

SECTION XV.

COMMERCE.

§ 1. Introductory.

1. Constitutional Powers of Commonwealth in regard to Commerce.—Under the provisions of the Commonwealth Constitution Act 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. 24 of this volume.]

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 employee, 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 what 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 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 operation of the Act is restricted to the following classes of goods:—(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 Acts No. 5 of 1908 and No. 26 of 1909-1910.)

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,¹ 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."

11. Customs Tariff Amendment Act 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

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

"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.

12. Australian Industries Preservation Act 1909 (No. 26 of 1909).—"An Act to amend the Australian Industries Preservation Acts 1906-1907" formally repeals Sections 5 and 8 of the parent Act, which were declared by the High Court to be *ultra vires*; also provides that, in relation to trade and commerce with other countries or among the States, the payment of rebates, or the refusal to sell, "either absolutely or except upon disadvantageous conditions," with the purpose of promoting exclusive dealing, shall be an offence.

13. Customs (Interstate Accounts) Act 1910 (No. 9 of 1910).—Repeals Sections 272 and 273 of the Customs Act 1901. These sections relate to the passing of dutiable goods from one State to another State of the Commonwealth and their repeal was consequent on the termination of the book-keeping system of accounts, between the Commonwealth Government and the Governments of the States, in favour of a system of payments based on population.

14. Australian Industries Preservation Act 1910 (No. 29 of 1910).—"An Act to amend the Australian Industries Preservation Act 1906-1909." This Act removes from the principal Act the obligation to prove *intent* to restrain trade and detriment to the public.

15. Customs Act 1910 (No. 36 of 1910).—"An Act to amend the Customs Act 1901" gives the Customs control of all goods for export, the exportation of which is subject to compliance with any condition or restriction under any Act or regulation, extends the machinery provisions for the prevention of the importation or exportation of goods which are prohibited imports or exports respectively, amends the provisions for the payment of duty under protest, gives the Governor-General power to prescribe the nature, size, and material of the coverings for packages, and the maximum or minimum weight or quantity to be contained in any one package of goods imported or exported, or transported coastwise from one State to another; the condition of preparation or manufacture for export of any articles used for, or in the manufacture of, food or drink by man; the conditions as to purity, soundness, and freedom from disease to be conformed to by the goods for export.

16. Customs Tariff 1910 (No. 39 of 1910).—"An Act relating to Duties of Customs," amends the Customs Tariff of 1908 by more explicit definition of certain tariff items, and by alteration of some rates of duty.

17. Customs Tariff 1911 (No. 19 of 1911).—"An Act relating to Duties of Customs," amends the Customs Tariff of 1908-10 by alteration of some rates of duty.

18. Interstate Commission Act 1912 (No. 33 of 1912).—In accordance with the provisions of the Commonwealth Constitution Act—Sections 101 to 104 (see page 586 *ante*)—an Act relating to the Interstate Commission was assented to on the 24th December, 1912. This Act provides that the Commission, to consist of three members, of whom one shall be of experience in the law, shall be appointed by the Governor-General. The Commission shall be a body corporate, with perpetual succession and a common seal, and capable of suing or being sued. (Sections 4 and 5.)

"The Chief Commissioner shall receive a salary of two thousand five hundred pounds a year, and each of the other Commissioners shall receive a salary of two thousand pounds a year." (Section 7.)

"The Commission shall be charged with the duty of investigating, from time to time, all matters which in the opinion of the Commission ought, in the public interest, to be investigated affecting—(a) the production of and trade in commodities; (b) the encouragement, improvement, and extension of Australian industries and manufactures; (c) markets outside Australia, and the opening up of external trade generally; (d) the effect and operation of any Tariff Act or other legislation of the Commonwealth in regard to revenue, Australian manufactures, and industry and trade generally; (e) prices of commodities; (f) profits of trade and manufactures; (g) wages and social and industrial conditions; (h) labour, employment, and unemployment; (i) bounties paid by foreign countries to encourage shipping or export trade; (j) population; (k) immigration; and (l) other matters referred to the Commission by either House of Parliament, by resolution, for investigation." (Section 16.)

"The Commission may investigate all matters affecting—(a) the extent of diversion or proposed diversions, or works or proposed works for diversions, from any river and its tributaries, and their effect or probable effect on the navigability of rivers that by themselves or by their connection with other waters constitute highways for interstate trade and commerce; (b) the maintenance and the improvement of the navigability of such rivers; (c) the abridgment by the Commonwealth by any law or regulation of trade or commerce of the rights of any State or residents therein to the reasonable use of the waters of rivers for conservation or irrigation; (d) the violation by any State, or by the people of any State, of the rights of any other State, or the people of any other State, with respect to the waters of rivers." (Section 17.)

"All rates fixed or made by any common carrier—(a) for any service rendered in respect of interstate commerce, or (b) which affect interstate commerce, shall be reasonable and just, and every such rate which is unreasonable or unjust is prohibited." (Section 18.)

"It shall not be lawful for any State, or for any State Railway Authority, to give or make upon any railway the property of the State, in respect of interstate commerce, or so as to affect such commerce, any preference or discrimination which is undue or unreasonable, or unjust to any State. In deciding whether a lower charge or difference of treatment constitutes a preference or discrimination which is undue or unreasonable, or unjust to any State, the Commission shall have due regard to the financial responsibilities incurred by any State in connection with the construction and maintenance of its railways." (Section 19.)

"No common carrier or State authority other than a State Railway Authority shall, in respect of interstate commerce or so as to affect such commerce—(a) make or give any undue or unreasonable preference or advantage to any particular person, State, locality, or description of traffic; or (b) subject any particular person, State, locality, or description of traffic to any undue or unreasonable prejudice or disadvantage." (Section 21.)

In moving the second reading of the Bill, the Hon. W. M. Hughes, Attorney-General, gave the following concise statement as to the functions of the Commission:—
 "It will be a Standing Commission of Inquiry, with power to investigate on reference by Parliament, or of its own motion, practically all matters, knowledge of which is directly necessary to Parliament and the public. It will be a Board of Trade—an independent critic, not only of social, industrial, and commercial events and tendencies, but of the operation and administration of laws. It will be a Board of Advice, to make recommendations and suggestions to Parliament as to amendments of the law. It will be an active guardian of the Constitution, with power to reach out and deal with violations of the Constitution with respect to trade and commerce. It will be a Commerce Court, with power to adjudicate, on complaint by any person interested, or public body, or on a charge made on its own initiative all violations of the trade and commerce law of the Commonwealth. It is vested for its judicial work with the powers of a Court of Record; for its investigating work, with the same powers as are possessed by a Royal Commission." (*Hansard*, Session 1912, page 7070.)

§ 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 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 intended to represent roughly 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 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 transshipping 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 each of the years 1905-1911 were as follows:—1905, £265,957; 1906, £366,300; 1907, £680,700; 1908, £700,500; 1909, £757,100; 1910, £711,850; 1911, £340,045. The exports during the same years were 1905, £79,975; 1906, £51,365; 1907, £90,201; 1908, £82,355; 1909, £38,600; 1910, £72,000; 1911, £17,605.

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.), during 1907 to £998,897 (bunker coal representing £663,724, or 66.45 per cent.), during 1908 to £1,196,106 (bunker coal £867,707, or 72.55 per cent.), during 1909 to £1,071,677 (bunker coal £781,113, or 72.90 per cent.), during 1910 to £1,080,133 (bunker coal £740,567, or 68.57 per cent.), and during 1911 to £1,238,446 (bunker coal £858,783, or 69.35 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 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 8s. 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 manufactures, 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 1912.

Year.	Recorded Value.			Value per Inhabitant. ¹			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
1852	4,798	10,896	15,694	10 1 9	22 18 3	33 0 0	227.0

1. Reckoned on mean population of the year.

OVERSEA TRADE OF COMMONWEALTH, 1826 TO 1912.—Continued.

