ... ..	...	...	...	19,550	60
Java ... ..	...	601	1,964	1,266	515
Total ... ..	89,412	390,324	426,937	176,835	250,051

The fall in value of copper exported from Australia to China in 1906, as compared with 1905, is explained by Mr. J. B. Suttor, Commissioner for New South Wales in the East, as due to "there having been over-importations in 1905 for minting purposes. This was really overdone, large stocks being held over and re-exported in 1906 owing to higher prices ruling elsewhere." The copper exported to the East during 1907 was from New South Wales and South Australia, the amounts being respectively £59,741 and £190,310.

**GRAIN AND PULSE—WHEAT.**

Country.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
China ... ..	...	...	...	1,662	103,593
Hong Kong ... ..	...	7,789	4,530	519	12,225
India, Ceylon, and Burma ...	...	7	45	100,211	6,828
Japan ... ..	1,699	46,509	95,046	6,623	50,881
Java ... ..	6	10	6	16	1
Philippine Islands ...	...	...	1	181	...
Total ... ..	1,705	54,315	99,628	109,212	173,528

The exports of wheat given above for the year 1907 were supplied by the following States :—New South Wales, £25,609 ; Victoria, £63,121 ; South Australia, £84,798.

#### GRAIN AND PULSE—FLOUR.

Country.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
China ... ..	84	247	3,129	4,539	47,087
Hong Kong ... ..	201	3,779	77,181	146,257	194,223
India, Ceylon, and Burma ...	1,348	7,323	15,865	18,479	18,349
Japan ... ..	2,460	5,092	11,897	35,325	3,820
Java ... ..	25,009	65,309	93,444	107,319	144,091
Philippine Islands ...	260	9,348	49,887	95,569	139,958
Straits Settlements...	918	6,770	47,203	130,689	145,401
Total ... ..	30,280	97,868	298,606	538,177	692,879

The flour exported during 1907, as above, was supplied by the several States as follows :—New South Wales, £196,520 ; Victoria, £253,845 ; Queensland, £2342 ; South Australia, £218,629 ; Western Australia, £21,543.

#### GRAIN AND PULSE, OTHER THAN WHEAT AND FLOUR.

Country.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
China ... ..	79	2,255	635	452	3,423
Hong Kong ... ..	46	113	18,586	257	1,015
India, Ceylon, and Burma ...	1,255	3,677	3,216	3,199	6,880
Japan ... ..	26	66,569	33,283	21	88
Java ... ..	144	599	395	890	1,563
Philippine Islands ...	2,327	877	2,265	3,614	3,675
Straits Settlements...	688	555	478	441	970
Total ... ..	4,565	74,645	58,858	8,874	17,614

The large export to Japan in 1904 was barley, and in 1905 barley and oats. The exports given above for 1907 were supplied by the following States :—New South Wales, £3622 ; Victoria, £12,040 ; Queensland, £17 ; South Australia, £556 ; Western Australia, £14 ; Tasmania. £1365.

#### HAY AND CHAFF AND COMPRESSED FODDERS.

Country.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
China ... ..	987	196	467	145	989
Hong Kong ... ..	72	42,934	21,050	61	1,023
India, Ceylon, and Burma ...	2,499	4,256	6,083	7,840	12,065
Japan ... ..	6	23,773	123	294	302
Java ... ..	154	197	410	481	957
Philippine Islands ...	6,773	13,803	14,392	10,138	16,300
Straits Settlements...	1,936	2,705	1,828	2,116	3,513
Total ... ..	12,427	87,864	44,353	21,075	34,549



The exports given above for the year 1907 were supplied by the several States as follows:—New South Wales, £2916; Victoria, £30,362; Queensland, £591; South Australia, £608; Western Australia, £72.

**HORSES.**

Country.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
China ... ..	440	851	2,671	5,942	3,299
Hong Kong ... ..	14	1,023	119,504	160	205
India, Ceylon, and Burma ...	85,011	144,782	147,427	191,089	230,187
Japan ... ..	715	8,095	30,215	1,990	11,715
Java ... ..	6,330	11,373	4,440	12,296	25,502
Philippine Islands ...	8,087	3,827	10,151	2,603	4,949
Straits Settlements...	8,618	11,195	15,107	18,022	26,952
Total ... ..	109,215	181,146	329,515	232,102	302,809

The horses exported to the above countries during 1907 were from the following States:—New South Wales, £57,000; Victoria, £153,037; Queensland, £77,928; South Australia, £14,844. In addition to the value of horses given above, £4000 worth were exported from New South Wales to Cochin China in 1907.

**LEAD, PIG.**

Country.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
China ... ..	11,188	18,595	29,734	18,880	20,529
Hong Kong ... ..	25,837	79,881	35,694	68,544	74,493
India, Ceylon, and Burma ...	21,301	14,534	34,811	44,772	61,822
Japan ... ..	7,777	24,367	29,757	44,002	20,315
Java ... ..	...	105	...	41	...
Philippine Islands ...	594	233	127	927	330
Straits Settlements...	173	682	1,100	...	1,857
Total ... ..	66,870	138,397	131,223	177,166	179,346

The above lead is almost entirely from the Broken Hill mines of New South Wales.

**EXPORTS OF MEATS.—PRESERVED BY COLD PROCESS.**

Country.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
China ... ..	...	18	99	...	...
Hong Kong ... ..	4,465	3,265	7,819	4,379	7,051
India, Ceylon, and Burma ...	293	2,546	2,887	4,137	4,455
Japan ... ..	...	12	423	2,426	435
Java ... ..	...	...	...	3	884
Philippine Islands ...	106,066	99,558	153,825	127,621	126,498
Straits Settlements...	6	6	14,062	12,679	20,746
Total ... ..	110,830	105,405	179,115	151,245	160,069

The exports to the above-mentioned eastern countries during 1907 of meats preserved by cold process were supplied by the following States:—New South Wales, £24,245; Victoria, £1035; and Queensland, £134,789. In addition to the meat included in the above table, meat preserved by cold process to the value of £112,025 in 1906 and £115,000 in 1907 was exported to Asiatic Russia.

#### EXPORTS OF MEATS OTHER THAN MEATS PRESERVED BY COLD PROCESS.

Country.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
China ... ..	92	461	1,275	4,804	4,107
Hong Kong ... ..	1,308	5,156	4,279	815	890
India, Ceylon, and Burma ...	12,645	14,250	13,520	15,859	8,211
Japan ... ..	557	2,471	7,410	1,284	1,376
Java ... ..	841	1,666	2,678	3,516	4,501
Philippine Islands ...	1,578	2,372	3,702	4,581	6,943
Straits Settlements ...	815	718	1,588	2,871	2,100
Total ... ..	17,836	27,094	34,452	33,730	28,128

The exports given above for the year 1907 were supplied by the following States:—New South Wales, £4571; Victoria, £1659; Queensland, £21,876; South Australia, £22.

#### SANDALWOOD.

Country.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
China ... ..	21,399	5,719	7,008	9,299	10,886
Hong Kong ... ..	9,782	17,369	27,306	55,970	51,078
India, Ceylon, and Burma ...	...	65	...	1,589	1,803
Straits Settlements...	6,727	2,264	4,479	3,721	2,542
Total ... ..	37,908	25,417	38,793	70,579	66,309

These exports of sandalwood were:—From Queensland, £413; and Western Australia, £65,896.

#### SKINS, HOOFS, HORNS, (INCLUDING BONES, SINEWS, AND TALLOW.)

Country.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
China ... ..	5	19	...	15	77
Hong Kong ... ..	777	277	1,421	1,260	838
India, Ceylon, and Burma ...	90	2,303	5,334	11,847	8,754
Japan ... ..	11,551	23,432	48,244	56,164	60,285
Java ... ..	...	...	63	1,495	41
Philippine Islands ...	105	266	369	1,211	1,012
Straits Settlements...	290	170	244	292	751
Total ... ..	12,818	26,467	55,675	72,284	71,758

The above exports of skins, etc., were from the several States as follows:—New South Wales, £31,333; Victoria, £14,889; Queensland, £25,463; South Australia, £73.

**TIN ORE.**

Country.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
Straits Settlements...	27,352	79,345	38,466	91,743	187,702

The export of tin ore to the Straits Settlements—the centre of the world's tin production—is for the purpose of treatment, and was sent from the several States as follows:—New South Wales, £66,738; Victoria, £10,113; Queensland, £11,285; South Australia, £9681; West Australia, £89,885.

**TIMBER, UNDRESSED.**

Country.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
China ... ..	211	413	54,817	81,756	19,397
Hong Kong ... ..	53	6,029	958	6	2,739
India, Ceylon, and Burma ...	73,900	200,232	306,405	386,611	267,376
Japan ... ..	124	450	1,042	3,090	6,202
Java ... ..	...	...	82	70	330
Philippine Islands ...	11,553	23,898	22,152	12,556	65,046
Straits Settlements...	1,600	7,296	1,952	6,511	1,909
Total ... ..	87,441	238,318	387,408	490,606	362,999

The above exports of timber were from the several States as follows:—New South Wales, £138,887; Victoria, £390; Queensland, £8836; Western Australia, £203,933; Tasmania, £10,953.

**WOOL.**

Country.	1903.	1904.	1905.	1906.	1907.
	£	£	£	£	£
China ... ..	...	8	...	...	...
Hong Kong ... ..	...	13,262	7,740	...	...
India, Ceylon, and Burma ...	13,671	10,518	7,928	12,084	20,115
Japan ... ..	71,582	332,602	140,704	279,860	481,771
Philippine Islands ...	...	...	...	135	...
Total ... ..	85,253	356,390	156,372	292,079	501,886

The wool exported to the East by the several States during 1907 was as follows:—New South Wales, £354,433; Victoria, £101,273; Queensland, £46,180.

**§ 7. Trade of Commonwealth since Federation.**

1. **Classified Summary of Australian Trade.**—The tables hereunder present the trade of the Commonwealth during each of the years 1901 and 1903 to 1907, arranged in classes according to the nature of the goods.



The exports are shewn according to the same classification, and the usual distinction is made between exports of Australian produce and re-exports. It will be seen what a small proportion of the total exports is made up by re-exports, and that more than one-half of the latter consists of specie:—

**EXPORTS ARRANGED IN CLASSES, AND DISTRIBUTING AUSTRALIAN PRODUCE  
AND THE PRODUCE OF OTHER COUNTRIES, 1901 and 1903 to 1907.**

Classes.	1901.	1903.	1904.	1905.	1906.	1907.
AUSTRALIAN PRODUCE.						
I. Animal foodstuffs, etc. ...	4,104,196	3,057,675	4,141,652	4,716,942	5,648,049	5,726,153
II. Vegetable foodstuffs, etc. ...	4,633,926	840,336	6,930,685	5,979,362	6,663,267	6,866,279
III. Beverages (non-alcoholic), etc. ...	2,598	3,011	3,331	2,067	3,750	2,810
IV. Alcoholic liquors, etc. ...	134,830	115,278	114,428	123,975	107,599	134,011
V. Tobacco, etc. ...	5,030	11,141	26,622	40,021	40,444	67,612
VI. Live animals ...	473,601	199,257	250,334	403,337	315,043	369,417
VII. Animal substances, etc. ...	16,754,006	16,124,240	18,755,010	22,294,516	25,696,491	32,011,364
VIII. Vegetable substances, etc. ...	142,060	122,699	149,684	265,390	281,121	235,191
IX. Apparel, etc. ...	42,142	34,873	44,012	42,459	61,888	75,562
X. Oils, etc. ...	843,755	539,364	737,398	956,109	1,071,842	1,259,021
XI. Paints, etc. ...	620	2,709	1,782	2,038	3,237	5,433
XII. Stones, etc. ...	1,041,974	1,109,897	811,717	897,354	927,560	1,343,791
XIII. Specie ...	8,884,816	11,022,324	10,128,408	4,255,703	9,851,558	5,411,572
XIV. Metals, unmanufactured, ores, etc. ...	3,916,269	10,603,042	11,277,343	11,936,696	13,327,210	14,163,540
XV. Metals, part manufactured ...	3,802	7,240	4,630	9,971	22,239	11,049
XVI. Metals, manufactured ...	117,662	129,317	106,217	138,632	149,652	156,540
XVII. Leather, etc. ...	660,692	546,609	424,806	554,857	591,208	569,556
XVIII. Wood, etc. ...	606,024	856,816	840,238	1,031,716	1,009,607	802,194
XIX. Earthenware, etc. ...	6,690	14,739	12,713	16,727	26,708	33,053
XX. Paper, etc. ...	22,171	32,402	35,400	38,911	46,734	49,730
XXI. Jewellery, etc. ...	67,978	76,439	78,089	156,712	148,668	149,315
XXII. Instruments, etc. ...	507	1,758	1,511	2,100	1,832	2,766
XXIII. Drugs, etc. ...	86,299	112,089	127,753	140,363	168,972	209,297
XXIV. Miscellaneous ...	130,418	95,718	95,804	121,730	134,594	141,244
Total ...	47,741,776	45,658,883	55,100,167	54,127,758	66,299,874	69,816,500

**OTHER PRODUCE.**

I. Animal foodstuffs, etc. ...	35,291	92,287	29,079	47,734	21,032	20,750
II. Vegetable foodstuffs, etc. ...	80,371	141,397	139,718	193,766	200,710	307,707
III. Beverages (non-alcoholic), etc. ...	43,308	73,325	64,932	54,238	63,419	72,647
IV. Alcoholic liquors, etc. ...	55,732	38,461	41,285	37,972	32,980	36,889
V. Tobacco, etc. ...	61,753	47,344	46,316	39,238	34,586	32,752
VI. Live animals ...	105	3,476	2,224	6,991	3,713	5,615
VII. Animal substances, etc. ...	10,070	25,560	21,743	4,359	12,790	9,565
VIII. Vegetable substances, etc. ...	17,625	17,199	16,729	9,568	14,709	18,688
IX. Apparel, etc. ...	171,014	220,873	196,491	170,308	198,098	203,950
X. Oils, etc. ...	42,292	52,684	48,060	46,777	44,783	42,546
XI. Paints, etc. ...	15,186	8,918	9,761	11,142	7,003	6,330
XII. Stones, etc. ...	2,043	2,188	2,775	2,000	1,883	2,179
XIII. Specie ...	846,921	1,241,082	862,330	1,421,660	2,087,901	1,474,225
XIV. Metals, ores, etc. ...	9,744	55,615	374,474	50,791	52,278	27,036
XV. Metals, part manufactured ...	13,806	12,105	15,345	26,404	58,991	54,841
XVI. Metals, manufactured ...	196,334	202,676	181,675	193,947	200,876	222,313
XVII. Leather, etc. ...	13,074	18,138	20,514	23,046	28,955	32,692
XVIII. Wood, etc. ...	32,135	24,749	19,994	26,149	34,436	47,791
XIX. Earthenware, etc. ...	23,337	15,864	16,184	18,526	22,756	26,037
XX. Paper, etc. ...	52,171	55,090	55,400	49,471	61,655	52,454
XXI. Jewellery, etc. ...	54,491	77,332	59,478	66,147	39,328	49,051
XXII. Instruments, etc. ...	13,555	11,683	13,244	9,329	21,660	32,108
XXIII. Drugs, etc. ...	42,976	45,928	36,879	35,595	45,735	47,511
XXIV. Miscellaneous ...	121,122	107,305	111,118	168,059	147,612	182,070
Total ...	1,954,396	2,591,229	2,335,748	2,713,277	3,437,889	3,007,747

EXPORTS ARRANGED IN CLASSES, AND DISTINGUISHING AUSTRALIAN PRODUCE  
AND THE PRODUCE OF OTHER COUNTRIES, 1901 and 1903 to 1907.—Continued.