Year.	Recorded Value.			Value per Inhabitant. ¹			Percentage of Exports on Imports.
	Imports.	Exports.	Total.	Imports.	Exports.	Total.	
	£1,000.	£1,000.	£1,000.	£ s. d.	£ s. d.	£ s. d.	%
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 11	13 2 2	24 6 1	117.1
1902	40,676	43,915	84,591	10 11 4	11 8 3	21 19 7	108.0
1903	37,811	48,250	86,061	9 14 3	12 7 10	22 2 1	127.6
1904	37,021	57,486	94,507	9 7 9	14 11 7	23 19 4	155.3
1905	38,347	56,841	95,188	9 11 9	14 4 1	23 15 10	148.2
1906	44,745	69,738	114,483	11 0 4	17 3 6	28 3 10	155.9
1907	51,809	72,824	124,633	12 11 3	17 13 2	30 4 5	140.6
1908	49,799	64,311	114,110	11 17 5	15 6 8	27 4 1	129.1
1909	51,172	65,319	116,491	11 19 5	15 5 7	27 5 0	127.6
1910	60,014	74,491	134,505	13 14 8	17 0 10	30 15 6	124.1
1911	66,968	79,482	146,450	14 18 3	17 14 0	32 12 3	118.7
1912 ²	78,165	79,093	157,258	16 16 7	17 0 7	33 17 2	101.2

1. Reckoned on mean population of the year. 2. Preliminary figures.

The graphs illustrating the movement of the oversea trade of Australia (see pages 617 and 618) 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 is plainly reflected in the trade records of that period, the trade of 1894 falling to £54,028,227, a decline of no less than 26.75 per cent. in three years. In 1895 there was a slight recovery, and a continuous upward movement until 1901, when the trade reached £92,130,183, or £24 6s. 1d. 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 in the value of trade continued, till in 1907 it reached the amount of £124,633,280, equal to £30 4s. 5d. per inhabitant.

The imports during 1907 were, doubtless, to some extent inflated by the importation of goods in anticipation of the tariff revision of that year. The trade of 1908 shews a decline of £10,523,000 as compared with 1907, of which £8,513,000 was in the value of exports, notwithstanding an increase of £3,447,767 in the export of gold and specie. This decline in the value of exports was largely due to reduced prices ruling for wool and metals in consequence of the financial crisis in the United States during the previous year, and in lesser degree to the smaller exports of agricultural and pastoral produce, due to the unfavourable season experienced in some of the States.

The trade of 1909 per head of population was slightly more than in 1908, notwithstanding that the gold exports were less by £5,193,587. In 1910 the trade reached an absolute amount never before attained, while, measured by the population, the value of imports per head was higher than in any year since 1885, and the value of exports was—excepting the years 1906 and 1907—the highest since 1857. The high value of exports is particularly striking when considered in conjunction with the exceptionally small exports of gold. The exports of gold, already much reduced in 1909 as compared with 1908, were in 1910 still further reduced by £4,264,368 to £4,108,783, the smallest recorded since 1892. These relatively small exports of gold do not indicate the decline of the gold production, but are merely due to the fact that the recent prolific seasons and high prices made the exports of merchandise sufficient to meet all obligations abroad and so render the export of gold unnecessary. During 1911 the exports of gold bullion and specie again increased to £11,540,782. The continued increase in the value of imports during 1912, while the value of exports remained stationary, is largely due to increased loan flotations in London, and also in some degree to the larger introductions of capital by immigrants. The particular classes of goods from which the increases in trade arise are shewn on pages 613 to 615.

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 1891 the reverse has been the case, the value of exports having increased by 120.5 per cent. and the imports by 77.6 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. Country of Shipment and Country of Origin.—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 1908 and 1911, 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 years 1905, 1906, 1907, 1909, and 1910 will be found in previous issues of this work.

COMMONWEALTH IMPORTS FROM COUNTRIES OF SHIPMENT AND COUNTRIES OF ORIGIN, 1908 and 1911.

Country.	Imports according to—							
	Country of Shipment.				Country of Origin.			
	1908.		1911.		1908.		1911.	
	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.
	£		£		£		£	
United Kingdom	29,930,157	60.10	39,499,011	58.98	25,274,661	50.75	32,735,971	48.88
BRITISH POSSESSIONS—								
Canada	321,041	0.64	884,889	1.32	532,752	1.07	844,235	1.26
Ceylon	683,813	1.37	738,556	1.10	681,950	1.37	728,969	1.09
Hong Kong	247,689	0.50	302,762	0.45	7,321	0.01	3,260	0.00
India	1,630,246	3.28	2,122,260	3.17	1,658,140	3.33	2,222,953	3.32
New Zealand	2,276,597	4.57	2,974,215	4.44	2,196,433	4.41	2,810,163	4.20
Straits Settlements	384,567	0.77	641,202	0.96	158,603	0.32	189,343	0.28
Other British Possessions	845,671	1.70	948,558	1.42	994,755	2.00	1,134,322	1.70
Total British Possessions	6,389,624	12.83	8,612,442	12.86	6,229,954	12.51	7,933,245	11.85
Total British Countries	36,319,781	72.93	48,111,453	71.84	31,504,615	63.26	40,669,216	60.73
FOREIGN COUNTRIES—								
Austria-Hungary	16,947	0.03	4,308	0.01	265,345	0.53	340,641	0.51
Belgium	970,187	1.95	2,007,557	3.00	636,450	1.28	1,141,075	1.70
China	69,362	0.14	102,757	0.15	315,887	0.63	448,881	0.67
France	479,642	0.97	614,045	0.92	1,775,389	3.56	2,269,892	3.39
Germany	3,509,120	7.05	4,437,153	6.63	4,482,394	9.00	6,373,298	9.52
Japan	543,789	1.09	832,757	1.24	574,906	1.15	856,382	1.28
Netherlands	173,528	0.35	278,085	0.42	311,832	0.63	485,512	0.72
Norway	314,685	0.63	662,851	0.99	420,470	0.85	787,322	1.18
Spain	12,131	0.02	40,059	0.06	108,104	0.22	146,287	0.22
Sweden	206,614	0.41	538,852	0.80	348,666	0.70	689,473	1.03
Switzerland	38,498	0.08	18,369	0.03	754,110	1.51	1,076,675	1.61
United States	6,039,753	12.13	7,747,991	11.57	6,581,846	13.22	9,007,657	13.45
Other Foreign Countries	1,105,236	2.22	1,571,251	2.34	1,719,259	3.46	2,675,177	3.99
Total Foreign Countries	13,479,492	27.07	18,856,035	28.16	18,294,658	36.74	26,298,272	39.27
Total Imports from all Countries	49,799,273	100	66,967,488	100	49,799,273	100	66,967,488	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 1911 shew that while the total direct imports from that country amounted to £39,499,011, the value of the manufactures or produce of the United Kingdom itself, imported from all countries whatsoever during the same year, was £32,735,971. From the foregoing figures it appears that goods to the value of *at least* £6,763,040 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, Straits Settlements, and Ceylon. 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 1891 to 1910, and for the year 1911, 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 OF THE COMMONWEALTH WITH VARIOUS COUNTRIES, 1891 to 1911.

Country	Yearly Average of Quinquennial Periods.				Year 1911.
	1891-5.	1896-1900.	1901-5.	1906-10.	
	£	£	£	£	£
United Kingdom ...	19,481,623	21,797,837	22,895,869	31,246,141	39,499,011
British Possessions—					
Canada ...	97,060	187,060	296,660	433,777	884,889
Ceylon ...	217,138	369,841	574,758	712,684	738,556
Fiji ...	106,838	111,674	77,468	175,684	491,723
Hong Kong ...	519,899	322,937	314,262	245,010	302,762
India ...	653,951	795,842	1,067,346	2,009,266	2,122,260
Mauritius ...	198,436	207,378	117,696	44,808	26,951
New Zealand ...	1,219,745	1,417,587	2,210,938	2,483,494	2,974,215
Papua ...	10,296	42,978	72,446	67,254	80,020
South African Union ...	16,069	2,974	7,544	84,211	76,784
Straits Settlements ...	126,703	263,960	188,972	407,755	641,202
Other British Possessions	10,479	25,080	77,196	254,672	273,080
Total British Possessions ...	3,176,614	3,747,311	5,005,286	6,918,615	8,612,442
Total British Countries ...	22,658,237	25,545,148	27,901,155	38,164,756	48,111,453
Foreign Countries—					
Argentine Republic ...	92	3,279	229,727	163	16
Belgium ...	280,300	337,712	491,484	1,018,306	2,007,557
Chile and Peru ...	20,225	14,888	26,710	30,408	23,834
China ...	406,841	286,642	155,449	66,470	102,757
France ...	193,501	453,958	465,616	468,069	614,045
Germany ...	1,134,006	2,009,794	2,622,715	3,475,005	4,437,153
Hawaiian Islands, New Britain, New Caledonia, New Hebrides, and South Sea Islands ...	73,385	153,874	122,929	204,392	216,813
Italy ...	60,682	123,097	164,241	235,356	312,172
Japan ...	54,559	186,656	353,114	565,931	832,757
Java ...	541,511	325,600	598,667	526,556	543,849
Netherlands ...	12,821	26,960	82,418	166,749	278,085
Norway ...	187,232	236,665	323,264	387,535	662,851
Philippine Islands ...	12,777	54,731	71,953	93,223	107,454
Sweden ...	26,601	79,155	79,383	219,462	538,852
United States of America	1,624,575	3,754,074	5,258,527	5,608,073	7,747,991
Other Foreign Countries	47,793	170,804	310,449	277,439	429,849
Total Foreign Countries ...	4,676,901	8,217,839	11,356,646	13,343,137	18,856,035
Total ...	27,335,138	33,763,037	39,257,801	51,507,893	66,967,488

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

COMMONWEALTH IMPORTS.—PERCENTAGES OF THE IMPORTS FROM EACH COUNTRY ON THE TOTAL IMPORTS, 1891 to 1911.

Country.	1891-5.	1896-1900.	1901-5.	1906-10.	1911.
	per cent.	per cent.	per cent.	per cent.	per cent.
United Kingdom	71.26	64.56	58.33	60.67	58.98
BRITISH POSSESSIONS—					
Canada	0.35	0.55	0.76	0.84	1.32
Ceylon	0.79	1.10	1.46	1.39	1.10
Fiji	0.39	0.33	0.20	0.34	0.73
Hong Kong	1.90	0.96	0.80	0.48	0.45
India	2.39	2.36	2.72	3.90	3.17
Mauritius	0.73	0.61	0.30	0.09	0.04
New Zealand	4.47	4.20	5.63	4.82	4.44
Papua	0.04	0.13	0.18	0.13	0.12
South African Union	0.06	0.01	0.02	0.16	0.12
Straits Settlements	0.46	0.78	0.48	0.79	0.96
Other British Possessions	0.04	0.07	0.20	0.49	0.41
Total British Possessions	11.62	11.10	12.75	13.43	12.86
Total British Countries	82.88	75.66	71.08	74.10	71.84
FOREIGN COUNTRIES—					
Argentine Republic	0.00	0.01	0.59	0.00	0.00
Belgium	1.03	1.00	1.25	1.97	3.00
Chile and Peru	0.07	0.04	0.07	0.06	0.04
China	1.49	0.85	0.40	0.13	0.15
France	0.71	1.35	1.19	0.91	0.92
Germany	4.15	5.95	6.68	6.75	6.63
Hawaiian Islands, New Britain, New Caledonia, New Hebrides and South Sea Islands	0.27	0.46	0.31	0.39	0.32
Italy	0.22	0.36	0.42	0.46	0.47
Japan	0.20	0.55	0.90	1.10	1.24
Java	1.99	0.96	1.52	1.02	0.81
Netherlands	0.05	0.08	0.21	0.32	0.43
Norway	0.68	0.70	0.82	0.75	0.99
Philippine Islands	0.05	0.16	0.18	0.18	0.16
Sweden	0.09	0.24	0.20	0.42	0.80
United States of America	5.95	11.12	13.39	10.90	11.57
Other Foreign Countries	0.17	0.51	0.79	0.54	0.64
Total Foreign Countries	17.12	24.34	28.92	25.90	28.16
Total	100	100	100	100	100

3. Imports from the United Kingdom.—The foregoing tables show that while the actual value of direct imports from the United Kingdom during 1911 is above the yearly average of the period under review, being double that of the quinquennium 1891-5, the proportion to total imports has diminished, having fallen from 71.26 per cent. during the years 1891-5 to 58.98 per cent. in 1911. The position of the United Kingdom as

indicated by her percentage proportion of the total-trade is largely affected by the imports of vegetable foodstuffs, a branch of trade in which the United Kingdom cannot participate. The apparent diversion of Australian trade from Great Britain is more fully dealt with in sub-section 11 of this chapter. The values of the principal imports of United Kingdom origin during the year 1911 are as follows:—

Ale and beer, £384,493; apparel and textiles—apparel, £2,575,441, textiles, £8,654,324; arms, ammunition and explosives, £644,530; books and periodicals, £616,657; brushware, £80,859; earthenware, etc., £305,698; clocks and watches, £44,878; cocoa and chocolate, £120,880; confectionery, £286,178; cordage, metal, £93,290; cordage, other, £128,453; cutlery, £208,253; drugs and chemicals—alkalies (soda), £102,445, fertilisers, £90,163, medicines, £157,816, other drugs and chemicals, £546,997; electrical and gas appliances, £184,335; electrical materials, £430,016; fancy goods, £245,198; fish, fresh and preserved, £158,201; furniture, £32,871; glass and glassware, £143,670; indiarubber and manufactures, £248,593; instruments, musical, £101,805; instruments, scientific, surgical, etc., £221,121; iron and steel—pig iron, £132,857, bar, hoop, ingot, etc., £623,825, scrap, £68,816, girders, beams, etc., £182,635, plate and sheet, galvanised or corrugated, £1,677,259, not galvanised or corrugated, £217,401, pipes and tubes, £471,516, rails, fishplates, etc., £199,629, tinned plates, plain, £486,311; wire, £230,620; wire netting, £179,649; jewellery and precious stones, £249,150; leather and leather manufactures, £295,990; machines and machinery, £1,882,786; metals, manufactures of, £1,748,284; milk, preserved, £63,162; oils (not essential), £324,116; paints and colours, £312,969; paper, £778,639; pickles, sauces, etc., £123,362; plated ware, £218,432; soap, £44,314; specie, £369,711; spirits, £749,476; stationery, £373,076; tobacco, £57,369; tools of trade, £320,339; varnishes, £69,410; vehicles—bicycles, etc., £144,993, mopors, £547,786, other vehicles, £96,304; vessels (ships), £241,245; yarns, £270,854.

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 11.62 per cent. in the years 1891-5 to 12.86 per cent. in 1911, the actual values being respectively £3,176,614 and £3,612,442. Of the total imports from British possessions during 1911, 34.53 per cent., or 4.44 per cent. of all imports, was from New Zealand; 24.64 per cent., or 3.17 per cent. of all imports, from India; 10.22 per cent., or 1.32 per cent. of all imports from Canada; and 8.57 per cent., or 1.10 per cent. of all imports, from Ceylon.

5. Principal Imports, the Produce of British Possessions, 1911.—These are as follows:—

(i.) *Canada.* Apparel and textiles, £17,731; boots and shoes, £10,255; drugs and chemicals, £9927; fish, £61,129; furniture, £23,069; indiarubber and manufactures £12,818; agricultural implements and machinery, £260,955; other machines and machinery, £11,398; metal manufactures, £42,274; paper, £144,363; timber, £121,328; bicycles and other vehicles, £76,516.

(ii.) *Ceylon.* Coir fibre, £4836; leather, £11,818, nuts, £24,699; tea, £673,797. The large increase in the imports from Ceylon—from £217,138 during the years 1891-5, to £738,556 in 1911—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 1911, 51.94 per cent. was the produce of Ceylon.

(iii.) *Fiji.* Bananas, £162,711; copra, £13,886; sugar—produce of cane, £231,206, molasses, £10,771.