Classes.	1901.	1903.	1904.	1905.	1906.	1907.
TOTAL EXPORTS.						
I. Animal foodstuffs, etc. ...	£ 4,139,487	£ 3,149,962	£ 4,170,731	£ 4,764,676	£ 5,669,081	£ 5,746,903
II. Vegetable foodstuffs, etc. ...	4,714,297	981,733	7,070,403	6,173,128	6,863,977	7,173,986
III. Beverages (non-alcoholic), etc. ...	45,906	76,336	68,263	56,355	67,169	75,457
IV. Alcoholic liquors, etc. ...	190,362	153,739	155,713	161,947	140,879	170,900
V. Tobacco, etc. ...	66,783	58,485	72,938	79,259	75,030	100,364
VI. Live animals ...	473,706	202,733	252,558	410,328	318,756	375,032
VII. Animal substances, etc. ...	16,764,076	16,149,800	18,777,353	22,298,875	25,709,281	32,020,929
VIII. Vegetable substances, etc. ...	159,685	139,898	166,413	274,958	295,830	273,879
IX. Apparel, etc. ...	213,156	255,746	240,503	212,767	259,987	279,512
X. Oils, etc. ...	886,047	592,048	785,458	1,002,886	1,116,625	1,301,567
XI. Paints, etc. ...	15,806	11,627	11,543	13,181	10,240	11,763
XII. Stones, etc. ...	1,044,017	1,111,945	814,492	899,354	929,443	1,345,970
XIII. Specie ...	9,731,737	12,263,406	10,990,738	5,677,363	11,939,459	6,885,797
XIV. Metals, unmanufactd., ores, etc. ...	8,926,013	10,653,657	11,651,517	11,987,487	13,379,488	14,190,576
XV. Metals, part manufactured ...	17,608	2,345	19,975	36,375	81,230	65,890
XVI. Metals, manufactured ...	313,996	331,993	287,892	332,629	350,828	378,853
XVII. Leather, etc. ...	673,766	564,747	445,320	577,903	620,163	602,248
XVIII. Wood, etc. ...	698,159	881,565	860,232	1,057,865	1,044,043	849,985
XIX. Earthenware, etc. ...	29,937	30,603	28,897	35,263	49,464	59,090
XX. Paper, etc. ...	74,342	87,492	90,800	88,382	108,389	102,184
XXI. Jewellery, etc. ...	122,409	153,771	137,507	222,859	187,996	198,366
XXII. Instruments, etc. ...	14,062	13,441	14,755	11,429	23,492	34,874
XXIII. Drugs, etc. ...	129,275	155,017	164,632	175,978	214,707	256,808
XXIV. Miscellaneous... ..	251,540	203,023	206,922	239,789	282,206	323,314
Total ... ..	49,696,172	48,250,112	57,485,915	56,841,035	69,737,763	72,824,247

## § 8. Movements of Specie and Bullion.

1. **Specie and Bullion.**—The following tables shew the value of gold and silver bullion and specie, including bronze specie, imported and exported during the years 1901 and 1903 to 1907 :—

### AUSTRALIAN IMPORTS AND EXPORTS OF SPECIE AND BULLION,

1901 AND 1903 TO 1907.

Items.	1901.	1903.	1904.	1905.	1906.	1907.
IMPORTS.						
Gold—Specie ... ..	£ 3,710	£ 1,342	£ 1,294	£ 25,098	£ 81,790	£ 9,967
Bullion ... ..	762,415	1,219,852	1,168,139	1,452,432	2,066,063	1,426,827
Total ... ..	766,125	1,221,194	1,169,433	1,477,530	2,147,853	1,436,794
Silver—Specie ... ..	158,656	32,904	31,758	53,719	140,764	375,937
Bullion ... ..	54	51	156	13,543	33,897	498
Total ... ..	158,710	32,955	31,914	67,262	174,661	376,435
Bronze—Specie ... ..	10,029	5,780	2,501	5,503	8,403	20,971
Grand total ... ..	934,864	1,259,929	1,203,848	1,550,295	2,330,917	1,834,200

## AUSTRALIAN IMPORTS AND EXPORTS OF SPECIE AND BULLION.—Continued.

Items.	1901.	1903.	1904.	1905.	1906.	1907.
EXPORTS.						
Gold—Specie ...	£ 9,708,037	£ 12,251,274	£ 10,961,650	£ 6,656,245	£ 11,915,685	£ 6,857,838
Bullion ...	4,616,039	6,145,296	5,923,953	5,299,748	4,955,600	4,036,067
Total ...	14,324,076	18,396,570	16,885,603	10,955,993	16,871,285	10,893,905
Silver—Specie ...	23,370	11,478	28,063	14,413	23,521	25,667
Bullion ...	922,443	715,256	852,378	818,403	814,371	1,193,156
Total ...	945,813	726,734	881,041	832,816	838,895	1,218,823
Bronze—Specie ...	330	654	425	6,705	253	2,292
Total   Australian produce	14,423,298	17,835,214	16,540,000	10,332,512	15,584,836	10,839,546
Other produce ...	846,921	1,288,744	1,227,069	1,463,002	2,125,097	1,475,474
Grand total ...	15,270,219	19,123,958	17,767,069	11,795,514	17,709,933	12,115,020

## IMPORTS AND EXPORTS OF SPECIE AND GOLD AND SILVER BULLION FROM AND TO PRINCIPAL COUNTRIES, 1907.

Country.	Imports.			Exports.		
	Specie.	Bullion.	Total.	Specie.	Bullion.	Total.
	£	£	£	£	£	£
United Kingdom ...	396,655	941	397,596	1,476,669	3,307,317	4,783,986
Canada ...	350	...	350	...	...	...
Cape Colony ...	...	...	...	50,000	...	50,000
Ceylon ...	...	...	...	3,205,075	635,200	3,840,275
Fanning Island ...	...	...	...	600	...	600
Fiji ...	...	...	...	52,000	...	52,000
Hong Kong ...	...	...	...	397,522	2,684	400,206
India... ..	...	...	...	805,353	991,716	1,797,069
Natal ...	...	...	...	100,000	...	100,000
New Zealand ...	4,316	1,380,124	1,384,440	761,890	1,386	763,276
Norfolk Island ...	...	...	...	300	...	300
Papua ...	...	46,029	46,029	...	...	...
Straits Settlements ...	...	...	...	10,000	...	10,000
Total British Countries	401,321	1,427,094	1,828,415	6,859,409	4,938,303	11,797,712
United States of America	...	169	169	...	278,848	278,848
Other Countries ...	5,554	62	5,616	26,388	12,072	38,460
Total Foreign Countries	5,554	231	5,785	26,388	290,920	317,308
Grand total ...	406,875	1,427,325	1,834,200	6,885,797	5,229,223	12,115,020

2. **Imports of Bullion and Specie.**—Of the total imports of bullion and specie into the Commonwealth during 1907, 77.78 per cent. was in the form of gold bullion, and was received almost entirely from New Zealand for the purpose of minting.

3. **Exports of Bullion and Specie.**—Of the total exports of bullion and specie during 1907 gold represented 89.92 per cent., 56.60 per cent. being in the form of specie, and 33.32 per cent. bullion.

The countries which appear as the largest recipients of gold from Australia are the United Kingdom, Ceylon, India, and the United States of America, in the order named, but as large amounts of gold, recorded as exported to Ceylon, are shipped *under option*, and may be despatched thence to any country needing gold, the actual amount sent to each country cannot be stated.

## § 9. Effects of Prices on the Values of Exports.

1. **Significance of Price in Totals.**—In comparing the value of exports from, and also imports into, any country for a series of years the question naturally arises as to how much any variation in the aggregate value is due to fluctuations in prices, and how much to increase or decrease of actual quantities, for, in aggregates expressed only in value—the only possible method when the commodities differ—the two sources of variation are confused.\*

The scheme of comparison followed hereinafter is that of the British Board of Trade. This is to select all such articles of export as are recorded by units of quantity, and to apply to the quantities exported during each year the average price per unit ruling in some year, arbitrarily taken for the purposes of comparison as the basic year. The ratio which the total actually recorded for the year under review bears to the total obtained by applying to the quantities of the year under review, the average prices ruling during the basic year, may be called the “price-level” of the latter—as compared with the former—for the group of commodities considered, and may be taken (so it is assumed in the method of the British Board of Trade) as a measure of the effect of the change of price in the intervening period. Since the value of the articles used in the calculations represents as much as 85.6 per cent. of all exports during 1907—after excluding specie and gold bullion, which are not subject to price changes—a fairly extended basis, on which an estimate of the effect of prices over the full range of exports can be founded, is afforded.<sup>1</sup>

2. **Effect of Prices.**—The following table shews the values of exports as actually recorded in each year, together with the values computed on the assumption that the prices of 1901 were maintained.<sup>2</sup> The table also shews the yearly “price-levels,” based upon the results so ascertained.

This table obviously furnishes a measure of the influence of prices on the value of exports of each year since 1901. Column IV., viz., values computed on 1901 prices, represents the volume of exports (less specie and gold bullion), expressed in the common denominator, viz., the currency unit, and from the figures therein it will be seen that, had the prices of 1901 remained constant, the value of the exports during the year 1907, for example, would have been £47,289,306 only, instead of £61,902,383, viz., the value actually recorded. The difference between these amounts, viz., £14,613,077, results from rise of prices,<sup>1</sup> viz., from the group advance of 30.9 per cent. in the price of commodities in the period intervening between 1901 and 1907.



## EFFECT OF PRICES AND PRICE-LEVELS FOR THE PERIOD 1901 to 1907

(BASIC YEAR, 1901).

Year.	Exports of Specie and Gold Bullion.	Other Exports.		Total Exports (including Specie and Bullion).		Price Levels, <sup>3</sup> Year 1901 = 1000.
		Values as Recorded.	Values Computed on 1901 Prices.	Values as Recorded.	Values Computed on 1901 Prices.	
I.	II. £	III. £	IV. £	V. £	VI. £	VII.
1901 ...	14,338,434	35,357,738	35,357,738	49,696,172	49,696,172	1000
1902 ...	14,567,500	29,347,587	27,375,976	43,915,087	41,943,476	1072
1903 ...	18,408,702	29,841,410	26,697,120	48,250,112	45,105,822	1118
1904 ...	16,914,691	40,571,224	36,139,840	57,485,915	53,054,531	1123
1905 ...	10,977,111	45,863,924	38,465,210	56,841,035	49,442,321	1192
1906 ...	16,893,059	52,842,704	42,295,310	69,737,763	59,190,369	1249
1907 ...	10,921,864	61,902,383	47,289,306	72,824,247	58,211,170	1309

1. This basis is thus subject only to the limitations of the fundamental assumption and to its limitation to 85.6 per cent. of the total.
2. The method of the British Board of Trade is clearly valid for certain purposes, and is adopted because it widens the field of comparison. It is not, however, universally valid.
3. These are index numbers for the total group of exports, excluding specie and gold bullion.

3. **Influence of Quantity and Price on Total Increased Value of Exports.**—The estimated actual and relative effects of the influence of—(i.) increase or decrease in the exports of specie and gold bullion, (ii.) increase or decrease of *quantities* of other exports, (iii.) variation of prices on the value of the exports, of each year compared with 1901 is shewn below :—

## ANALYSIS OF INFLUENCE OF QUANTITY AND PRICE ON INCREASE OR DECREASE IN EXPORTS, 1902 to 1907, COMPARED WITH 1901.

Year.	Particulars.	Variation above (+) or below (—) 1901 Exports due to change in :—			Total Variation above (+) or below (—) Value of 1901 Exports.
		Export of Specie and Gold Bullion.	Quantity of Export other than Specie and Gold Bullion	Prices of Export other than Specie and Gold Bullion.	
1902.	Variation, actual ... £	+229,066	—7,981,762	+1,971,611	—5,781,085
	Relative magnitude of variation. Total				
	variation taken as 100 ...	+4	—138	+34	—100
	Variation, per cent. ...	+1.60	—22.57	+7.20	—11.63
1903.	Variation, actual ... £	+4,070,268	—8,660,618	+3,144,290	—1,446,060
	Relative magnitude of variation. Total				
	variation taken as 100 ...	+281	—597	+216	—100
	Variation, per cent. ...	+28.38	—24.49	+11.78	—2.91
1904.	Variation, actual ... £	+2,576,257	+782,102	+4,431,384	+7,789,743
	Relative magnitude of variation. Total				
	variation taken as 100 ...	+33	+10	+57	+100
	Variation, per cent. ...	+17.96	+2.2	+12.26	+15.67
1905.	Variation, actual ... £	—3,361,323	+3,107,472	+7,398,714	+7,144,863
	Relative magnitude of variation. Total				
	variation taken as 100 ...	—47	+43	+104	+100
	Variation, per cent. ...	—23.44	+8.79	+19.24	+14.37
1906.	Variation, actual ... £	+2,556,625	+6,937,572	+10,547,394	+20,041,591
	Relative magnitude of variation. Total				
	variation taken as 100 ...	+13	+35	+52	+100
	Variation, per cent. ...	+17.83	+19.62	+24.94	+40.32
1907.	Variation, actual ... £	—3,416,570	+11,931,568	+14,613,077	+23,128,075
	Relative magnitude of variation. Total				
	variation taken as 100 ...	—15	+52	+63	+100
	Variation, per cent. ...	—23.83	+33.75	+30.90	+46.56

1. On the fundamental assumption.

From the above figures it will be seen that the exports of 1907, for example, as compared with 1901, shew a decrease of 23.83 per cent. in specie and gold bullion, an increase of 33.75 per cent. in the quantities of other exports, and an increase of 30.90 per cent. in the group-prices for all exports, excluding specie and gold bullion. These aggregate to 46.56 per cent., or absolutely £23,128,075. Thus, of this total increase, £11,931,568, or 52 per cent., was due to increased quantities of other exports, and £14,613,077, or 63 per cent., was due to increased prices, while the exports of specie and gold bullion decreased by £3,416,570.

## § 10. External Trade of Australia and other Countries.

**1. Essentials of Comparisons.**—Direct comparisons of the external trade of any two countries are possible only when the general conditions prevailing therein, and the scheme of recording, are sensibly identical. For example, in regard to the mere matter of record, it may be observed that in one country the value of imports may be the value at the port of shipment, while in another the cost of freight, insurance, and charges may be added thereto. Or again, the values of imports and exports in the one may be declared by merchants, whereas in the other they may be the official prices, fixed from time to time by a commission constituted for the purpose. The figures relating to the external trade of any country are also affected in varying degree by the extent to which they include transit or re-export trade. Including bullion and specie, the transit trade of Belgium, for example, represents 41.93 per cent. of the gross trade recorded: of Switzerland, 32.97 per cent.; of France, 20.29 per cent., and of the United Kingdom, 24.56 per cent., whereas in Australia the same element represents only 6 per cent., and in New Zealand even less.