(iv.) *India.* Bags and sacks, £1,136,771; hessians, £176,249; cameos, precious stones, unset, £16,821; carpets, mats, etc., £16,424; coffee and chicory, £37,048; cotton, raw, £16,707; other unmanufactured fibres, £23,224; iron pig, £38,837; linseed, £17,684; rice, £176,153; shellac, £11,592; oils—castor, £76,044, linseed, £12,449; skins and hides, £17,251; spices, £13,142; tea, £283,554; timber, £15,425; wax, paraffin, £51,113; yarns, £14,924.

(v.) *Mauritius*. Sugar, £26,980.

(vi.) *New Zealand*. Apparel and textiles, £11,244; animals—horses, £245,804, sheep, £23,393; military stores, £30,480; fibre, flax, and hemp, £46,249; fish, £33,734; gold, bullion and ore, £1,526,649; grain, barley, £27,743; hops, £9379; implements and machinery (agricultural), £8632; machines and machinery, £10,632; meats, £17,552; seeds, £24,068; skins and hides, £110,718; timber, £576,601; wool, £5413.

(vii.) *Papua*. Gold bullion and ore £63,668.

(viii.) *South African Union*. Bark, tanning, £30,898; explosives, £27,439; precious stones, £145,691.

(ix.) *Straits Settlements*. Spices, £49,085; sago and tapioca, £67,919; canes and rattans, etc., unmanufactured, £11,111; rubber, and rubber manufactures, £28,109.

6. Imports Shipped from Foreign Countries.—The imports direct from foreign countries during the year 1911 represented 28.16 per cent. of the total imports, as compared with 17.12 per cent. during the years 1891-5. Of the total imports into Australia shipped from foreign countries 23.58 per cent.—6.63 per cent. of all imports—was from Germany, and 41.09 per cent.—11.57 per cent. of all imports—was from the United States.

7. Principal Imports the Produce of Foreign Countries, 1911.—The details are as follows:—

(i.) *Austria-Hungary*. Apparel and textiles, £134,250; furniture, £31,617; chinaware, £18,036; glassware, £12,587; fancy goods, £16,607; jewellery and precious stones, £8711; paper and stationery, £16,942; pipes, smoking, etc., £11,984.

(ii.) *Belgium*. Apparel, £86,938; textiles, £146,082; candles, £3001; cement, £13,327; drugs, chemicals, and fertilisers, £8390; glass and glassware, £164,002; iron and steel—partly manufactured, £122,406, girders, beams, etc., £2505, pipes and tubes, £35,334, plate and sheet, £28,713, railway iron, £43,014, wire, £21,332; jewellery, £66,696; machines and machinery, £13,774; matches and vestas, £26,854; metal manufactures, £118,410; motors and parts, £51,342; paper, £38,580, zinc manufactures, £17,988.

(iii.) *Chile*. Barley, £10,355; soda nitrate, £12,974.

(iv.) *China*. Apparel and textiles, £110,266; cotton, raw, £19,057; fish, £13,608; fruit, £17,585; ginger, £6333; iron, pig, £21,476; rice, £57,243; nuts, £19,490; oils, £15,709; tea, £89,304.

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, £860,887; cream of tartar, £173,669; other drugs and chemicals, £59,701, fruits, £9747; fancy goods, £61,735; jewellery, £19,287; time-pieces, £8393; pipes, smoking, etc., £62,843; motor vehicles and parts, £194,951; perfumery, £21,118; resin, £25,765; rubber manufactures, £46,081; leather, £11,091; spirits, £283,805; tiles, £15,127; wine, £159,782; machinery and manufactures of metal, £57,977.

(vi.) *Germany*. Ale and beer, £88,845; apparel and textiles, £1,600,388; arms, ammunition and explosives, £97,574; brushware, £39,649; cement, £72,753; chinaware, etc., £75,147, earthenware, £38,223; drugs and chemicals—calcium carbide, £10,864, dyes, £20,755; fertilisers, £40,209, other drugs, etc., £140,217; fancy goods, £164,185; furniture, £14,520; minor articles for furniture, £6211; glass and glassware, £108,353; hops, £10,939; indiarubber manufactures, £187,008; metals and manufactures of metals—iron and steel—bar, hoop, ingot, etc., £179,656, plate and sheet, £81,321, pipes and tubes, £32,572, railway iron, £210,757, tools of trade, £35,182; wire, £360,439; wire netting, £146,877; machines and machinery, £260,010; lamps and lampware, £59,694; electrical and gas appliances, £56,848; other manufactures of metals, £480,644; jewellery, cameos, etc., £97,392; leather and leather manufactures (excluding boots and shoes), £70,109;

musical instruments, £445,453; paper, £203,320; spirits, £20,460; stationery, £107,710; tobacco, £9535; paints and varnishes, £15,528.

(vii.) *Italy.* Apparel and textiles, £196,717; fruits, £14,844; matches and vestas, £16,728; marble and stone, £34,572; oils, olive, £8757, essential, £11,195; nuts, £17,055; sulphur, £35,500; motors and parts, £66,448.

(viii.) *Japan.* Apparel and textiles, £427,981; bags, baskets, etc., £25,790; china-ware and earthenware, £18,709; fancy goods, £14,446; fertilisers (superphosphates), £67,801; furniture, £11,315; rice, £9365; oils and waxes, £50,174; spices, £11,008; sulphur, £48,573; timber, etc., £73,341.

(ix.) *Java.* Cotton, raw, £504; hats and caps, £985; rice, £9975; kapok, £137,948; rubber, £31,526; sugar, £144,142; timber, £5765; tobacco, £3352; tea, £195,274.

(x.) *Netherlands.* Apparel and textiles, £63,235; cocoa and chocolate, £70,935; cameos and precious stones, £12,503; metal manufactures, £13,298; paper, £34,522; spirits, £135,122.

(xi.) *Norway.* Calcium carbide, £66,532; fish, £88,957; milk, preserved, £5047; paper, £115,803; timber, £494,576.

(xii.) *Philippine Islands.* Flax and hemp, £72,555; cigars, £37,914.

(xiii.) *Russia.* Flax, £7522; oils, £17,903; timber, £151,187.

(xiv.) *Sweden.* Calcium carbide, £55,267; earthenware, glassware, etc., £10,250; electrical machinery and fittings, £6902; cream separators, £83,372; matches and vestas, £29,956; paper, £154,829; telephones, £32,498; timber, £246,841.

(xv.) *Switzerland.* Apparel and textiles, £786,585; cigars, £14,826; cocoa and chocolate, manufactured, £86,374; confectionery, £29,388; milk, £3765; watches, £95,994.

(xvi.) *United States of America.* Apparel and textiles—Boots and shoes, £92,087; other apparel, £158,415; textiles, £248,658; arms, £51,569; ammunition and explosives, £56,268; cameras, magic lanterns, phonographs, etc., £97,936; clocks and watches, £90,994; fancy goods, &c., £104,619; fish, £151,124; furniture, £77,140; glass and glassware, £40,331; glucose, £33,997; indiarubber manufactures, £70,585; leather, £253,240; meats, £75,327; medicines, £84,591; metal manufactures—iron and steel: bars, ingots, hoops, etc., £55,445, girders, beams, etc., £57,667, pipes and tubes, £75,163, plate and sheet, £165,252, railway iron, £309,578; tools of trade, £285,247; wire, £316,787; machines and machinery, agricultural, £266,488; other machines and machinery, £1,093,910; other metal manufactures, £458,999; musical instruments, £45,082; oils, fats and waxes—benzine and gasoline, £68,072; kerosene, £472,390, lubricating oils and greases, £160,520, naphtha, £42,627, paraffin wax, £17,337, turpentine, £137,729; paints and varnishes, £77,710; paper, £199,414; resin, £67,198; sausage casings, £67,948; soap, £51,178; stationery, £103,601; surgical and dental instruments, £524,484; timber, £1,095,430; tobacco, cigars, etc., £642,574; wood manufactures, £113,255; vehicles, motors and parts, £260,577; other vehicles and parts, £114,588.

8. *Direction of Exports.*—The following table shews the average yearly value of exports to principal countries during each quinquennial period from 1891 to 1910 and for the year 1911. 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 South African Union and to India and Ceylon. During the South African war large shipments of gold were sent from the Commonwealth to that country, and the decline in the value of the exports to South Africa is due to the cessation of these shipments together with a decline in the exports of timber. The exports to India and Ceylon are also mainly of gold, of which exceptionally heavy shipments were made during 1904, 1905 and 1911. The large increases in the case of Belgium, Germany, and France is not entirely due to increased purchases by those countries of

Australian goods, but is due in some measure to the larger quantities of wool, skins, etc., shipped direct to the Continent, instead of, as formerly, reaching the Continent through London. The figures given below, however, do not, even now, denote the total purchases by European countries of Australian produce, as large quantities are still distributed from London.

TRADE OF THE COMMONWEALTH WITH VARIOUS COUNTRIES, 1891 to 1911.

EXPORTS (INCLUDING BULLION AND SPECIE).

Country.	Yearly Average of Quinquennial Periods.				Year 1911.
	1891-5.	1896-1900	1901-5.	1906-10.	
	£	£	£	£	£
United Kingdom ...	23,804,217	24,624,332	23,930,168	32,984,176	35,303,982
British Possessions—					
Canada ...	10,488	72,431	33,728	223,432	118,284
Ceylon ...	300,847	793,715	4,066,941	2,214,387	5,412,705
Fiji ...	123,131	154,256	226,901	339,457	435,232
Hong Kong ...	522,127	357,550	517,352	721,301	730,924
India ...	496,136	1,203,261	2,745,876	2,283,620	3,319,504
Mauritius ...	68,590	32,608	51,677	41,742	27,969
New Zealand ...	948,523	1,010,909	1,538,277	2,379,821	2,655,469
Papua ...	15,959	39,560	48,842	70,846	127,713
South African Union ...	201,341	1,280,195	4,074,674	1,890,495	1,717,894
Straits Settlements ...	116,720	99,586	135,962	521,303	1,205,258
Other British Possessions ...	7,926	22,819	67,220	68,142	74,499
Total British Possessions	2,811,788	5,066,890	13,507,450	10,754,546	15,825,451
Total British Countries ...	26,616,005	29,691,222	37,437,618	43,738,722	51,135,433
Foreign Countries—					
Argentine Republic ...	195	12,344	28,585	65,793	108,657
Belgium ...	1,454,719	1,452,131	2,035,786	4,985,472	6,111,943
Chile and Peru ...	156,348	182,397	380,332	656,295	759,435
China ...	23,650	188,970	223,817	237,043	155,789
France ...	1,900,754	2,664,461	3,541,828	6,777,332	8,180,084
Germany ...	1,445,327	1,925,381	3,171,930	6,361,734	6,642,012
Hawaiian Is., New Britain, New Caledonia, New He- brides and South Sea Is.	233,472	318,225	360,368	433,741	625,291
Italy ...	41,844	158,610	148,906	265,808	489,988
Japan ...	29,722	135,820	363,314	1,144,826	832,958
Java ...	69,160	100,536	155,021	280,275	488,696
Netherlands ...	48,296	46,451	185,088	305,015	257,136
Norway ...	891	99	95	5,162	2,010
Philippine Islands ...	85,068	95,841	304,187	523,242	512,085
Spain ...	10,147	9,253	34,408	44,820	1,493
Sweden ...	1,266	931	1,615	4,265	1,754
United States of America ...	1,341,563	3,738,739	2,398,470	2,667,546	1,464,155
Other Foreign Countries ...	224,282	371,916	466,296	839,520	1,713,339
Total Foreign Countries	7,066,704	11,402,105	13,800,046	25,597,889	28,346,825
Total ...	33,682,700	41,093,327	51,237,664	69,336,611	79,482,258

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

COMMONWEALTH EXPORTS.—PERCENTAGES OF THE EXPORTS TO EACH COUNTRY ON THE TOTAL EXPORTS, 1891 to 1911.

Country.	1891-5.	1896-1900.	1901-5.	1906-10.	1911.
	per cent.	per cent.	per cent.	per cent.	per cent.
United Kingdom ...	70.68	59.92	46.71	47.57	44.42
British Possessions—					
Canada ...	0.03	0.18	0.07	0.32	0.15
Ceylon ...	0.89	1.93	7.94	3.20	6.81
Fiji ...	0.36	0.38	0.44	0.49	0.55
Hong Kong ...	1.55	0.87	1.00	1.04	0.92
India ...	1.47	2.93	5.36	3.29	4.18
Mauritius ...	0.20	0.08	0.10	0.06	0.03
New Zealand ...	2.82	2.46	3.00	3.43	3.34
Papua ...	0.05	0.10	0.10	0.10	0.16
South African Union ...	0.60	3.11	7.95	2.73	2.16
Straits Settlements ...	0.35	0.24	0.27	0.75	1.52
Other British Possessions ...	0.02	0.05	0.13	0.10	0.09
Total British Possessions	8.34	12.33	26.36	15.51	19.91
Total British Countries ...	79.02	72.25	73.07	63.08	64.33
Foreign Countries—					
Argentine Republic ...	0.00	0.03	0.06	0.09	0.14
Belgium ...	4.32	3.53	3.98	7.19	7.69
Chile and Peru ...	0.47	0.44	0.74	0.95	0.96
China ...	0.07	0.46	0.44	0.34	0.19
France ...	5.65	6.49	6.91	9.77	10.30
Germany ...	4.29	4.69	6.19	9.17	8.36
Hawaiian Is., New Britain, New Caledonia, New He- brides and South Sea Is.	0.69	0.77	0.70	0.63	0.79
Italy ...	0.12	0.39	0.29	0.38	0.62
Japan ...	0.09	0.33	0.71	1.65	1.05
Java ...	0.21	0.25	0.30	0.40	0.61
Netherlands ...	0.14	0.11	0.36	0.44	0.32
Norway ...	0.00	0.00	0.00	0.01	0.00
Philippine Islands ...	0.25	0.23	0.59	0.76	0.64
Spain ...	0.03	0.02	0.07	0.07	0.00
Sweden ...	0.00	0.00	0.00	0.01	0.00
United States of America ...	3.98	9.10	4.68	3.85	1.84
Other Foreign Countries ...	0.67	0.91	0.91	1.21	2.16
Total Foreign Countries...	20.98	27.75	26.93	36.92	35.67
Total ...	100	100	100	100	100

9. Exports to the United Kingdom.—Notwithstanding an increase of 48.35 per cent. in the actual value of exports to the United Kingdom during the year 1911 as compared with the yearly average of the period 1891-95, the proportion of the total exports despatched to the United Kingdom has fallen from 70.68 per cent. in the earlier period to 44.42 per cent. in the year 1911. 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 to a greater extent shipped direct to continental ports.

The principal exports to the United Kingdom during the year 1911 were as follows:—Butter, £4,251,364; fruit—apples, £266,662, other, including pulp, £45,191; grain and pulse—wheat, £6,555,690; flour, £190,797, other, £33,412; hair, £23,079; jewellery and precious stones, £221,674; leather, £322,403; meat, frozen—beef, £313,393, mutton, £864,582, lamb, £665,051, rabbits and hares, £397,949, other frozen meat, £64,770; potted meat, £91,219; meat, preserved in tins, £605,977; minerals and metals—copper—concentrates, £416, ingots, £184,743, in matte, £325,794, ore, £63,754; gold—bullion, £910,573, in matte, £383,380, ore, £51,488; silver—bullion, £35,492, in matte, £205,467, silver and silver-lead—concentrates, £21,889, ore, £11,194; lead—pig, £411,162, in matte, £243,063; ores, other, £57,682; tin, ingots and ore, £623,463; zinc concentrates, £57,526; oil, cocoanut, £150,301; pearlshell, £162,010; skins—hides, £279,474, rabbit and hare, £347,006, sheep, £585,756, other skins, £278,915; specie, gold, £639,840; tallow, £1,491,935; timber, £84,161; wine, £118,805; wool—greasy, £8,832,510, scoured £2,326,825.

10. Exports to British Possessions.—The exports from the Commonwealth to other British Possessions are largely composed of gold despatched to India and Ceylon. These gold shipments to which further reference is made on page 616 were particularly heavy in 1911, being greater in that year than in any year since 1894. Of the total exports to British Possessions during 1911, viz., £15,825,451, as much as £9,626,124 or 60.83 per cent. was gold.