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

In the following table the figures relate, as nearly as is possible, to imports entered for consumption in the various countries quoted, and to exports of their domestic products. It is to be noted, however, that these figures do not unequivocally denote the same thing throughout, since, in the United Kingdom and other manufacturing countries, raw or partly manufactured materials are imported as for home consumption, and, after undergoing some process of manufacture or further modification, are re-exported as domestic production, and further, the statistical records of many countries do not distinguish between bullion and specie imported for the use of the particular country (home consumption) and the amount in transit, nor between the exports of that produced within the country and that re-exported. Nevertheless a comparison of this character reveals approximately the extent of the external trade which otherwise would not be manifest

From the following table it may be seen that, for the particular years indicated, the value of the total trade per inhabitant was greatest in New Zealand (£40 0s. 9d. per head); the next country in order of value per inhabitant was Belgium (£30 13s. 3d. per head), followed closely by Switzerland (£30 12s. 2d. per head). Australia comes fourth (£28 10s. 10d. per head), and is some way in advance of the next country, viz., the United Kingdom (£22 6s. 5d. per head):—

**TRADE OF VARIOUS COUNTRIES (IMPORTS FOR HOME CONSUMPTION AND EXPORTS OF DOMESTIC PRODUCTS, INCLUDING BULLION AND SPECIE), FOR LATEST AVAILABLE YEAR.**

Country.	Year ended.	Trade.			Trade per Inhabitant.		
		Imports.	Exports.	Total.	Im-ports.	Ex-ports.	Total.
		£	£	£	£ s. d.	£ s. d.	£ s. d.
COMMONWEALTH OF AUSTRALIA	31/12/07	48,801,000	69,817,000	118,618,000	11 14 10	16 16 0	28 10 10
United Kingdom	...	558,151,000	426,035,000	984,186,000	12 13 2	9 13 3	22 6 5
Canada	30/9/07	76,375,000	50,190,000	126,565,000	12 14 7	8 7 4	21 1 11
New Zealand	31/12/07	17,017,000	19,783,000	36,800,000	18 10 3	21 10 6	40 0 9
United States of America	31/12/05	324,374,000	405,436,000	729,810,000	3 16 4	4 15 5	8 11 9
Argentine Republic*	...	47,543,000	64,733,000	112,276,000	9 6 3	12 13 7	21 19 10
Austria-Hungary	...	91,755,000	95,971,000	187,726,000	1 18 7	2 0 5	3 19 0
Belgium	...	124,098,000	94,168,000	218,266,000	17 8 8	13 4 7	30 13 3
Denmark	...	23,224,000	21,829,000	45,053,000	8 19 7	8 8 9	17 8 4
France	...	226,545,000	203,967,000	430,512,000	5 15 4	5 4 1	10 19 7
German Empire	...	308,613,000	287,222,000	595,835,000	6 0 2	4 14 4	10 14 6
Italy	...	59,366,000	69,567,000	128,933,000	2 13 6	2 1 8	4 15 2
Japan	...	51,163,000	35,373,000	86,536,000	1 2 10	0 14 11	1 17 9
Norway	...	15,994,000	10,544,000	26,538,000	6 18 3	4 11 1	11 9 4
Portugal	...	15,787,000	6,684,000	20,621,000	2 13 3	1 6 5	3 19 8
Spain	...	42,764,000	38,661,000	81,445,000	2 5 1	2 0 9	4 5 10
Sweden	...	32,338,000	25,062,000	57,400,000	6 1 11	4 14 6	10 16 5
Switzerland	...	63,070,000	42,236,000	105,306,000	18 6 8	12 5 6	30 12 2
Uruguay	...	7,630,000	7,559,000	15,189,000	7 4 8	7 3 4	14 8 0

\* Official values are said to be 25 per cent. below real values.

**3. External Trade as a Measure of Prosperity.**—External trade as a measure of prosperity is by no means unequivocal. Comparisons can be accepted as furnishing satisfactory indications of the relative progress or welfare of different countries, only when taken together with all other facts that should be considered in this connection. It is, for example, obvious that the external trade of a community depends not only upon the aggregate of its requirements, but also upon the extent to which it fails to supply requirements from its own resources. A community largely self-contained, for example, may have but a small external trade per head, and yet, by virtue of its capacity to produce and manufacture its own raw material, may actually enjoy greater prosperity and a higher standard of living than another country whose external trade per head is much greater. The same observation applies equally to comparisons of the trade of the same country at different periods. A young country, the industries and export trade of which are mainly connected with raw or natural products, may, for example, through internal development, find the growth of its external trade diminishing per head of population without necessarily suffering any real diminution in the well-being of its people. And it is further obvious that circumstances may arise when enlargement of both imports and exports is actually a consequence of economic difficulties. For example, in 1903, owing to shortage in the local supply, it became necessary to *import* wheat and flour into Australia to the value of £2,556,968, and to meet the charges for this by equivalent *exports*, the effect, considered *per se*, being to enlarge both. In this case, however, the increase is not an evidence of economic progress.

**4. Australian Trade Evidence of Prosperity.**—Despite the above suggestions regarding the necessity of caution, so as to avoid hasty inferences based upon aggregate trade, a consideration of its general characteristics over a number of years, and of its marked development will suffice to show that Australian affairs are progressing rapidly and most favourably, especially when it is taken into account that there are no counterbalancing elements of disadvantage.

## § 11. Trade of the United Kingdom with Australia. Has it been Diverted?

1. **General.**—The question has been raised at times whether there be a diversion of the trade of the United Kingdom with Australia, and this question has naturally become during recent years one of more than ordinary interest with publicists in both countries. The Advisory Committee on Commercial Intelligence of the British Board of Trade considered the matter of such importance that in June, 1905, Mr. R. J. Jeffray was sent to Australia as a Commissioner to investigate the conditions and prospects of British trade therewith, and with a view to improving the trade between the Commonwealth and the United Kingdom, Mr. C. H. Wickes, Commissioner of the British Board of Trade, arrived in Australia in December, 1908, for the purpose of advising British manufacturers of the particular requirements of the Australian markets. To thoroughly treat the various changes in the character and volume of the import trade from Great Britain, and from her more important competitors, viz., the United States of America and Germany, would require more space than can be spared in this volume, so that attention must perforce be restricted to the most important features of the question at issue.

2. **Proportion of Trade from United Kingdom.**—The percentages given in the following table shew the proportions of the imports into Australia from the United Kingdom, and from the other countries mentioned, during each of the years 1886 to 1907:—

PROPORTION OF IMPORT TRADE FROM THE UNDERMENTIONED COUNTRIES,  
1886 TO 1907.

Year.	Percentage Proportions from—					Year.	Percentage Proportions from—				
	United K'dom.	British Poss'ns.	Germ'y.	United States.	Total Foreign C'tries.		United K'dom.	British Poss'ns.	Germ'y.	United States.	Total Foreign C'tries.
1886	73.37	11.23	2.05	6.11	15.40	1897	66.22	10.72	5.75	10.10	23.06
1887	72.26	12.50	2.23	5.37	15.24	1898	66.62	10.88	5.86	10.18	22.50
1888	71.62	12.03	2.71	6.48	16.35	1899	61.85	11.75	6.07	13.00	26.40
1889	68.98	13.45	3.65	6.67	17.57	1900	61.28	11.28	6.54	12.16	27.44
1890	68.08	12.66	4.77	6.54	19.26	1901	59.47	11.22	6.59	13.80	29.31
1891	70.15	11.40	4.53	6.79	18.45	1902	58.64	13.22	6.53	12.27	28.14
1892	70.74	11.37	4.32	6.04	17.89	1903	52.51	13.17	6.24	16.84	34.32
1893	72.78	12.14	3.40	4.98	15.08	1904	60.68	12.22	7.17	12.40	27.10
1894	71.92	11.96	3.78	5.39	16.12	1905	60.17	14.04	6.42	11.70	25.79
1895	71.62	11.46	4.42	5.95	16.92	1906	59.39	15.09	7.16	10.36	25.52
1896	68.28	10.74	5.31	8.59	20.98	1907	61.59	12.93	6.85	11.33	25.48

In order to draw accurate conclusions from the above table, however, special attention must be given to the nature of imports from the United States, since the imports from that country have in some years been increased by imports of breadstuffs, a trade in which the United Kingdom could not participate. The years affected by the imports of breadstuffs were 1886, 1889, 1896, 1897, and 1903. Increased imports of such items as kerosene oil and timber also tend to increase the proportion of imports from the United States without any prejudicial effect on the trade of the United Kingdom. Similar modification is not necessary in regard to Germany, as the nature of the imports from that country is substantially the same as from the United Kingdom.

It has already been pointed out in this chapter that, prior to the year 1905, imports into the Commonwealth were recorded only against the country whence they were directly imported. Although the values of direct imports do not afford satisfactory data, it is necessary for any comparison extending further back than 1905 to use such figures. These figures are unsatisfactory on account of the varying proportions of indirect trade.

In order to furnish a comparison free from the influence of such trade, as from its nature is not open to the United Kingdom, the following table shewing the direct imports during the years 1886, 1906, and 1907 of the principal classes of goods which enter largely into the trade of the countries named has been prepared. It may be mentioned that the imports for the year 1886 were extracted from the "Statistical Registers" of the several States for a comparison—published in a previous issue—with the year 1906, and as their compilation involved a large amount of labour they are again utilised for comparison with the year 1907:—

**PRINCIPAL DIRECT IMPORTS FROM THE UNITED KINGDOM, GERMANY AND THE UNITED STATES. 1886, 1906 and 1907.**

Nature of Imports.	Year.	United Kingdom.	Germany.	United States.	All Countries.
		£	£	£	£
Animal foods... ..	1886	348,950	5,603	70,959	674,296
	1906	293,950	24,319	146,781	697,830
	1907	312,893	48,397	137,876	688,642
Alcoholic liquors ... ..	1886	1,801,200	82,185	82,730	2,126,877
	1906	1,053,154	109,426	24,367	1,388,671
	1907	1,216,167	111,252	23,256	1,556,224
Apparel, textiles, etc. (incl. boots)	1886	9,845,182	54,350	15,336	10,316,989
	1906	11,066,201	418,776	221,362	13,508,844
	1907	12,639,986	455,962	305,704	15,367,604
Manufactures of metal... ..	1886	4,616,924	94,832	311,342	5,190,901
	1906	5,144,912	926,314	1,379,662	7,932,675
	1907	7,087,100	1,047,120	1,843,819	10,531,166
Paper and stationery ... ..	1886	1,260,531	21,038	39,700	1,340,627
	1906	1,207,729	261,684	288,509	1,838,474
	1907	1,360,760	296,173	268,494	2,071,344
Jewellery, timepieces, fancy goods	1886	659,833	24,206	57,477	789,127
	1906	740,850	140,950	59,151	1,045,164
	1907	850,584	164,919	97,693	1,261,046
Earthenware, cements, etc. ...	1886	755,907	78,762	24,711	938,476
	1906	316,252	227,390	37,344	688,510
	1907	416,467	225,419	64,437	863,849
Drugs, chemicals, fertilisers, etc.	1886	511,216	8,660	33,382	766,243
	1906	887,325	193,615	82,789	1,732,543
	1907	899,383	222,872	108,130	1,840,933
Leather, and mfs. thereof and substitutes thereof, incl. indiarubber	1886	285,601	6,357	53,588	363,332
	1906	682,238	70,028	116,356	924,968
	1907	740,053	80,446	125,176	1,004,822
Total above-mentioned imports ...	1886	20,085,344	375,993	689,225	22,500,868
	1906	21,392,611	2,372,502	2,356,321	29,757,679
	1907	25,523,393	2,652,560	2,974,585	35,185,630
Increase—					
1906 over 1886 ... ..	...	1,307,267	1,996,509	1,667,096	7,250,811
1907 over 1886 ... ..	...	5,438,049	2,276,567	2,285,360	12,678,762
1907 over 1906 ... ..	...	4,130,782	280,058	618,264	5,427,951
Total imports ... ..	1886	25,077,166	699,075	2,087,213	34,178,743
	1906	26,575,833	3,204,844	4,633,553	44,744,912
	1907	31,906,447	3,551,255	5,869,099	51,809,033
Increase—					
1906 over 1886 ... ..	...	1,498,667	2,505,769	2,546,340	10,566,169
1907 over 1886 ... ..	...	6,829,281	2,852,180	3,781,886	17,630,290
1907 over 1906 ... ..	...	5,330,614	346,411	1,235,546	7,064,121

**PERCENTAGE ON IMPORTS FROM ALL COUNTRIES, OF PRINCIPAL DIRECT IMPORTS  
FROM UNITED KINGDOM, GERMANY, AND UNITED STATES, 1886, 1906 and 1907.**

Nature of Imports.	Year.	United Kingdom.	Germany.	United States.	All Countries
Animal foods ... ..	1886	51.75	.83	10.52	100
	1906	42.12	3.48	21.02	100
	1907	45.43	7.02	20.00	100
Alcoholic liquors ... ..	1886	84.69	3.86	3.89	100
	1906	75.84	7.88	1.75	100
	1907	78.14	7.15	1.49	100
Apparel, textiles, etc. (including boots)	1886	95.44	.53	.15	100
	1906	81.93	3.10	1.64	100
	1907	82.25	2.97	1.99	100
Manufactures of metal ... ..	1886	88.93	1.83	6.00	100
	1906	64.85	11.68	17.39	100
	1907	67.30	9.94	17.51	100
Paper and stationery ... ..	1886	94.03	1.57	2.96	100
	1906	65.69	14.23	15.69	100
	1907	65.69	14.30	12.96	100
Jewellery, timepieces, and fancy goods	1886	83.62	3.07	7.28	100
	1906	70.89	13.48	5.66	100
	1907	67.44	13.08	7.75	100
Earthenware, cement, etc. ... ..	1886	80.55	8.39	2.63	100
	1906	45.93	33.03	5.42	100
	1907	48.21	26.09	7.46	100
Drugs, chemicals, fertilisers, etc. ...	1886	66.71	1.13	4.36	100
	1906	51.22	11.18	4.78	100
	1907	48.86	12.11	5.87	100
Leather and mfs. thereof, and substitutes thereof, including indiarubber	1886	78.60	1.75	15.30	100
	1906	73.75	7.60	12.58	100
	1907	73.66	8.01	12.46	100
Total above-mentioned imports ...	1886	89.24	1.67	3.06	100
	1906	71.89	7.97	7.92	100
	1907	72.52	7.54	8.45	100
Increase—					
1906 over 1886 ... ..	...	18.03	27.53	22.99	100
1907 over 1886 ... ..	...	42.90	17.96	18.03	100
1907 over 1906 ... ..	...	76.11	5.16	11.37	100
Total imports ... ..	1886	73.37	2.05	6.11	100
	1906	59.39	7.16	10.36	100
	1907	61.59	6.85	11.33	100
Increase—					
1906 over 1886 ... ..	...	14.18	23.71	24.10	100
1907 over 1886 ... ..	...	38.74	16.18	21.45	100
1907 over 1906 ... ..	...	75.46	4.94	17.49	100

The foregoing table might have appeared to justify the inference that, of the total increase (£7,250,811) in the value of imports of the particular classes named in 1906, as compared with 1886, the sum of £1,307,267, or 18.03 per cent., belonged to the United Kingdom; £1,996,509, or 27.53 per cent., to Germany; and £1,667,096, or 22.99 per cent., to the United States. Similarly of the increase (£5,427,951) in the same trade in 1907 over 1906, it would appear that the United Kingdom has secured £4,130,782, or 76.11 per cent.; Germany, £280,058, or 5.16 per cent.; and the United States £618,264, or 11.37 per cent.

Turning, however, to the following table, in which the imports are related to the particular country of manufacture or production, it is shewn that any conclusion drawn

from the records of direct imports would be misleading in regard to the distribution of the increased trade last referred to.

In the next table it is shewn that, of the increase in 1907 over 1906 above referred to, viz., £5,427,951, the United Kingdom secured only £2,843,095, or 52.38 per cent., while Germany's share is increased to £615,533, or 11.34 per cent., and that of the United States is £612,513, or 11.28 per cent.

From the foregoing it is evident that no reliable conclusion in regard to any diversion of trade can be drawn from the records of direct imports; consequently attention must be confined to recent years if a just conclusion is to be reached, and for this reason the following table has been prepared:—

**IMPORTS INTO THE COMMONWEALTH OF PRODUCTS OR MANUFACTURES OF THE UNITED KINGDOM, GERMANY, AND THE UNITED STATES OF AMERICA IMPORTED DURING THE YEARS 1905, 1906, and 1907.**

Nature of Imports.	Year.	United Kingdom.	Germany.	United States.	All Countries.
		£	£	£	£
Animal foods ...	1905	153,305	6,951	154,007	686,031
	1906	175,077	9,224	164,734	697,830
	1907	177,767	7,859	153,599	688,642
Alcoholic liquors ...	1905	889,568	51,013	28,202	1,346,419
	1906	889,157	67,774	25,187	1,388,671
	1907	1,015,026	71,921	26,043	1,556,224
Apparel, textiles, etc. (incl. boots)	1905	8,510,753	799,435	333,857	12,017,280
	1906	9,306,334	933,867	373,599	13,608,844
	1907	9,900,952	1,344,415	444,594	15,367,604
Manufactures of metals	1905	3,992,057	686,849	1,522,701	6,550,189
	1906	4,870,096	1,040,682	1,588,483	7,932,675
	1907	6,767,768	1,184,232	2,022,584	10,531,166
Paper and stationery ...	1905	1,025,828	219,930	339,704	1,721,174
	1906	1,101,636	282,175	326,561	1,838,474
	1907	1,199,123	317,544	326,779	2,071,344
Jewellery, timepieces, fancy goods	1905	519,698	146,657	68,874	888,391
	1906	525,184	193,108	82,852	1,045,164
	1907	516,552	239,363	131,750	1,261,046
Earthenware, cements, etc.	1905	297,736	174,633	46,438	597,787
	1906	303,478	227,922	41,860	688,510
	1907	399,074	206,705	68,036	863,849
Drugs, chemicals, fertilisers, etc.	1905	773,658	148,193	107,692	1,587,613
	1906	832,309	210,864	122,754	1,732,543
	1907	838,227	200,269	146,825	1,840,933
Leather and mfs. thereof and substitutes therefor incl. indiarubber	1905	320,335	71,530	170,195	673,118
	1906	382,425	108,992	256,902	924,968
	1907	414,302	117,833	275,235	1,004,822
Total above-mentioned imports...	1905	16,482,938	2,305,191	2,771,670	26,068,002
	1906	18,385,696	3,074,608	2,982,932	29,757,679
	1907	21,228,791	3,690,141	3,595,445	35,185,630
Increase—					
1907 over 1905	...	4,745,853	1,384,950	823,775	9,117,628
1907 over 1906	...	2,843,095	615,533	612,513	5,427,951
Total imports...	1905	20,319,815	3,026,850	5,005,387	38,346,731
	1906	22,904,344	3,929,116	5,603,703	44,744,912
	1907	26,843,610	4,623,136	6,765,182	51,809,033
Increase—					
1907 over 1905	...	6,523,795	1,596,286	1,759,795	13,462,302
1907 over 1906	...	3,939,266	694,020	1,161,479	7,064,121

**PERCENTAGE ON TOTAL IMPORTS OF IMPORTS OF PRODUCTS OR MANUFACTURES  
OF THE UNITED KINGDOM, GERMANY, AND UNITED STATES OF AMERICA INTO  
THE COMMONWEALTH DURING THE YEARS 1905, 1906 and 1907.**

Nature of Imports.	Year.	United Kingdom.	Germany.	United States.	All Countries
Animal foods ... ..	{ 1905	22.34	1.01	22.45	100
	{ 1906	25.08	1.32	23.61	100
	{ 1907	25.81	1.14	22.30	100
Alcoholic liquors ... ..	{ 1905	66.06	3.79	2.95	100
	{ 1906	64.06	4.88	1.81	100
	{ 1907	65.21	4.62	1.67	100
Apparel, textiles, etc. (including boots)	{ 1905	70.82	6.65	2.78	100
	{ 1906	68.91	6.91	2.77	100
	{ 1907	64.44	8.75	2.89	100
Manufactures of metals ... ..	{ 1905	60.95	10.49	23.24	100
	{ 1906	61.39	13.12	20.02	100
	{ 1907	64.27	11.25	19.21	100
Paper and stationery ... ..	{ 1905	59.62	12.78	19.75	100
	{ 1906	59.92	15.35	17.76	100
	{ 1907	57.89	15.33	15.77	100
Jewellery, timepieces, and fancy goods	{ 1905	58.50	16.51	7.75	100
	{ 1906	50.25	19.31	7.93	100
	{ 1907	40.97	18.98	10.42	100
Earthenware, cements, etc. ...	{ 1905	49.80	29.21	7.77	100
	{ 1906	44.07	33.10	6.08	100
	{ 1907	46.19	23.93	7.87	100
Drugs, chemicals, fertilisers, etc. ...	{ 1905	48.74	9.33	6.78	100
	{ 1906	48.04	12.17	7.10	100
	{ 1907	45.54	10.88	7.98	100
Leather and mfs. thereof, and substitutes therefor, including indiarubber	{ 1905	47.59	10.63	25.28	100
	{ 1906	41.35	11.78	27.78	100
	{ 1907	41.24	11.73	27.40	100
Total abovementioned imports ...	{ 1905	63.23	8.84	10.63	100
	{ 1906	61.78	10.33	10.03	100
	{ 1907	60.32	10.49	10.22	100
Increase—					
1907 over 1905 ... ..	...	52.05	15.19	9.03	100
1907 over 1906 ... ..	...	52.38	11.34	11.28	100
Total imports ... ..	{ 1905	52.99	7.89	13.05	100
	{ 1906	51.18	8.78	12.52	100
	{ 1907	51.81	8.92	13.06	100
Increase—					
1907 over 1905 ... ..	...	48.46	11.86	13.07	100
1907 over 1906 ... ..	...	55.76	9.82	16.44	100

**3. Significance of Increase of Trade with other Countries.**—It has been suggested that the larger proportion of imports now received from foreign countries is due to the establishment and increase of direct shipping with the countries concerned, and that trade formerly received through English ports is now received direct. From the Australian records it is impossible to ascertain the value of the indirect trade with foreign countries through the United Kingdom prior to 1905. The returns of the British Board of Trade, however, shew the exports from the United Kingdom to Australia of foreign and colonial products distinct from the domestic exports, and from this source the table hereunder has been compiled.



It is proper here to mention that, taken in quinquennial periods, the values of the total exports from the United Kingdom to Australia—after making allowance for freight and charges—are in very close agreement with the corresponding import values recorded in this country. The figures for the period 1903 to 1907 are almost identical.

**VALUE OF MERCHANDISE AND BULLION AND SPECIE DESPATCHED FROM THE UNITED KINGDOM TO AUSTRALIA, 1888 to 1907.**

Years.	Merchandise.			Bullion and Specie.	Total.	Percentage Proportion of Foreign and Colonial Produce.
	United Kingdom Produce.	Foreign and Colonial Produce.				
		Re-exported.	Transhipped under Bond.			
	£	£	£	£	£	
1888-1892 ...	19,943,394	2,281,589	802,802	70,317	23,098,102	13.35
1893-1897 ...	14,822,762	1,710,129	547,784	414,403	17,495,078	12.91
1898-1902 ...	19,500,929	1,966,731	442,279	153,347	22,063,286	10.92
1903-1907 ...	18,959,481	2,515,548	998,098	133,330	22,606,457	15.54

From the above table it will be seen that the value and the proportion of foreign goods despatched to Australia through the United Kingdom during the last quinquennium is greater than in the period 1888-92. During the quinquennium 1888-92 the value of foreign and colonial produce despatched from the United Kingdom to Australia was £3,084,391, equal to 13.35 per cent. of all goods so despatched, while during the period 1903-7 the corresponding amount was £3,513,646, or 15.54 per cent. It is therefore apparent that the increase of direct imports from foreign countries has not been, in the aggregate, at the expense of the indirect trade via Great Britain.

## § 12. Customs Tariff 1908.

The primary object of the introduction of a new tariff was to afford increased protection to Australian industries. The Act also provides a tariff of preferential rates as against the general tariff rates on certain goods "the produce or manufacture of the United Kingdom, which are shipped in the United Kingdom to Australia and not transhipped, or if transhipped, then only if it is proved to the satisfaction of the Collector (of Customs) that the goods have not, since they were shipped in the United Kingdom, been subjected to any process of manufacture."

The following tables shew as nearly as possible the results which would be obtained by applying to the imports of 1907 the rates of duty imposed under the tariffs of 1902 and 1908 respectively. Some items which were, under the 1902 tariff, subject to a certain rate of duty, have, under the 1908 tariff, been subdivided and made subject to various rates of duty. It has therefore been necessary to estimate the value of these several subdivisions before applying the new rates, but as the value of these items is relatively small the effect of any error in the estimates in relation to classes of goods would be negligible.

The passage of the Tariff Act of 1908 is too recent to admit of any assured estimate of its effects, or of the consequences of the preference in favour of the United Kingdom. The following table, however, while it must furnish results necessarily differing from the actual results for 1908 when to hand, will afford the best comparative indication possible of the magnitude of the tariff changes. The basis chosen for making the comparison is that furnished by the latest trade returns available (1907):—

**TOTAL IMPORTS.—COMPARISONS OF TARIFFS FOR 1902 AND 1908 APPLIED TO  
TOTAL IMPORTS DURING 1907.**

Class.*	Value of Imports, 1907.	Under Tariff of 1902.					Under Tariff of 1908.				
		Dutiable Imports.		Equivalent <i>ad val.</i> rate of Duty.			Dutiable Imports.		Equivalent <i>ad val.</i> rate of Duty.		
		Value.	Per cent. on Total Imports.	On Dutiable Goods.	On all Goods.		Value.	Per cent. on Total Imports.	On Dutiable Goods.	On all Goods.	
I.	£ 688,642	£ 629,647	91.42	20.33	18.59	£ 637,335	92.53	26.55	24.57		
II.	1,574,933	1,509,052	95.82	36.58	35.06	1,444,144	91.70	42.38	38.86		
III.	1,549,785	349,738	22.57	15.24	3.44	370,615	23.92	20.07	4.80		
IV.	1,556,224	1,556,224	100.00	157.34	152.34	1,556,224	100.00	152.34	152.34		
V.	753,869	753,869	100.00	169.75	169.75	753,869	100.00	180.50	180.50		
VI.	114,787	...	...	...	...	15,404	...	2.47	0.33		
VII.	576,054	148,787	25.82	10.29	2.66	171,450	29.76	12.01	3.58		
VIII.	863,603	30,016	3.48	46.15	1.60	106,792	12.36	36.54	4.52		
IX.	15,367,604	12,848,669	83.60	14.09	11.78	9,360,766	60.94	22.88	13.93		
X.	1,192,177	535,256	44.90	18.71	8.40	568,571	47.70	24.92	11.89		
XI.	445,769	419,196	94.03	10.91	10.26	429,296	96.30	16.82	16.20		
XII.	127,372	103,995	81.65	16.47	13.45	108,621	85.28	21.35	18.21		
XIII.	406,875	...	...	...	...	...	...	...	...		
XIV.	1,763,202	...	...	...	...	...	...	...	...		
XV.	797,354	...	...	...	...	...	...	...	...		
XVI.	10,531,166	5,807,274	55.15	12.71	7.01	6,083,025	57.76	16.72	9.66		
XVII.	1,004,822	739,488	73.60	15.50	11.40	739,488	73.60	20.99	15.45		
XVIII.	2,100,305	1,545,150	73.58	16.63	12.23	1,989,056	94.70	17.41	16.48		
XIX.	863,849	845,606	97.89	19.44	19.03	827,917	95.84	22.92	21.96		
XX.	2,071,344	734,954	35.48	21.55	7.65	807,302	38.98	25.22	9.83		
XXI.	1,261,046	1,037,210	81.98	21.73	17.87	1,037,210	81.98	25.46	20.94		
XXII.	379,300	259,551	68.43	19.00	13.00	73,467	19.37	17.91	3.47		
XXIII.	1,840,933	372,186	20.22	19.15	3.87	384,239	20.88	21.20	4.42		
XXIV.	3,978,018	1,867,076	46.93	19.69	9.24	2,189,039	55.03	23.54	12.91		
Total	51,809,033	32,092,944	61.94	26.59	16.47	29,653,830	57.24	33.09	18.94		
Total†	49,974,833	32,092,944	64.22	26.59	17.07	29,653,830	59.34	33.09	19.63		

\* For description of the classes of imports see page 616.

† Less bullion and specie.