11. Principal Exports to British Possessions, 1911.—These are as follows:—

(i.) *Canada.* Butter, £9,806; meats, £40,837; oil, cocoanut, £1308; skins, £39,081; timber, undressed, £6640; tin, ingots, £8333; wool, £2824.

(ii.) *Ceylon.* Butter, £3118; fodder, £5576; horses, £3622; specie, £5,115,000; grain—flour, £22,586; lead, pig, £29,839; silver, bullion, £163,750; soap, £11,602; sugar, £5396.

(iii.) *Fiji.* Apparel and textiles—apparel, including boots and shoes, £19,904; textiles, £10,687; bags, sacks, and cordage, £1807; biscuits, £20,563; coal, £16,776; drugs and chemicals—fertilizers, £6263, other, £5673; grain, prepared—bran, pollard, and sharps, £25,475; flour, £17,649; machines and machinery, £12,255; metal manufactures, £45,843; oils, £8528; specie, £90,320; timber, £13,127; vehicles, £11,823; vessels, £6000.

(iv.) *Hong Kong.* Butter, £21,303; fish, £21,351; flour, £44,784; lead, pig, £63,257; sandalwood, £62,566; specie, gold, £466,657.

(v.) *India.* Coal, £18,924; gold, bullion, £799,270; specie, £1,594,800; horses, £135,840; hay and chaff, £6993; lead, pig, £13,351; meats, £11,675; silver bullion, £281,030; tallow, £9221; timber, undressed, £358,439; wool, £21,290.

(vi.) *New Zealand.* Apparel, textiles, etc.:—apparel—boots and shoes, £4064; other apparel, £26,541; textiles, £50,894; bags and sacks, £3021; bark, tanning, £29,105; books and periodicals, £59,268; cameras, magic lanterns, phonographs, etc., £42,078; coal, £111,555; copper, ingots, £5873; drugs and chemicals—fertilisers, £89,526; medicines, £35,712; other drugs, etc., £39,123; electrical materials, £12,116; fodders, £20,286; fruit, fresh, £60,445, dried, £9186; glass and glassware, £9810; grain—flour, £21,669; oats, £30,849, rice, £39,438; horses, £17,322; indiarubber manufactures, £104,171; iron, pig, £2095; jewellery and precious stones, £17,056; lead, pig, £14,956; leather and leather manufactures, £53,518; metals, manufactures of—agricultural implements and machinery, £16,091; other machines and machinery, £64,097; other manufactures of metals, £84,865; oils, etc., £10,233; onions, £10,637; plants, trees and bulbs, £13,522; salt, £6070; seeds, £14,076; soap, £28,594; specie—gold, £760,000;

spirits, £27,080; stationery, £74,835; sugar, £7941; tea, £70,120; timber, £213,199; tin, ingots, £35,243; tobacco, £80,951; wine, £24,056.

(vii.) *Papua*. Apparel and textiles, etc., £12,496; flour, £3154; machinery and manufactures of metal, £17,354; meats, £14,014; rice, £8697; tobacco, £7413.

(viii.) *South African Union*. Animals, living—sheep, £21,531; butter, £119,642; fruits—fresh, £3410; other, £2840; grain—wheat, £415,982; flour, £267,705; jams and jellies, £9818; leather, £84,393; meats, frozen beef, £67,940; mutton and lamb, £28,365; other meats, £46,696; oil, cocoanut, £17,402; seeds, £4309; specie, gold, £305,000; sugar, £57,896; tallow, unrefined, £76,811; timber, £132,400.

(ix.) *Straits Settlements*. Butter, £29,047; coal, £69,655; grain, flour, £179,001; horses, £12,939; machines and machinery, £16,286; meats, £44,382; specie, gold, £501,997; tin ore, £277,961; tin concentrates, £19,327.

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 1911 shews an increase of 301 per cent. over similar figures for the years 1891-5, thus increasing the proportion per cent. of all exports from 20.98 per cent. in the earlier years to 35.67 per cent. in 1911. This increase is largely due to the direct consignment of wool and other produce to European countries, instead of distributing from London, as in the earlier years. A striking feature in this table is the apparent contraction of exports to the United States. From the figures given in the table, it would appear that the sales to the United States were less in 1911 than the annual average during the past fifteen years. These figures, however, include gold bullion and specie, which during the quinquennium 1896-1900 amounted to an average of nearly £3,000,000 per annum, and nearly £1,300,000 during the period 1901-5; whereas during 1911 no gold bullion or specie was shipped to the United States of America.

13. Principal Exports to Foreign Countries, 1911.—These are as follows:—

(i.) *Argentine Republic*. Agricultural implements and machinery, £90,894; timber, £17,064.

(ii.) *Belgium*. Bark, tanning, £11,576; copper, £270,207; grain, wheat, £288,216; lead, £25,511; leather, £9173; silver and silver-lead ore, £70,243; concentrates, £970,510; hides and skins, £456,379; tallow, £117,967; timber, £21,699; tin, £24,070; wool, £2,552,282; zinc ore, £15,600, concentrates, £1,216,255.

(iii.) *Chile*. Coal, £338,350; wheat, £80,737.

(iv.) *China*. Butter, £12,345; coal, £2700; copper, £18,050; flour, £12,615; lead, £48,586; sandalwood, £2348; specie, gold, £22,155; timber, undressed, £14,250.

(v.) *Egypt*. Butter, £11,227; flour, £25,156; meats—beef, £19,308, mutton and lamb, £6248, other meats, £1120; timber, undressed, £48,594; wheat, £29,603.

(vi.) *France*. Butter, £20,383; concentrates—silver, £43,250, zinc, £102,324; copper, £128,695; hides and skins, £765,294; lead, £33,916; ores, £24,234; tallow, £62,967; wheat, £955,012; wool, £6,016,293.

(vii.) *Germany*. Bark, tanning, £60,121; concentrates—silver, £78,398, zinc, £151,106; copper, £498,479; fruit, fresh, £28,345; grain—bran, pollard, and sharps, £4223, wheat, £45,869; hides and skins, £140,713; lead, £21,073; linseed cake and oilcake, £3000; meats, preserved in tins, £8,967; oil, cocoanut, £8466; ores—scheelite, £11,151, silver and silver lead, £91,832, wolfram, £81,047, other ores, £22,068; precious stones, unset, £21,155; sausage casings, £74,048; specie, gold, £280,000; tallow, £33,720; timber, £20,606; tin ingots, £29,238; wool, £4,851,785.

(viii.) *Italy*. Copper, £70,440; lead, £13,512; meats, preserved, £30,049; skins, £69,115; tallow, £39,193; tin ingots, £11,994; wool, £245,804.

(ix.) *Japan*. Butter, £8067; grain, wheat, £17,211; hides, £11,060; lead, £187,778; manures, £42,640; oils, £8912; tallow, £53,820; wool, £459,000.

(x.) *Java*. Butter, £76,618; cattle, £21,501; coal, £65,819; fertilisers, £11,952; flour, £242,898; horses, £19,235; meats, £12,415; specie, gold, £1000.

(xi.) *Netherlands*. Concentrates—silver, £41,650, zinc, £91,659; silver ore, £73,105; tallow, £12,207; wheat, £9044; wool, £13,224.

(xii.) *Peru*. Coal, £34,650; wheat, £283,702.

(xiii.) *Philippine Islands*. Butter, £25,252; cattle, £13,580; coal, £82,914; flour, £141,498; fodder, £27,332; horses, £7795; meats—bacon and hams, £17,401, beef, £114,989, mutton, £9282, pork, £6774, other meats, £8879; timber, £19,616.

(xiv.) *United States of America*. Coal, £98,201; copper, £271,167; gold, in matte, £53,199; hides and skins, £244,082; pearlshell, £166,143; silver in matte, £14,355; tin, £34,867; wool, £500,015.

§ 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 decade discloses a very material expansion in the value of the exports of merchandise in the direction indicated.

The principal countries concerned in this trade are China, India, Ceylon, 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, 1901 and 1907-11.