**COMPARISONS OF TARIFFS OF 1902 AND 1908 APPLIED TO IMPORTS OF UNITED  
KINGDOM ORIGIN DURING 1907.**

Class.*	Total Imports of U.K. Origin.	Under Tariff of 1902.					Under Tariff of 1908.				
		Dutiable Imports.		Equivalent <i>a.v.</i> Rate of Duty.			Dutiable Imports.		Equivalent <i>a.v.</i> Rate of Duty.		
		Value.	Per cent. on Total Imports.	On Dutiable Goods.	On all Goods.		Value.	Per cent. on Total Imports.	On Dutiable Goods.	On all Goods.	
I.	£ 177,767	£ 175,496	98.72	23.54	23.24	£ 161,963	13,727	175,690	98.83	25.20	24.90
II.	493,382	437,619	88.69	22.61	20.26	203,319	237,897	441,216	89.42	27.84	24.89
III.	186,059	178,418	95.90	10.19	9.77	27,445	150,973	178,418	95.90	16.41	15.74
IV.	1,015,026	1,015,026	100.00	152.92	152.92	1,015,026	...	1,015,026	100.00	152.92	152.92
V.	35,238	35,238	100.00	143.64	143.64	35,238	...	35,238	100.00	167.52	167.52
VI.	41,329	...	...	...	...	169	...	169	...	1.78	.01
VII.	155,881	86,740	55.65	5.71	4.85	14,486	94,091	98,527	63.21	9.68	6.12
VIII.	92,158	12,977	14.08	72.67	10.23	7,631	11,134	18,765	20.36	60.17	12.25
IX.	9,900,952	8,962,797	90.52	13.16	11.91	191,583	5,280,127	5,471,710	55.26	23.82	13.16
X.	164,060	156,180	95.18	22.40	21.33	182,049	95,226	157,275	95.86	23.37	22.40
XI.	364,288	347,400	95.38	11.15	10.63	235,632	112,183	347,815	95.49	17.22	16.45
XII.	59,535	52,654	88.40	16.84	14.89	28,101	26,615	54,716	91.90	21.10	19.39
XIII.	401,441	...	...	...	...	...	...	...	...	...	...
XIV.	217,683	...	...	...	...	...	...	...	...	...	...
XV.	606,576	...	...	...	...	...	...	...	...	...	...
XVI.	6,767,768	4,157,333	61.43	11.63	7.14	482,115	3,781,324	4,263,439	62.99	14.76	9.30
XVII.	414,302	305,809	73.80	15.84	11.69	101,443	204,366	305,809	73.80	21.17	15.63
XVIII.	149,006	109,536	73.54	19.69	14.48	4,478	107,610	112,088	75.19	28.36	21.33
XIX.	399,074	390,748	97.90	20.09	19.67	42,067	346,379	390,466	97.84	20.60	20.16
XX.	1,159,123	371,543	30.99	22.65	7.02	32,825	334,414	367,239	30.63	26.75	8.19
XXI.	516,552	483,120	93.51	22.55	21.09	...	483,120	483,120	93.51	22.81	21.33
XXII.	152,189	95,119	62.51	17.73	11.08	...	43,420	43,420	28.54	19.68	5.62
XXIII.	839,227	206,119	24.50	18.26	4.49	154,747	48,010	202,757	24.19	19.74	4.78
XXIV.	2,496,994	843,827	33.80	19.11	6.46	79,900	821,041	900,941	36.08	21.60	7.79
Total	26,843,610	18,423,699	68.62	22.15	15.21	2,950,187	12,113,657	15,063,844	56.11	29.85	16.75
Total†	26,441,942	18,423,699	69.68	22.15	15.43	...	...	15,063,844	56.97	29.85	17.01

\* For description of the classes of imports see page 616.

† Less bullion and specie.

**COMPARISON OF TARIFFS OF 1902 AND 1908 APPLIED TO IMPORTS OF THE  
PRODUCE OR MANUFACTURE OF COUNTRIES OTHER THAN THE UNITED  
KINGDOM.**

Class. #	Imports of Foreign Origin.†	Under 1902 Tariff.				Under 1908 Tariff.					
		Dutiable Imports.		Equivalent a. v. Rate.		Dutiable Imports.				Equivalent a. v. Rate.	
		Value.	Per cent. on Total Imports.	On Dutiable Goods.	On all Goods.	Opposed by Pre- ference Rates.‡	Common Rates.§	Total.	Per cent. on Total Imports.	On Dutiable Imports.	On all Imports.
	£	£	%	%	%	£	£	£	%	%	%
I.	510,875	454,151	89.09	19.09	16.97	156,786	304,859	461,645	90.36	27.06	24.45
II.	1,081,551	1,071,433	99.05	42.30	41.90	953,887	953,887	1,002,928	92.71	48.78	45.23
III.	1,363,726	171,320	12.56	20.51	2.58	103,380	88,817	192,197	14.10	23.46	3.31
IV.	541,198	541,198	100.00	151.24	151.24	...	541,198	541,198	100.00	151.24	151.24
V.	718,631	718,631	100.00	171.03	171.03	...	718,631	718,631	100.00	181.14	181.14
VI.	73,458	...	...	...	...	...	15,235	15,235	...	2.47	0.51
VII.	420,173	62,047	14.77	12.49	1.84	69,842	3,081	73,923	17.36	15.16	2.63
VIII.	771,445	17,039	2.21	25.94	0.57	1,830	86,197	88,027	11.41	31.50	3.59
IX.	5,466,652	3,885,872	71.07	16.24	11.55	3,834,164	54,892	3,889,056	71.13	21.55	15.33
X.	1,028,117	379,076	36.87	17.18	6.34	190,663	320,633	411,296	40.00	25.52	10.21
XI.	81,481	71,796	88.10	9.73	8.58	48,218	33,263	81,481	100.00	15.10	15.10
XII.	67,837	51,341	75.68	16.09	12.18	15,870	38,035	53,905	79.46	21.61	17.17
XIII.	5,434	...	...	...	...	...	...	...	...	...	...
XIV.	1,545,519	...	...	...	...	...	...	...	...	...	...
XV.	191,778	...	...	...	...	...	...	...	...	...	...
XVI.	3,763,398	1,649,941	43.83	15.44	6.77	1,343,031	476,555	1,819,586	48.34	21.33	10.31
XVII.	590,520	433,679	73.43	15.26	11.20	116,361	317,318	433,679	73.43	20.87	15.32
XVIII.	1,951,299	1,435,614	73.57	16.40	12.06	261,946	1,615,022	1,876,968	96.16	16.75	16.11
XIX.	464,775	454,858	97.87	18.89	18.49	428,674	8,777	437,451	94.14	24.98	23.51
XX.	872,221	363,411	41.67	20.43	8.51	404,974	35,089	440,063	50.45	23.93	12.08
XXI.	744,494	554,090	74.41	21.01	15.64	554,090	...	554,090	74.41	27.77	20.67
XXII.	227,111	164,432	72.40	19.73	14.29	30,047	...	30,047	13.23	15.35	2.03
XXIII.	1,002,706	166,067	16.56	20.25	3.36	84,006	97,476	181,482	18.10	22.83	4.13
XXIV.	1,481,024	1,023,249	69.08	20.18	13.94	1,160,593	127,505	1,288,098	86.96	24.86	21.65
Total ...	24,965,423	13,669,245	54.74	32.57	17.83	8,853,516	5,736,470	14,589,986	58.43	36.42	21.29
Total*	23,538,325	13,669,245	58.07	32.57	18.91	8,853,516	5,736,470	14,589,986	61.98	36.42	22.58

\* Less bullion and specie. † Imports other than produce of U.K. ‡ Similar imports of the United Kingdom origin are admitted free under preference tariff, or at a rate of duty lower than the general rate. § Dutiable at rates similar to those on goods of U.K. origin. ¶ For description of classes see page 616.

In order to facilitate the interpretation of the foregoing tables the following synopsis of the changes made in the rates of duty on the various classes of goods is appended:—

**SYNOPSIS OF THE PRINCIPAL DIFFERENCES BETWEEN THE TARIFF OF 1908 AND  
THE TARIFF OF 1902 AND AMENDMENTS AS APPLIED TO THE CLASSIFIED  
DIVISIONS OF COMMODITIES IMPORTED INTO THE COMMONWEALTH DURING  
1907.**

**CLASS I.—FOODSTUFFS OF ANIMAL ORIGIN.**

*General Comparisons.* Under Class I. the total value of imports during 1907 was £688,642. Under the 1902 tariff £58,995 (8.58 per cent.) of this total would have been free, but under the tariff of 1908 the value of free goods would fall to £51,307 (7.47 per cent.) The average rate of duty on dutiable goods has been raised from an equivalent *ad valorem* rate of 20.33 per cent. to 26.55 per cent., thus increasing the average rate of duty on the total imports of the class from 18.59 to 24.57 per cent.

*Preference to United Kingdom.* The value of foodstuffs of animal origin, the produce of the United Kingdom imported during 1907, amounted to £177,767. Preference equal to 25 per cent. of the duty against other countries is given to the United Kingdom

on preserved and concentrated milk, though the preference rate under the 1908 tariff is 50 per cent. higher than the tariff of 1902, viz., 1½d. per lb. as against 1d. per lb. Preserved and concentrated milk of United Kingdom origin amounting to 718,521 lbs., valued at £13,727, was imported during 1907. The advantage of the preference tariff on such a consignment as against the duty on a similar consignment from foreign countries would amount to £1497. On all *dutiable* goods within this class, being the produce of the United Kingdom, the average equivalent *ad valorem* rate has been raised from 23.54 to 25.20 per cent., thus raising the duty on all goods (dutiable and free) of United Kingdom origin within the class from 23.24 per cent. to 24.90 per cent.

#### CLASS II.—FOODSTUFFS OF VEGETABLE ORIGIN AND SALT.

*General Comparisons.* During 1907, imports of this class amounted to £1,574,933. Under the 1902 tariff £65,881 (4.18 per cent.) of this would have been free, while, by the addition of sago and tapioca to the free list, under the 1908 tariff, free goods would amount to £130,789 (8.30 per cent.). The average rate of duty on *dutiable* goods in this class has been raised from an equivalent average *ad valorem* rate of 36.58 per cent. to 42.38 per cent., the rates on all goods within the class rising from 35.06 per cent. to 38.86 per cent.

*Preference to United Kingdom.* The value of the imports of the produce of the United Kingdom within this class during 1907 was £493,382, of which £244,539 is favoured by preference equal to a reduction of the general tariff rates by 27.8 per cent., so affording relief of duty to the amount of £19,667 as compared with similar imports from foreign countries. The average *ad valorem* rates on these goods are respectively:—General tariff, 28.92 per cent.; preference tariff 20.88 per cent. Notwithstanding this preference the rates of duty against the United Kingdom have been raised from an equivalent average *ad valorem* rate of 22.61 per cent. to 27.84 per cent. on dutiable goods, and from 20.26 per cent. to 24.89 per cent. on all goods within the class.

#### CLASS III.—BEVERAGES (NON-ALCOHOLIC) AND SUBSTANCES USED IN MAKING.

*General Comparisons.* The value of the imports in this class in 1907 was £1,549,785. The most important item of the class is tea, which represented £1,152,727. Under the 1902 tariff tea was entirely free, whereas under the 1908 tariff a duty of 1d. per lb. is imposed on tea imported in packets not exceeding 20 lbs. in weight. The value of free goods within the class was, under the 1902 tariff, £1,200,047 (77.43 per cent.), and under the 1908 tariff £1,179,170 (76.08 per cent.). The equivalent average *ad valorem* rate on *dutiable* goods has been raised from 15.24 per cent. to 20.07 per cent., and on the total of the class from 3.44 per cent. to 4.80 per cent.

*Preference to United Kingdom.* This class contains a small proportion only of the produce of the United Kingdom, the amount, during 1907, being £186,059, of which £150,973 was cocoa and chocolate. A preference of ½d. per lb. is given to the United Kingdom on cocoa shells, nibs, etc., under the 1908 tariff, though these preference rates are much higher than the general rates previously existing.

#### CLASS IV.—SPIRITS AND ALCOHOLIC LIQUORS, INCLUDING INDUSTRIAL SPIRITS AND PHARMACEUTICAL PREPARATIONS, DUTIABLE AS SPIRITS.

Previous tariff remains unchanged. There are no free goods or preference rates in this class.

#### CLASS V.—TOBACCO AND PREPARATIONS THEREOF.

*General Comparisons.* The following changes have been made in the rates of duty on tobacco:—Tobacco manufactured, from 3s. 3d. per lb. to 3s. 6d. per lb. and to 3s. 9d. when cut; tobacco unmanufactured, from a general rate of 1s. 6d. per lb. to 1s. 6d. per

lb. on unstemmed and 2s. per lb. on stemmed or partly stemmed or in strips when cleared to be locally manufactured into tobacco or cigarettes, and 2s. 6d. on unstemmed and 3s. on stemmed or partly stemmed or in strips when cleared to be manufactured into cigars. The duty on cigars has also been increased by 1s. 3d. per lb. The general effect of these increases is to raise the average equivalent *ad valorem* rate of duty from 169.75 per cent. to 180.50 per cent.

There are neither free goods nor preference rates in this class.

#### CLASS VI.—ANIMALS, LIVING.

*General Comparisons.* Under the tariff of 1902 living animals were all free. Under the tariff of 1908 the following duties were imposed:—Horses and cattle, not for stud purposes, 10s. each; pigs, 5s. each, and sheep, not for breeding purposes, 2s. each.

#### CLASS VII.—ANIMAL SUBSTANCES MAINLY UNMANUFACTURED WHICH ARE NOT FOODSTUFFS.

*General Comparisons.* The value of the goods of this class imported during 1907 amounted to £576,054. Under the 1902 tariff £427,267 (74.18 per cent.) would have been free but, by the imposition of duty on certain yarns, formerly free, the free goods under the 1908 tariff would fall to £401,604 (70.24 per cent.) The dutiable articles in this class are:—Feathers, undressed; gelatine, sheet; glue, gelatine and cements; hair, curled; and yarns; and the average equivalent *ad valorem* rate of duty on these goods has been increased from 10.29 per cent. to 12.01 per cent., the duty on the total of the class being similarly raised from 2.66 per cent. to 3.58 per cent.

*Preference to United Kingdom.* The value of the produce of the United Kingdom of this class of goods imported during 1907 amounted to £155,881, of which £113,917 was favoured by preference, £29,826 worth of yarn being free as against a 5 per cent. duty on similar goods from other countries, while the remaining £84,091 enjoys a preference equal to 35.20 per cent. of the general tariff, the average rates being respectively:—General rate, 14.19 per cent.; preference rate, 9.19 per cent. The value of the preference to the United Kingdom in this class of goods amounts to £5689, as compared with the duty on similar goods from other countries. The average *ad valorem* rate of duty on *dutiable* goods of the United Kingdom in this class has been raised from 8.71 per cent. under the 1902 tariff to 9.68 per cent. under the tariff of 1908, and the corresponding rate on all goods of the United Kingdom in the class from 4.85 per cent. to 6.12 per cent.

#### CLASS VIII.—VEGETABLE SUBSTANCES AND NON-MANUFACTURED FIBRES.

*General Comparisons.* The value of imports in this class during 1907 amounted to £863,603. Under the 1902 tariff £833,587 (96.52 per cent.) would have been free, but under the 1908 tariff the value of free goods would be reduced to £756,811 (87.64 per cent.). The reduction of the value of free goods is due to the imposition of a duty of 1s. per lb. on small corks (up to 8-oz. bottles), bungs and rings; and 6d. per lb. on other corks.

The high average *ad valorem* rate of duty on the dutiable goods of this class is due to the duty on starch, which, under the 1902 tariff, was 2d. per lb., equivalent to an *ad valorem* rate of 85 per cent. Under the general tariff of 1908 the duty on foreign starch has been raised to 2½d. per lb. The very marked difference between the average *ad valorem* rates of duty on dutiable goods of the United Kingdom—60.17 per cent.—and dutiable goods from other countries—31.50 per cent.—is due to the fact that 83 per cent. of the starch imported during 1907 was the produce of the United Kingdom. The average equivalent *ad valorem* rate on all *dutiable* goods in this class has been reduced from 46.15 per cent. under the 1902 tariff to 36.54 per cent. under the tariff of 1908. This result is not due to any reduction of duties, but to the introduction of corks, which were free under the 1902 tariff, into the dutiable class, under

the 1908 tariff, at an *ad valorem* rate below the previous average. The average rate on imports of this class has been raised from 1.60 per cent. to 4.52 per cent.

*Preference to United Kingdom.* The value of vegetable substances of United Kingdom origin imported during 1907 amounted to £92,158. Preference of  $\frac{1}{2}$ d. per lb., equal to 20 per cent. of the general tariff rate, is given on starch manufactured in the United Kingdom. On the 1,097,546 lbs. of this starch, valued at £11,134, the value of the preference would amount to £2287. The average *ad valorem* rates of duty on the produce of the United Kingdom which are subject to duty has been reduced from 72.67 per cent. under the tariff of 1902 to 60.17 per cent. under the tariff of 1908 (see explanation in previous paragraph), while the rates on all produce of the United Kingdom within the class have been raised from 10.23 per cent. to 12.25 per cent.

#### CLASS IX.—APPAREL, TEXTILES, AND MANUFACTURED FIBRES.

*General Comparisons.* The imports under this class during 1907 amounted to £15,367,604. Of this total the value of free goods under the 1902 tariff would have been £2,518,935 (16.40 per cent.), and although duty has been imposed on a small amount of goods which were formerly free, the total value of free goods under the 1908 tariff has been increased to £6,006,838, or 39.06 per cent. of the total class. This increase of free goods is due to the removal of duties under the preference provisions referred to below. The rate of duty on dutiable goods has been increased from an average equivalent *ad valorem* rate of 14.09 per cent. under the 1902 tariff to 22.88 per cent. under the tariff of 1908. The rate on all goods in the class has increased from 11.78 per cent. to 13.93 per cent.

*Preference to United Kingdom.* The produce of the United Kingdom within this class imported during 1907 amounted to £9,900,952. Of these goods £929,072 would be free under the general tariff, and £3,500,170 would be free under preference conditions, while similar goods from other countries—amounting to £417,529 in 1907—would pay a duty of 5 per cent. Further preference equal to  $17\frac{1}{2}$  per cent. of the average general tariff rate is granted to the United Kingdom on goods to the value of £5,280,127. The value of similar goods of foreign countries imported during 1907 was £3,404,696. The average rates on these goods are respectively :—General rate, 28.91 per cent. ; preference rate, 23.82 per cent. Thus in this class the United Kingdom is favoured by preference on trade already secured by her to the value of £8,780,297, representing an advantage of £443,518 in duty, as compared with similar goods of other countries, and is further favoured by the foregoing preference rate in her competition for that portion of the same trade, amounting to £3,822,225 in 1907, which was supplied by foreign countries. The average rate of duty on *dutiable* goods the produce of the United Kingdom, in this class, has been raised from an average equivalent of 13.16 per cent. to 23.82 per cent., while the rates on all goods of the United Kingdom within the class have been raised from 11.91 per cent. to 13.16 per cent.

#### CLASS X.—OILS, FATS, AND WAXES.

*General Comparisons.* The imports of this class during 1907 amounted to £1,192,177. Under the 1902 tariff £656,921 (55.10 per cent.) would have been free, and under the tariff of 1908 £623,606 (52.30 per cent.) would be free. The equivalent *ad valorem* rate of duty on dutiable goods in the class has been raised from 18.71 per cent. to 24.92 per cent., the rates on all goods within the class increasing from 8.40 to 11.89 per cent. The high rate of duty on oils of the United Kingdom as compared with those of foreign countries, viz., 22.40 per cent., as against 10.21 per cent. under the tariff of 1908, is due to kerosene—which is from foreign countries—being free. The value of kerosene imported during 1907 amounted to £499,951, equal to 41.93 per cent. of the total of the class.

*Preference to United Kingdom.* The imports during 1907 of oils, etc., the produce of the United Kingdom amounted to £164,060. Of this total £25,226 is favoured by

preference rates 22.11 per cent. below the general tariff rates. The average of these rates is respectively:—General tariff, 31.09 per cent.; preference tariff, 24.22 per cent. The value of the preference to the United Kingdom in this class amounts to £1734. The average equivalent *ad valorem* rate of duty against the oils, etc., of the United Kingdom have been raised from 22.40 per cent. to 23.37 on *dutiable* oils, and from 21.33 per cent. to 22.40 on all oils, etc., from the same country.

#### CLASS XI.—PAINTS AND VARNISHES.

*General Comparisons.* The value of paints and varnishes imported during 1907 amounted to £445,769. Under the 1902 tariff £26,573 (5.97 per cent.) would have been free, but under the tariff of 1908 the free portion is reduced to £16,473 (3.70 per cent.), all of which is from the United Kingdom and free under preference rates. All foreign goods within this class are subject to duty under the 1908 tariff. The average equivalent *ad valorem* rate on *dutiable* goods of this class has been raised from 10.91 per cent. to 16.82 per cent., and the rates on the total imports of the class from 10.26 to 16.20 per cent.

*Preference to United Kingdom.* The total imports during 1907 of paints, etc., manufactured in the United Kingdom amounted to £364,288. Under the preference tariff £16,473 of this would be free, while similar paints from foreign countries would pay a duty of 5 per cent. A further preference, equal to 20.24 per cent. of the average general tariff rate, is given on goods to the value of £112,183. These average rates are respectively:—General tariff, 24.07 per cent.; preference tariff, 19.20 per cent. The total value of the preference given in this class to manufactures of the United Kingdom amounts to £6289. The average *ad valorem* rates on paints and varnishes of United Kingdom manufacture subject to duty have been raised from 11.15 per cent. to 17.22 per cent., and the rates on the total imports of the class from 10.63 to 16.45 per cent.

#### CLASS XII.—STONES AND MINERALS USED INDUSTRIALLY.

*General Comparisons.* The value of the goods in this class imported during 1907 amounted to £127,372. Under the 1902 tariff £23,377 (18.35 per cent.) of this total would have been free, but by an imposition of 20 per cent. duty on plumbago and 10 per cent. on stone, sawn or in the rough, n.e.i., the free goods have been reduced under the 1908 tariff to £18,751, or 14.72 per cent. of the total. The average equivalent *ad valorem* rate of duty on *dutiable* goods of this class has been raised from 16.47 per cent. to 21.35 per cent., and the rate on all goods within the class from 13.45 per cent. to 18.21 per cent.

*Preference to United Kingdom.* The total value of the produce of the United Kingdom in this class in 1907 amounted to £59,535. Roofing slates account for £26,615, or 44.70 per cent. of this total, and on this item a preference is given equal to 20 per cent. of the general rate, the respective rates being:—Preference rate, 20 per cent.; general rate, 25 per cent. The value of the preference to the United Kingdom on roofing slates would thus amount to £1331. The duty on roofing slates under the 1902 tariff was 15 per cent. The average equivalent *ad valorem* rate of duty on *dutiable* goods of this class, being the produce of the United Kingdom, has been increased from 16.84 per cent. to 21.10 per cent., and the rate on all United Kingdom goods in the class from 14.89 per cent. to 19.39 per cent.

#### CLASS XIII.—SPECIE.

#### CLASS XIV.—METALS (UNMANUFACTURED) AND ORES.

Of the total imports in this class, viz., £1,763,202, gold bullion represents £1,426,827, or 80.92 per cent. This gold is mainly for minting purposes, and is re-exported in the form of specie.

## CLASS XV.—METALS (PARTLY MANUFACTURED).

These metals are all free.

NOTE.—In regard to the last-mentioned Classes XIV. and XV., the Tariff Act 1908 makes special provision, inasmuch as it provides (Division VI.A) that duties prescribed in the tariff on certain forms of iron and steel included in the classes mentioned are “to come into operation (and any then existing bonus to cease) on dates to be fixed by proclamation and exempt from duty in the meantime.” The items referred to are:—Iron and Steel.—Scrap iron and steel and pig iron, ingots, blooms, slabs, billets, puddled bars and loops, or like crude manufactures less finished than iron or steel bars, but more advanced than pig iron (except castings); bar, rod, angle, tee, sheet and plate (plain), wire and hoop; iron and steel tubes and pipes, not dutiable in another division of the tariff—duty,  $12\frac{1}{2}$  per cent. *ad valorem*. Machinery, machines and parts, mowers, reapers and reapers and binders—duty,  $17\frac{1}{2}$  per cent. *ad valorem*.

An Act entitled the Manufactures Encouragement Act, assented to on the 14th December, 1908, provides for the payment, subject to prescribed conditions, of bounties on the manufacture of certain forms of iron and steel as follows:—

Description of Goods.	Rate of Bounty.	Total Amount which may be authorised.	Date of Expiry of Bounty.
CLASS I.			
Pig iron, made from Australian ore... ..	12s. per ton	£150,000	30th June, 1914
Puddled bar iron, made from Australian pig iron ... ..			
Steel, made from Australian pig iron ... ..			
CLASS II.			
Galvanised sheet or plate iron or steel, made from Australian ore ... ..	10 per cent. on value.	£30,000	30th June, 1912
Wire netting, not being prison made and being made from Australian ore or from wire manufactured in the United Kingdom ... ..			
Wire made from Australian ore ... ..			
Iron and steel tubes or pipes (except rivetted or cast) not more than 6 inches internal diameter, made from Australian pig iron or steel ... ..			

## CLASS XVI.—METALS MANUFACTURED, INCLUDING MACHINERY.

*General Comparisons.* The total imports of manufactured metals during 1907 amounted to £10,531,166. Under the 1902 tariff £4,723,892 (44.85 per cent.) of this total would have been free, while, under the tariff of 1908, the free goods would be £4,448,141, or 42.24 per cent. of the whole. The average equivalent *ad valorem* rate of duty on *dutiable* goods in this class has been raised from 12.71 per cent. under the 1902 tariff to 16.72 per cent. under the tariff of 1908, and the rate on all goods within the class from 7.01 per cent. to 9.66 per cent. These relatively low rates of duty are due to the inclusion of galvanised iron and steel, plate and sheet, which represents 12.87 of the whole class and which is subject to a low *ad valorem* rate of duty. The actual rates imposed on this commodity under the 1908 tariff are:—Corrugated galvanised, preference rate, 20s. per ton; general rate, 30s. per ton; galvanised, not corrugated, preference rate, 10s. per ton; general rate, 20s. per ton.

*Preference to United Kingdom.* The imports of United Kingdom manufactures of metals during 1907 amounted to £6,767,768. Under the 1908 tariff, preference representing a sum of £196,309 is given to the United Kingdom on goods to the value of £4,462,278, and further favour is given by reduced rate of duty mentioned below in her competition for the balance of the same trade supplied by other countries, which, during 1907, amounted to £1,343,031. The amount of this preference is made up by allowing £680,954 of United Kingdom manufactures to be free, against a 5 per cent. duty on



similar foreign goods, amounting in 1907 to £155,086, and by imposing on United Kingdom goods amounting to £3,781,324 an average equivalent *ad valorem* rate of 14.22 per cent. against a rate equal to 18.51 per cent. on similar goods of other countries to the value of £1,187,995. The average equivalent *ad valorem* rate of duty on *dutiable* goods of the United Kingdom in this class has been raised from 11.63 per cent. under the 1902 tariff to 14.76 per cent. under the 1908 tariff. The rates of duty on all goods of the United Kingdom in the class have been raised from 7.14 per cent. to 9.30 per cent.

CLASS XVII.—LEATHER AND MANUFACTURES OF LEATHER AND SUBSTITUTES THEREFOR, ALSO INDIARUBBER AND INDIARUBBER MANUFACTURES.

(Boots and Shoes are included in Class IX.)

*General Comparisons.* The value of the imports of goods in this class during 1907 was £1,004,822. The free goods (£265,334) are identical under the tariffs of 1902 and 1908. The average equivalent *ad valorem* rate of duty on *dutiable* goods in this class has been raised from 15.50 per cent. under the 1902 tariff to 20.99 per cent. under the tariff of 1908, thus raising the duty on all goods in the class from 11.40 per cent. to 15.45 per cent.

*Preference to United Kingdom.* The value of the manufactures of the United Kingdom, in this class, imported during 1907 amounted to £414,302. Of this total, goods to the value of £204,366 are favoured by an average rate 19.58 per cent. below the average rate of duty on similar goods from other countries, the average equivalent *ad valorem* rates being respectively :—General tariff, 25.53 per cent.; and preference tariff, 20.53 per cent. The value of the preference to the United Kingdom in this class represents £10,218. The average equivalent *ad valorem* rate on *dutiable* manufactures of the United Kingdom in this class has been raised from 15.84 per cent. under the 1902 tariff to 21.17 per cent. under the tariff of 1908, thus increasing the rates of all goods in the class of United Kingdom manufacture from 11.69 per cent. to 15.63 per cent.

CLASS XVIII.—WOOD AND WICKER, RAW AND MANUFACTURED.

*General Comparisons.* The value of the imports of this class during 1907 amounted to £2,100,305. Of this total £555,155 (26.42 per cent.) would have been free under the 1902 tariff, but under the tariff of 1908 the value of free goods would be reduced to £111,249 (5.30 per cent.). This reduction in the value of free goods is very largely due to the imposition of a duty of 6d. per 100 sup. feet on New Zealand pine, undressed. The value of this item imported during 1907 was £388,665. The average rate of duty on *dutiable* imports in this class has been raised from an equivalent *ad valorem* rate of 16.63 per cent. under the 1902 tariff to 17.41 per cent. under the tariff of 1908, the corresponding rates on all imports in the class rising from 12.23 per cent. to 16.48 per cent.

*Preference to United Kingdom.* The imports of United Kingdom produce is relatively small in this class, amounting to only £149,006, or 7.1 per cent. of the total for 1907. These imports from the United Kingdom are principally furniture and manufactured articles of wood, and to this fact is due the higher average rate of duty compared with the rate on foreign goods in this class. The foreign imports are largely of timber undressed or partially dressed bearing a relatively low *ad valorem* duty. Preference equal to a reduction of 14.66 per cent. of the average general tariff rates, and representing a sum of £5429, is given to the United Kingdom on goods to the value of £107,835 in this class. The average rates on these goods are respectively :—General tariff, 34.33 per cent.; preference tariff, 29.30 per cent. The rates of duty on *dutiable* imports of the United Kingdom of this class have been raised from an equivalent of 19.69 per cent. under the 1902 tariff to 28.36 per cent. under the tariff of 1908, the rates on all imports of United Kingdom produce within the class rising from 14.48 to 21.33 per cent.

## CLASS XIX.—EARTHENWARE, CEMENTS, CHINA, GLASS AND STONEWARE.

*General Comparisons.* The total value of imports under this class during 1907 was £863,849. The value of free goods under the 1908 tariff would be £35,932 (4.16 per cent.), as against £18,243 (2.11 per cent.) under the tariff of 1902. The rates of duty on *dutiable* goods have been raised from an average equivalent *ad valorem* rate of 19.44 per cent. to 22.92 per cent., thus raising the average rates of duty on the total imports of the class from 19.03 per cent. to 21.96 per cent.

*Preference to United Kingdom.* The value of earthenware, etc., the produce of the United Kingdom imported during 1907 amounted to £399,074, of which under the 1908 tariff £348,379 is favoured by an average preference reduction of 20.3 per cent. on the general rates, representing £18,925 of duty. Notwithstanding this preference, however, the rates of duty have been slightly increased in comparison with the 1902 tariff, the average duty on *dutiable* goods having increased from 20.09 per cent. to 20.60 per cent., and on all imports of the United Kingdom within the class from 19.67 per cent. to 20.16 per cent.