Article.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
Butter	64,585	136,299	151,984	166,046	171,372	181,418
Coal	154,950	319,292	501,002	293,584	265,011	240,012
Copper	39,375	250,461	239,646	43,255	29,080	26,296
Grain and pulse—						
Wheat	46,685	173,528	111,885	68,558	49,596	17,502
Flour	134,861	692,879	294,615	359,877	421,444	655,287
Other (prepd. & unprepd.)	5,918	17,614	10,536	17,690	21,603	21,748
Hay, chaff, and comp. fodder	13,081	34,549	29,554	30,594	31,838	50,437
Horses	101,866	302,809	199,239	165,370	227,848	182,736
Lead	10,454	179,346	203,799	115,310	230,461	343,915
Meats	193,751	188,197	248,799	206,759	229,461	259,462
Sandalwood	3,738	66,309	77,468	45,120	88,624	73,386
Skins, hoofs, sinews, tallow	94,651	71,758	43,167	46,428	28,158	85,701
Tin ore	4,096	187,702	205,114	186,191	194,066	277,961
Timber, undressed ...	79,913	362,999	367,322	447,347	351,830	398,049
Wool	56,618	501,886	147,416	281,537	444,890	480,850
Other merchandise...	217,105	304,769	338,097	270,433	336,470	412,100
Total merchandise ...	1,221,647	3,790,397	3,169,643	2,744,189	3,121,752	3,706,860
Specie & gold & silver bullion	3,337,611	6,059,490	4,014,545	4,394,792	1,873,102	8,951,059
Total exports	4,559,258	9,849,887	7,184,188	7,138,981	4,994,854	12,657,919

The figures for 1911 presented above shew a very satisfactory increase in the aggregate value of merchandise exported to eastern countries in comparison with the three years immediately preceding, though there have been considerable changes in its composition.

For instance, in 1908 the exports of coal were valued at £501,002 against £240,012 in 1911; copper, which in 1905 represented £426,937, in 1911 represented only £26,296, and the value of horses exported has declined from £329,515 in 1905 to £182,736 in 1911. The flour trade shews marked oscillations. In 1907 the exports of flour to eastern countries were valued at £692,879, but owing to an indifferent wheat crop the exports to the same countries during the next year fell to £294,615. Although the flour trade with Java, the Philippines, and Straits Settlements has since been recovered, the trade with Hong Kong and China—though shewing continuous improvement—(see page 609) only represented £57,399 in 1911 as against £241,260 in 1907. During the year 1910-11 the exports of flour from the United States of America to Hong Kong and China were valued at £1,049,020. The trade with the eastern countries in butter shews on the whole a consistently steady increase, notwithstanding some diminution in the exports to China and to the Philippines. The exports of meats also shew an increased trade. Though the business done with the Philippines—our largest eastern customer—is materially less than in 1908, the report of Mr. J. B. Suttor, A.M.I.C.E., Commercial Commissioner for New South Wales in the East, shews that of the fresh meat imported into the Philippines during 1911 over 95 per cent. was from Australia. Mr. Suttor, however, also shews there is ample room for expansion of the trade in tinned meats, supplies of which are at the present time drawn almost entirely from the United States. It may be mentioned that exports of gold from Australia to eastern countries, chiefly to India and Ceylon, have no bearing upon the business connections of the Commonwealth with those countries, as the destination of these gold shipments, which are merely a contribution towards the liquidation of the international obligations of the Commonwealth, is determined almost entirely by London bankers.

The following tables shew the value of the principal articles exported to each of the undermentioned eastern countries during each of the years 1901 and 1907 to 1911:—

VALUE OF COMMONWEALTH EXPORTS OF MERCHANDISE TO PRINCIPAL EASTERN COUNTRIES, 1901 and 1907-11.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
China	128,076	404,501	264,563	116,236	95,771	133,634
India and Ceylon	3,280,190	825,037	901,083	745,629	759,057	773,359
Japan	123,355	706,279	287,963	432,692	657,057	832,958
Java	197,412	274,910	260,344	290,703	340,315	487,696
Philippine Islands	302,066	570,528	604,089	531,438	473,268	512,085
Straits Settlements	113,528	549,402	575,911	444,611	544,815	703,261
Hong Kong	413,711	459,740	295,821	193,880	251,469	263,867
Total	4,559,258	3,790,397	3,170,674	2,744,189	3,121,752	3,706,860

BUTTER.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
China	1,987	13,338	11,207	17,397	19,352	12,345
Hong Kong	8,555	15,443	21,713	19,696	21,767	21,303
India and Ceylon	9,696	6,766	8,627	7,373	9,239	8,942
Japan	1,504	6,464	7,063	4,375	5,383	8,067
Java	11,919	45,600	39,583	54,267	61,366	76,618
Philippine Islands	21,061	23,040	46,447	42,402	30,865	25,252
Straits Settlements... ..	9,863	25,648	17,344	20,536	23,400	28,891
Total... ..	64,585	136,299	151,984	166,046	171,372	181,418

The exports of butter given above for the year 1911 were shipped from the several States as follows:—New South Wales, £66,838; Victoria, £75,965; Queensland, £34,543; South Australia, £4072.

COAL.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
China ...	...	18,474	20,041	7,470	1,245	2,700
Hong Kong ...	7,653	26,572	39,040	17,908	5,321	...
India and Ceylon ...	17,639	30,333	94,617	34,205	32,753	18,924
Japan ...	1	2,650	...	...	63	...
Java ...	43,110	18,893	44,614	34,132	47,856	65,819
Philippine Islands...	59,936	155,430	190,920	121,668	105,195	82,914
Straits Settlements...	26,611	66,940	111,770	78,201	72,578	69,655
Total ...	154,950	319,292	501,002	293,584	265,011	240,012

These exports of coal are chiefly from New South Wales. The decline in the exports of coal is, doubtless, due to the coal miners' strike in November, 1909. Mr. J. B. Suttor, Commercial Commissioner for New South Wales in the East, in his report for 1909 says that, owing to the uncertainty of deliveries from Australia, in consequence of labour troubles, the time is far distant when the trade will again reach the dimensions of recent years. The import returns for the Philippines show 234,723 tons of coal at 3.07 dollars per ton from Japan during 1911, against 173,635 from Australia at 2.62 dollars per ton.

COPPER.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
China ...	...	148,979	172,196	23,100	18,469	18,050
Hong Kong ...	...	15,401	...	8,500	1,120	5,426
India and Ceylon ...	39,375	85,096	62,011	6,800	8,959	300
Japan ...	...	470	1,465	145	...	2,520
Java ...	...	515	2,334	318	...	...
Straits Settlements...	...	...	1,640	4,392	...	...
Philippine Islands ...	...	...	...	...	532	...
Total ...	39,375	250,461	239,646	43,255	29,080	26,296

The copper exported to the East during 1911 was shipped as follows: New South Wales, £24,746; Victoria, £1550.

GRAIN AND PULSE—WHEAT.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
China ...	...	103,593	...	10	18	...
Hong Kong ...	...	12,225	...	...	14	...
India and Ceylon ...	35,660	6,828	111,872	22,414	162	228
Japan ...	11,016	50,881	13	12,694	49,379	17,211
Java ...	9	1	...	34	17	11
Philippine Islands ...	...	...	...	33,404	...	29
Straits Settlements...	...	...	...	2	6	23
Total ...	46,685	173,528	111,885	68,558	49,596	17,502

The exports of wheat given above for the year 1911 were shipped from the following States:—New South Wales, £17,242; Victoria, £210; South Australia, £13; Western Australia, £37.

GRAIN AND PULSE—FLOUR.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
China ...	1,147	47,037	3,221	2,671	6,094	12,615
Hong Kong ...	4,489	194,223	4,449	15,462	16,144	44,784
India and Ceylon ...	22,275	18,349	24,368	23,412	23,857	32,319
Japan ...	7,206	3,820	9	2,946	7,583	2,172
Java ...	82,335	144,091	119,397	132,908	166,177	242,898
Philippine Islands...	4,046	139,958	90,653	117,825	87,668	141,498
Straits Settlements...	13,363	145,401	52,518	64,653	113,921	179,001
Total ...	134,861	692,879	294,615	359,877	421,444	655,287

The flour exported during 1911, as above, was shipped from the several States as follows:—New South Wales, £268,340; Victoria, £211,680; Queensland, £230; South Australia, £156,479; Western Australia, £18,558.