## CLASS XX.—PAPER AND STATIONERY.

*General Comparisons.* The total imports of paper and stationery during 1907 amounted to £2,071,344. Of this total £1,336,390 (64.52 per cent.) would have been free under the 1902 tariff, and under the tariff of 1908 the value of free goods would be £1,264,042 (61.02 per cent.). The average rate of duty on *dutiable* goods of this class has been raised from an equivalent *ad valorem* rate of 21.55 per cent. under the 1902 tariff to 25.22 per cent. under the tariff of 1908, the rates on all imports of the class rising from 7.65 per cent. to 9.83 per cent.

*Preference to United Kingdom.* The value of paper and stationery manufactured in the United Kingdom imported during 1907 amounted to £1,199,123. Of this total £184,560 would be free under the preference tariff of 1908, while similar foreign goods would pay a duty of 5 per cent., and goods to the value of £334,414 would be favoured by an average preference rate of 18.18 per cent. below the general tariff rate. The average rates on these goods are respectively:—General tariff, 26.50 per cent.; preference tariff, 21.68 per cent. Thus, on goods amounting to £518,974 a preference representing £25,340 would be given to the United Kingdom on paper and stationery. The average rate of duty on *dutiable* paper and stationery manufactured in the United Kingdom has been raised from an equivalent *ad valorem* rate of 22.65 per cent. under the 1902 tariff to 26.75 per cent. under the tariff of 1908, the corresponding rates of all imports of United Kingdom manufacture within the class rising from 7.02 per cent. to 8.19 per cent.

## CLASS XXI.—JEWELLERY, TIMEPIECES, AND FANCY GOODS.

*General Comparisons.* The value of imports of this class during 1907 amounted to £1,261,046. The value of free goods, viz., £223,836, would be the same under both tariffs. These free goods are principally cameos and precious stones unset. The average rate of duty on *dutiable* goods in this class has been raised from 21.73 per cent. under the 1902 tariff to 25.46 per cent. under the tariff of 1908, and the average rate on all goods within the class from 17.87 per cent. to 20.94 per cent.

*Preference to United Kingdom.* The imports of this class being the produce of the United Kingdom were £516,552. Of this total £33,432 would be free under the general tariff and the remaining £483,120 would, under the 1908 tariff be favoured by an average

rate 19.46 per cent. below the average general tariff rate, which is 28.31 per cent. on the same goods. The value of the preference in this class amounts to £26,614. The rate of duty on *dutiable* goods of the United Kingdom in this class has been raised very slightly from 22.55 per cent. to 22.81 per cent., the rate on all imports of the United Kingdom produce in this class being raised from 21.09 per cent. to 21.33 per cent.

#### CLASS XXII.—OPTICAL, SURGICAL, AND SCIENTIFIC INSTRUMENTS.

*General Comparisons.*—The value of these instruments imported during 1907 amounted to £379,300. Under the 1902 tariff £119,749 (31.57 per cent.) would have been free, but under the tariff of 1908 the free goods have been increased to £305,833 (80.63 per cent.). The average rate of duty on dutiable goods in this class has been reduced from 19 per cent. under the 1902 tariff to 17.91 per cent. under the tariff of 1908, thus, with the extension of the free list, reducing the rate on all imports of the class from 13 per cent. to 3.47 per cent.

*Preference to United Kingdom.* The value of the manufactures of the United Kingdom of this class during 1907 amounted to £152,189. Of this total, goods to the value of £69,467 are favoured by preference representing £3790, £26,047 of these goods being free, compared with a duty of 5 per cent., and the remaining £43,420 being favoured by an average rate equal to a reduction of 22.55 per cent. on the average general tariff rates. The rates of duty on dutiable imports of United Kingdom manufacture in this class have been raised from 17.73 per cent. under the 1902 tariff to 19.68 per cent. under the tariff of 1908, though by the extension of the free list the average rate on the imports of all goods of the United Kingdom in the class has been reduced from 11.08 per cent. to 5.62 per cent. The higher rate of duty on dutiable goods from the United Kingdom, as compared with dutiable goods from foreign countries, in this class is due to a low rate of duty (5 per cent.) on certain goods, which, when of United Kingdom manufacture, are not in the dutiable class, but are free under the preference tariff. The higher rate on all imports from the United Kingdom, as compared with other countries, is due to phonographs, which represent 46 per cent. of the total of the class, and which are almost entirely of foreign manufacture, being free.

#### CLASS XXIII.—DRUGS, CHEMICALS AND FERTILISERS.

*General Comparisons.* The total value of imports in this class during 1907 amounted to £1,840,933. The value of goods which would be free differs very little between the two tariffs, being respectively £1,468,747 (79.78 per cent.) under the 1902 tariff and £1,456,694 (79.12 per cent.) under the tariff of 1908. Fertilisers represent £389,169, or 26.72 per cent. of the free goods under the 1908 tariff. The average rate of duty on *dutiable* goods in this class has been increased from an equivalent *ad valorem* rate of 19.15 per cent. under the 1902 tariff to 21.20 per cent. under the tariff of 1908, and the rates on all imports of the class have been increased from 3.87 per cent. to 4.42 per cent.

*Preference to United Kingdom.*—The imports of United Kingdom produce in this class in 1907 amounted to £838,227. Of this total £615,075 would be free under the general tariff of 1908, and other goods to the value of £20,395 would be free under the preference tariff, while similar goods from other countries would bear a duty of 5 per cent. *ad valorem*. Preference equal to a reduction of 17.48 per cent. on the general tariff rates is also given to the United Kingdom on goods amounting to £48,010. The value of the preference of the United Kingdom in this class represents £3422. The average rate of duty on *dutiable* imports of produce of the United Kingdom in this class has been raised from 18.26 per cent. to 19.74 per cent., and the rate on all produce of the United Kingdom within the class has been raised from 4.49 per cent. to 4.78 per cent.

## CLASS XXIV.—MISCELLANEOUS.

*General Comparisons.* The total value of imports in this division during 1907 amounted to £3,978,018, of which the following are the more important items:—Arms, ammunition and explosives, £661,254; musical instruments and parts, £418,156; matches and vestas, £156,069; vehicles and parts, including bicycles, etc., £694,590; vessels transferred from abroad, £680,700. Under the 1902 tariff the free goods in this class would have been £2,110,942 (53.07 per cent.), but under the 1908 tariff the value of free goods would fall to £1,788,979 (44.97 per cent.). The average rate of duty on dutiable goods in this division has been raised from an equivalent *ad valorem* rate of 19.69 per cent. under the 1902 tariff to 23.54 per cent. under the tariff of 1908, and the rate on all goods in the class has been raised from 9.24 per cent. to 12.91 per cent.

*Preference to United Kingdom.* The value of the imports of United Kingdom produce in this class during 1907 amounted to £2,496,994. Of this total £983,080 would be free under the general tariff of 1908, and £612,973 would be free under the preference tariff, while similar goods of foreign manufacture would pay a duty of 5 per cent. Preference equal to a reduction of 22.50 per cent. on the average general tariff rate is also given on goods to the value of £821,041. The total value of the preference to the United Kingdom in this class amounts to £81,578.

## TOTAL IMPORTS.

*General Comparisons.* The value of total imports during 1907 was £51,809,033. Of this total the value of free imports under the 1902 tariff would have been £19,716,089, or 38.06 per cent., and under the 1908 tariff the free goods would be increased to £22,155,203, or 42.76 per cent. The total before mentioned, however, includes £406,875 of specie, £1,426,827 of gold bullion, and £498 of silver bullion. Excluding this bullion and specie the imports of *merchandise* during the year represent a value of £49,974,833, of which £17,881,889, or 35.78 per cent., would have been free under the 1902 tariff, and £20,321,003, or 40.66 per cent., would be free under the tariff of 1908. This increase of free goods is almost entirely due to the removal of duties from produce or manufactures of the United Kingdom under the preferential tariff. The total value of merchandise which would be free under the tariff of 1908 (£20,321,003) is made up as follows:—Produce or manufactures of the United Kingdom £11,378,098 (£6,299,833 being free under the general tariff, and £5,078,265 under the preferential tariff), and produce of other countries £8,942,905. The average rate of duty on *dutiable* merchandise has been increased from an average equivalent *ad valorem* rate of 26.59 per cent. under the 1902 tariff to 33.09 per cent. under the tariff of 1908, and the average rate on all imports of merchandise—both dutiable and free, but excluding bullion and specie—has been increased from 17.07 per cent. to 19.63 per cent. The foregoing rates are largely influenced by the high *ad valorem* rates of duty levied, for revenue purposes, on alcoholic liquors and tobacco. Excluding these classes, the imports of merchandise during 1907 represent £47,664,740. The average equivalent *ad valorem* rate on the whole of this reduced total of both dutiable and free imports would, under the 1902 tariff, have been 10.24 per cent., and under the tariff of 1908 it would be 12.76 per cent. Under the 1902 tariff £29,782,851 would have been dutiable at an average *ad valorem* rate of 16.39 per cent., while under the 1908 tariff the value of dutiable goods would be reduced to £27,343,737, but the average *ad valorem* rate would be raised to 22.24 per cent.

From a consideration of these latter figures it may be stated that the total imports of dutiable articles, apart from alcoholic liquors and tobacco, may—provided the reduction be in like ratio throughout all classes—be reduced to £22,000,000 before the Customs revenue will be less than would have been yielded by similar imports under the tariff of 1902. The following table presents a summarised statement of the results obtained by applying to the imports of 1907 the rates of duty provided in the tariff of 1902 and amendments and the tariff of 1908:—

**SUMMARISED COMPARISONS OF THE TARIFF OF 1902 AND AMENDMENTS AND  
THE TARIFF OF 1908 APPLIED TO THE IMPORTS INTO THE COMMONWEALTH  
DURING 1907.**

	Tariff of 1902 and Amendments.	Tariff of 1908.
Free Imports—		
Under general tariff ... ..	£19,716,089	£17,076,938
„ preferential tariff to United Kingdom ... ..	...	5,078,265
Total free imports (including bullion and specie) ... ..	£19,716,089	£22,155,203
„ „ of merchandise (excluding bullion & specie) ... ..	£17,881,889	£20,321,003
Percentage of free imports on total imports ... ..	38.06	42.76
„ „ merchandise on total merchandise (ex- cluding bullion and specie) ... ..	35.78	40.66
Dutiable Imports—		
Under general tariff ... ..	£32,092,944	£17,540,173
„ preferential tariff to United Kingdom ... ..	...	12,113,657
Total dutiable imports ... ..	£32,092,944	£29,653,830
Total imports (free and dutiable) ... ..	£51,809,033	£51,809,033
Equivalent <i>ad valorem</i> rates of duty—	Per cent.	Per cent.
On total imports ... ..	16.47	18.94
„ all merchandise (bullion and specie omitted) ... ..	17.07	19.63
„ „ less alcoholic liquors and tobacco ... ..	10.24	12.76
„ dutiable merchandise ... ..	26.59	33.09
„ „ „ less alcoholic liquors and tobacco ... ..	16.39	22.24

*Preference to United Kingdom.* The total value of imports of produce or manufacture of the United Kingdom during 1907 was £26,843,610. Under the 1902 tariff £8,419,911 (31.36 per cent.) of this total would have been free. Under the 1908 tariff the value of free imports would be increased to £11,779,766 (43.88 per cent.), of which £6,701,501 would be free under the general tariff, and £5,078,265 would be free under the preferential tariff. On all *dutiable* imports of United Kingdom produce the average equivalent *ad valorem* rate of duty has been raised from 22.15 per cent. under the tariff of 1902 to 29.85 per cent. under the tariff of 1908, and the average rate on all imports of United Kingdom origin has been raised from 15.21 per cent. to 16.75 per cent. Thus it will be seen that the imports of United Kingdom origin during 1907 would, under the 1902 tariff, have been required to pay duty amounting to £4,080,000, whereas under the tariff of 1908 the sum of £4,500,000 would be required of the same imports.

On the basis of the 1907 imports, preference would be given to the United Kingdom on goods to the value of £17,191,922. Of this total £5,078,265 would be free, while similar goods to the value of £960,431 from other countries would pay an average equivalent *ad valorem* rate of 5.15 per cent., and other goods to the value of £12,113,657 are given preference equal to a reduction of 19.55 per cent. on the average rate of duty on similar goods of foreign countries of a total value of £7,893,085. These equivalent *ad valorem* rates are respectively:—General tariff rate, 25.10 per cent.; preferential tariff rate, 20.20 per cent. The value of the preference to the United Kingdom on the total

imports of 1907 is represented, firstly, by a reduction of duty—in the trade already secured—amounting to £856,122 on the duty which would be leviable on similar goods from other countries, and, secondly, by the advantage to be obtained by the favour of the foregoing preference rate, in her competition for the balance of the same trade supplied by other countries, which in 1907 amounted to £8,853,516.

The following table presents a summarised statement of the comparative results obtained by applying to the imports during 1907 of goods of United Kingdom origin the rates of duty imposed under the tariff of 1902 and amendments and the tariff of 1908 :—

**SUMMARISED COMPARISON OF THE TARIFF OF 1902 AND AMENDMENTS AND THE TARIFF OF 1908 APPLIED TO THE PRODUCE OF MANUFACTURE OF THE UNITED KINGDOM IMPORTED INTO THE COMMONWEALTH DURING 1907.**

	Tariff of 1902 and Amendments.	Tariff of 1908.
<b>Free Imports—</b>		
Under general tariff... ..	£8,419,911	£6,701,501
„ preferential tariff ... ..	...	5,078,265
Total free imports ... ..	£8,419,911	£11,779,766
Total imports of free merchandise (bullion and specie omitted) ... ..	£8,018,243	£11,378,098
Percentage of free imports on total imports Per cent.	31.36	43.88
„ „ merchandise on total imports of merchandise ... .. Per cent.	30.32	43.03
<b>Dutiable Imports—</b>		
Under general tariff... ..	£18,423,699	£2,950,187
„ preference tariff ... ..	...	12,113,657
Total dutiable imports ... ..	£18,423,699	£15,063,844
Total imports (free and dutiable) ... ..	£26,843,610	£26,843,610
<b>Equivalent <i>ad valorem</i> rates of duty—</b>		
On total imports ... .. Per cent.	15.21	16.75
On all merchandise (bullion & specie omitted) Per cent.	15.43	17.01
On all merchandise, less alcoholic liquors and tobacco, etc. ... .. Per cent.	9.76	11.37
On all <i>dutiable</i> imports ... .. Per cent.	22.15	29.85
On <i>dutiable</i> imports, less alcoholic liquors and tobacco, etc. ... .. Per cent.	14.26	20.60

**13. South African Preference.**—Under the Customs Tariff (South African Preference) Act, No. 17 of 1906, preferential rates of duty were prescribed for certain goods “when those goods are imported from and are the manufacture of any of the British South African Colonies or Protectorates which are included within the South African Customs Union.”

Preference to South African States was further confirmed by the Customs Tariff Amendment Act 1908 (No. 13 of 1908).

The imports into the Commonwealth from South African States during 1907 amounted only to £22,906, of which £15,602 was from Cape Colony, and £7304 from Natal.

The principal articles of South African origin to which preference is given are:—Butter and cheese, confectionery, fodder, grains—oats, wheat, maize, bran, and flour; jams and jellies, leather, machinery—agricultural and mining; meats—fish, poultry, and game; timber, feathers, fruits and vegetables, spirits, tobacco, sugar, and wine.

### § 13. Imports of Dutiable and Free Goods.

In the previous edition of this work—"Year Book No. 1"—a statement was given of the imports during 1906, distinguishing between dutiable and free imports and shewing the equivalent *ad valorem* rates of duty paid on each class of goods. Owing to the introduction of a new tariff on the 8th August, 1907, and consequent frequent changes made during the passage of the Act through Parliament, no satisfactory analysis of a similar nature of the imports of 1907 can possibly be made. In the preceding section, however, a comparative analysis is given of the results of the application to the imports of the year 1907 of the rates of duty imposed under the tariff of 1902 and amendments, and under the tariff of 1908 respectively. This table will furnish the best available substitute for the one above referred to.

### § 14. Trade of the Individual States of the Commonwealth.

1. **Character of Data.**—The following tables shew the trade of each State of the Commonwealth for the quinquennium immediately preceding Federation and for the years 1901 and 1903 to 1907.

Owing to the many differences existing between the statements of trade hitherto published by the various States and by the Commonwealth, and to the frequent alteration of the figures in succeeding editions of the several publications, it is not possible to furnish an exact statement of the trade of the several States. The figures here given, therefore, should be regarded as merely approximate.

2. **Record of Transhipments.**—In order to ensure a correct detailed record of the export trade of the Commonwealth, it has been the practice of the Department of Trade and Customs, since the 1st September, 1903, to record goods transferred by sea from one State to another State of the Commonwealth, for transhipment abroad from the latter State, in the following manner:—

- (i.) As an outward interstate transfer from the State from which the goods are originally moved.
- (ii.) As an inward interstate transfer to the State in which the goods are transhipped.
- (iii.) As an export (oversea) from the State in which the goods are transhipped abroad.

The record thus obtained in each of the several States does not indicate the proportion of the export trade of the Commonwealth actually contributed by each State, nor does it correctly indicate the amount of interstate trade.

In order to obtain a proper record of the trade of each State with overseas countries, and with other States of the Commonwealth, it is necessary to take into account the goods transhipped, not only in, but also from each State. The exact practice may be understood by giving an example. Five thousand tons of copper are, let us suppose, to be exported from Tasmania to Germany, the available overseas ship starting from a New South Wales port. The following records would then be made, viz.:—

- (i.) An "outward interstate transfer" of 5000 tons of copper from Tasmania to New South Wales.
- (ii.) An "inward interstate transfer" to New South Wales from Tasmania of 5000 tons of copper.
- (iii.) An "oversea export" of 5000 tons of copper from New South Wales to Germany.

In this supposed case the trade is virtually, so far as Tasmanian trade is concerned, a direct export from Tasmania to Germany, and forms no essential element of the trade of New South Wales, either interstate or overseas.

**3. Adjustment of Data.**—In the tables hereinafter the necessary adjustments have been made, so far as sea-traffic is concerned. But goods transferred overland from one State to another, and subsequently exported to overseas countries, are at present necessarily included in the exports from the State in which the goods are shipped overseas. In such cases no adjustment is possible, because the necessary data are not available. Moreover, the demands for the supply of information, which would become essential if it were decided to obtain the data, would place a serious additional burden on the mercantile community, while the question whether the magnitude of the general advantage would compensate for the trouble is at least very problematical.

The following summary table shews the progress of the trade of the Commonwealth with overseas countries and of the trade between the several States. The periods selected for comparison are the quinquennium immediately preceding Federation (1896-1900), the quinquennium immediately following (1901-5) and the latest year (1907). The results show that the total overseas trade of the Commonwealth has increased by 66.50 per cent., viz., from £74,856,000 per annum in the earlier period to £124,633,280 in 1907, while the interstate trade has risen from £27,484,000 to £42,280,980, equal to 53.83 per cent.

#### TRADE DEVELOPMENT, COMMONWEALTH, 1896 to 1907.

Development in period	...	...	1896-1900.	1901-5.	1907.	1896-1900.	1901-5.	1907.
Mean population	...	...	3,636,000	3,904,000	4,155,673	Result per Inhabitant.		
			£	£	£	£9 5 8	£10 1 1	£12 9 4
Oversea imports	...	...	33,763,000	39,258,000	51,809,033	11 6 1	13 2 6	17 10 6
Exports	...	...	41,093,000	51,238,000	72,824,247	7 11 2	7 7 3	10 3 6
Interstate imports	...	...	27,484,000	28,744,000	42,280,980	7 5 1	7 7 0	10 3 6
.. exports	...	...	26,381,000	28,703,000	42,280,980	16 16 10	17 8 4	22 12 10
Total imports	...	...	61,247,000	68,002,000	94,090,031	18 11 2	20 9 6	27 14 0
.. exports	...	...	67,474,000	79,941,000	115,105,227			



## IMPORT TRADE OF EACH STATE AND COMMONWEALTH, 1896 to 1907.

State.	1896-1900.	1901.	1903.	1904.	1905.	1906.	1907.
FROM OVERSEA COUNTRIES.							
	£000.	£000.	£000.	£000.	£000.	£000.	£000.
New South Wales ...	13,866	17,560	13,978	13,134	14,485	17,604	20,860
Victoria ...	9,824	12,687	12,340	12,740	12,958	14,870	17,101
Queensland ...	3,488	3,516	3,250	3,030	3,164	3,748	4,618
S.A. (including N.T.) ...	3,328	3,965	3,224	3,289	3,232	3,983	4,815
Western Australia ...	2,707	3,895	4,228	4,022	3,769	3,780	3,588
Tasmania ...	550	811	791	806	738	759	827
Commonwealth (Total)	33,763	42,434	37,811	37,021	38,346	44,744	51,809

## FROM OTHER COMMONWEALTH STATES (INTERSTATE).

New South Wales ...	10,116	9,368	11,949	11,500	11,848	13,703	15,058
Victoria ...	6,782	6,240	5,254	6,382	8,202	8,926	9,765
Queensland ...	2,676	2,861	3,481	2,992	3,532	4,560	4,810
S.A. (including N.T.) ...	3,839	3,453	3,494	4,160	5,204	5,714	7,292
Western Australia ...	3,011	2,559	2,541	2,651	2,712	3,040	2,935
Tasmania ...	1,060	1,154	1,803	1,759	1,914	2,271	2,421
Total ...	27,484	25,635	28,522	29,444	33,412	38,214	42,281

## TOTAL (OVERSEA AND INTERSTATE).

New South Wales ...	23,982	26,928	25,927	24,634	26,333	31,307	35,918
Victoria ...	16,606	18,927	17,594	19,122	21,160	23,796	26,866
Queensland ...	6,164	6,377	6,731	6,022	6,696	8,308	9,428
S.A. (including N.T.) ...	7,167	7,418	6,718	7,449	8,436	9,697	12,107
Western Australia ...	5,718	6,454	6,769	6,673	6,481	6,820	6,523
Tasmania ...	1,610	1,965	2,594	2,565	2,652	3,030	3,248
Total ...	61,247	68,069	66,333	66,465	71,758	82,958	94,090

## IMPORTS PER INHABITANT, 1896 to 1907.

## FROM OVERSEA COUNTRIES.

	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
New South Wales ...	10 12 3	12 7 7	9 17 6	9 2 1	9 16 6	11 13 2	13 9 1	
Victoria ...	8 5 10	10 10 10	10 4 2	10 11 0	10 13 9	12 3 0	13 16 1	
Queensland ...	7 8 9	7 0 4	6 6 10	5 16 9	6 0 4	7 0 9	8 11 5	
S.A. (including N.T.) ...	9 7 5	10 18 7	8 16 3	8 18 0	8 12 7	10 9 8	12 9 8	
Western Australia ...	17 9 6	20 13 4	19 2 0	17 0 0	15 1 2	14 10 11	13 13 7	
Tasmania ...	3 6 5	4 14 2	4 9 2	4 10 2	4 2 5	4 4 11	4 12 3	
Commonwealth (Total)	9 5 8	11 3 9	9 13 10	9 7 3	9 10 11	10 19 1	12 9 4	

## FROM OTHER STATES (INTERSTATE).

New South Wales ...	7 14 10	6 17 5	8 8 10	7 19 6	8 0 9	9 1 6	9 14 3	
Victoria ...	5 14 6	5 3 8	4 6 11	5 5 9	6 15 4	7 5 11	7 17 7	
Queensland ...	5 14 1	5 14 2	6 15 10	5 15 3	6 14 9	8 11 2	8 18 6	
S.A. (including N.T.) ...	10 16 3	9 10 4	9 11 0	11 5 13	17 10 15	0 10 18	18 18 2	
Western Australia ...	19 8 8	13 11 7	11 9 7	11 4 1	10 16 8	11 14 0	11 3 9	
Tasmania ...	6 8 1	6 13 10	10 3 2	9 16 10	10 13 7	12 14 0	13 10 0	
Total ...	7 11 2	6 15 2	7 6 3	7 8 11	8 6 5	9 7 1	10 3 6	

## TOTAL (OVERSEA AND INTERSTATE).

New South Wales ...	18 7 1	19 15 0	18 7 1	17 1 7	17 17 3	20 14 8	23 3 4	
Victoria ...	14 0 4	15 14 6	14 11 1	15 16 9	17 9 1	19 8 11	21 13 8	
Queensland ...	13 2 10	12 14 6	13 2 8	11 12 0	12 14 9	15 11 11	17 9 11	
S.A. (including N.T.) ...	20 3 8	20 8 11	18 7 3	20 3 1	22 10 5	25 10 6	31 7 10	
Western Australia ...	36 18 2	34 4 11	30 11 7	28 4 1	25 17 10	26 4 11	24 17 4	
Tasmania ...	9 14 6	11 8 0	14 12 4	14 7 0	14 16 0	16 18 11	18 2 3	
Total ...	16 16 10	17 18 11	17 0 1	16 16 2	17 17 4	20 6 2	22 12 10	

## EXPORT TRADE OF EACH STATE OF THE COMMONWEALTH, 1896 to 1907.

State.	1896-1900.	1901.	1903.	1904.	1905.	1906.	1907.
TO OVERSEA COUNTRIES.							
	£000.	£000.	£000.	£000.	£000.	£000.	£000.
New South Wales ...	17,656	18,210	18,103	20,482	21,440	27,641	29,364
Victoria ...	11,303	13,075	10,959	15,308	12,992	16,838	15,924
Queensland ...	4,237	4,334	4,203	4,391	4,992	5,759	7,118
S.A. (including N.T.)	4,130	4,462	3,898	5,619	6,428	8,043	9,270
Western Australia ...	2,984	7,941	9,402	9,916	9,070	9,012	8,592
Tasmania ...	783	1,674	1,625	1,770	1,919	2,445	2,556
Commonwealth (Total)	41,093	49,696	48,250	57,486	56,841	69,738	72,824

## TO OTHER COMMONWEALTH STATES (INTERSTATE).

New South Wales ...	8,548	9,140	7,872	9,870	12,225	14,639	15,874
Victoria ...	5,257	5,571	8,483	8,097	8,588	10,626	11,478
Queensland ...	5,890	4,916	5,312	6,839	6,945	6,992	7,563
S.A. (including N.T.)	3,530	3,725	4,545	3,044	3,060	3,884	4,617
Western Australia ...	1,893	575	863	355	801	765	1,236
Tasmania ...	1,263	1,272	1,218	1,238	1,793	1,308	1,513
Total ...	26,381	25,199	28,293	29,443	33,412	38,214	42,281

## TOTAL (OVERSEA AND INTERSTATE).

New South Wales ...	26,204	27,350	25,975	30,352	33,665	42,280	45,238
Victoria ...	16,560	18,646	19,442	23,405	21,580	27,464	27,402
Queensland ...	10,127	9,250	9,515	11,230	11,937	12,751	14,681
S.A. (including N.T.)	7,660	8,187	8,443	8,663	9,488	11,927	13,887
Western Australia ...	4,877	8,516	10,325	10,271	9,871	9,777	9,828
Tasmania ...	2,046	2,946	2,843	3,008	3,712	3,753	4,060
Total ...	67,474	74,895	76,543	86,929	90,253	107,952	115,105

## EXPORTS PER INHABITANT, 1896 to 1907.

## TO OVERSEA COUNTRIES.

	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
New South Wales ...	13 10 3	13 7 1	12 15 10	14 4 1	14 10 11	18 6 0	18 18 9	
Victoria ...	9 10 10	10 17 3	9 1 4	12 13 7	10 14 4	13 15 2	12 17 1	
Queensland ...	9 0 8	8 12 11	8 4 0	8 9 2	9 9 11	10 16 2	13 4 2	
S.A. (including N.T.)	11 12 7	12 5 11	10 13 1	15 4 1	11 7 3	12 1 3	5 24 0	8
Western Australia ...	19 5 3	42 2 10	42 15 0	41 18 5	36 4 8	34 13 6	32 15 1	
Tasmania ...	4 14 7	9 14 3	9 3 2	9 18 0	10 14 1	13 13 5	14 5 0	
Commonwealth (Total)	11 6 1	13 2 1	12 7 4	14 10 10	14 3 0	17 1 4	17 10 6	

## TO OTHER STATES (INTERSTATE).

New South Wales ...	6 10 10	6 14 1	5 11 3	6 16 11	8 5 10	9 13 10	10 4 9	
Victoria ...	4 8 9	4 12 6	7 0 6	6 14 2	7 1 8	8 13 8	9 5 3	
Queensland ...	12 11 1	9 16 2	10 7 3	13 3 13	4 2 13	2 7 14	0 8	
S.A. (including N.T.)	9 18 10	10 5 4	12 8 5	8 4 9	8 3 4	10 4 6	11 19 5	
Western Australia ...	12 4 4	3 1 0	3 18 0	1 10 0	3 3 11	2 18 10	4 14 3	
Tasmania ...	7 12 7	7 7 7	6 17 3	6 18 5	10 0 1	7 6 3	8 8 8	
Total ...	7 5 1	6 12 11	7 5 0	7 8 11	8 6 5	9 7 1	10 3 6	

## TOTAL (OVERSEA AND INTERSTATE).

New South Wales ...	20 1 1	20 1 2	18 5 11	21 1 0	22 16 9	27 19 10	29 3 6	
Victoria ...	13 19 7	15 9 9	16 1 10	19 7 9	17 16 0	22 8 10	22 2 4	
Queensland ...	21 11 9	18 9 1	18 11 3	21 12 8	22 14 1	23 18 9	27 4 10	
S.A. (including N.T.)	21 11 5	22 11 3	23 1 6	23 8 10	25 6 5	31 7 11	36 0 1	
Western Australia ...	31 9 7	45 3 10	46 13 0	43 8 5	39 8 7	37 12 4	37 9 4	
Tasmania ...	12 7 2	17 1 10	16 0 5	16 16 5	20 14 2	20 19 8	22 13 8	
Total ...	18 11 2	19 15 0	19 12 4	21 19 9	22 9 5	26 8 5	27 14 0	