GRAIN AND PULSE, OTHER THAN WHEAT AND FLOUR.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
China ...	2,934	3,423	226	21	759	861
Hong Kong ...	28	1,015	81	149	95	5
India and Ceylon ...	5,848	6,880	6,144	7,451	9,687	9,894
Japan ...	57	88	152	15	12	133
Java ...	14	1,563	1,380	1,735	2,086	1,490
Philippine Islands ...	2,582	3,675	1,847	7,651	8,115	7,881
Straits Settlements...	1,618	970	706	668	849	1,484
Total ...	13,081	17,614	10,536	17,690	21,603	21,748

The exports given above for 1911 were shipped from the following States:—New South Wales, £5130; Victoria, £15,967; Queensland, £10; South Australia, £574; Western Australia, £67.

HAY AND CHAFF, AND COMPRESSED FODDER.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
China ...	2,934	389	74	700	45	21
Hong Kong ...	28	1,023	337	61	149	939
India and Ceylon ...	5,848	12,065	8,777	8,321	11,204	14,094
Japan ...	57	302	560	19	3	591
Java ...	14	957	1,573	984	1,111	1,270
Philippine Islands	2,582	16,300	15,340	18,550	15,037	27,332
Straits Settlements	1,618	3,513	2,843	2,049	4,289	6,140
Total ...	13,081	34,549	29,554	30,684	31,838	50,437

The exports given above for the year 1911 were shipped from the several States as follows:—New South Wales, £6267; Victoria, £43,414; Queensland, £36; South Australia, £95; Western Australia, £625.

HORSES.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
China ...	4,460	3,299	892	295	60	390
Hong Kong ...	775	205	545	888	...	800
India and Ceylon ...	78,713	230,187	141,486	128,887	179,348	139,462
Japan ...	100	11,715	12,234	60	1,860	2,115
Java ...	2,105	25,502	16,457	19,598	10,424	19,235
Philippine Islands ...	190	4,949	12,134	5,303	14,971	7,795
Straits Settlements...	15,513	26,952	15,491	10,339	21,185	12,939
Total ...	101,866	302,809	199,239	165,370	227,848	182,736

The horses exported to the above countries during 1911 were shipped from the following States:—New South Wales, £34,976; Victoria, £79,187; Queensland, £55,044; South Australia, £12,940; Western Australia, £589.

LEAD, PIG.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
China ...	6,102	20,529	28,456	13,716	24,661	48,586
Hong Kong ...	1,257	74,493	85,625	22,062	66,997	63,257
India and Ceylon ...	315	61,822	59,250	27,400	56,717	43,190
Japan ...	2,750	20,315	30,040	47,905	77,493	187,778
Java ...	18	...	106	198	...	...
Philippine Islands ...	12	330	298	4,029	4,553	1,104
Straits Settlements...	...	1,857	24	...	40	...
Total...	10,454	179,346	203,799	115,310	230,461	343,915

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

MEATS—PRESERVED BY COLD PROCESS.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
China ...	...	...	261	1,099	...	...
Hong Kong ...	3,195	7,051	7,746	5,332	7,373	11,273
India and Ceylon ...	5,907	4,455	3,581	1,916	4,252	5,029
Japan ...	19	435	5,391	1,342	445	935
Java ...	...	884	2,539	949	920	3,540
Philippine Islands ...	153,250	126,498	181,460	139,260	143,581	135,249
Straits Settlements...	...	20,746	18,376	21,320	25,849	37,593
Total...	162,371	160,069	219,354	171,218	182,420	194,619

The exports to the above-mentioned Eastern countries during 1911 of meats preserved by cold process were shipped from the following States:—New South Wales, £34,152; Victoria, £1787; Queensland, £153,680. In addition to the meat included in

the above table, meat preserved by cold process to the value of £112,025 in 1906, £115,000 in 1907, and £70,358 in 1908 was exported to Asiatic Russia.

MEATS—OTHER THAN MEATS PRESERVED BY COLD PROCESS.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
China ...	491	4,107	2,367	2,841	5,205	6,531
Hong Kong ...	571	890	622	1,249	1,853	4,238
India and Ceylon ...	11,464	8,211	10,054	16,267	12,936	14,415
Japan ...	893	1,376	1,076	1,104	1,137	1,659
Java ...	14,813	4,501	6,224	5,889	8,591	8,875
Philippine Islands ...	2,617	6,943	7,391	6,531	10,707	22,336
Straits Settlements	531	2,100	1,711	1,660	6,612	6,789
Total ...	31,380	28,128	29,445	35,541	47,041	64,843

The exports given above for the year 1911 were shipped from the following States:—New South Wales, £8284 ; Victoria, £3733 ; Queensland, £52,167 ; South Australia, £635 ; Western Australia, £24.

SANDALWOOD.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
China ...	7,905	10,886	6,238	12,180	7,332	2,348
Hong Kong ...	53,991	51,078	65,337	25,546	71,672	62,566
India and Ceylon ...	...	1,803	5,604	2,358	6,301	2,505
Straits Settlements	15,341	2,542	589	5,036	3,319	5,967
Total ...	77,237	66,309	77,468	45,120	88,624	73,386

These exports of sandalwood in 1911 were shipped from Queensland, £7880 ; and Western Australia, £65,506.

SKINS, HOOFS, HORNS, BONES, SINEWS, AND TALLOW.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
China ...	...	77	14	36	...	977
Hong Kong ...	1,234	838	1,706	779	401	129
India and Ceylon ..	2,761	8,754	5,319	2,958	3,485	9,880
Japan ...	8,559	60,285	35,459	40,363	23,145	72,509
Java ...	...	41	315	1,305	337	1,296
Philippine Islands ...	165	1,012	91	626	389	577
Straits Settlements	430	751	263	361	401	333
Total ...	13,149	71,758	43,167	46,428	28,158	85,701

The above exports of skins, etc., in 1911 were shipped from the several States as follows:—New South Wales, £25,404 ; Victoria, £16,926 ; Queensland, £43,331 ; South Australia, £40.

TIN ORE.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
Straits Settlements	4,096	187,702	205,114	186,191	194,066	277,961

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 shipped from the several States during 1911 as follows:—New South Wales, £145,380; Victoria, £11,055; Queensland, £69,275; Western Australia, £30,276; Northern Territory, £21,975.

TIMBER, UNDRESSED.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
China ...	4,090	19,397	13,060	26,606	2,699	14,250
Hong Kong ...	...	2,739	29,015	30,298	19,590	763
India and Ceylon ...	61,246	267,376	278,372	379,349	307,001	362,549
Japan ...	418	6,202	4,332	1,296	781	476
Java ...	20	330	251	56	307	15
Philippine Islands ...	9,278	65,046	30,849	3,372	21,132	19,616
Straits Settlements...	4,861	1,909	11,443	6,370	320	380
Total ...	79,913	362,999	367,322	447,347	351,830	398,049

The above exports of timber during 1911 from the several States were shipped as follows:—New South Wales, £62,227; Victoria, £448; Queensland, £1921; Western Australia, £323,650; Tasmania, £9803.

WOOL.

Country.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
China ...	...	...	300	250	...	560
India and Ceylon ...	7,853	20,115	21,708	16,657	24,268	21,290
Japan ...	48,653	481,771	125,408	264,630	420,622	459,000
Java ...	112	...	...	...	...	...
Total...	56,618	501,886	147,416	281,537	444,890	480,850

The wool exported to the East by the several States during 1911 was shipped as follows:—New South Wales, £404,964; Victoria, £24,084; Queensland, £51,802.

§ 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 1907 to 1911, arranged in classes according to the nature of the goods.

It was long ago pointed out¹ that the statistical presentation of imports and exports would be increased in value by being properly arranged under categories (classes and orders). The following arrangement has been adopted:—

1. By R. M. Johnston, I.S.O., the Statistician of the State of Tasmania.

STATISTICAL CLASSIFICATION OF IMPORTS AND EXPORTS.

Class.	Articles.
I.	FOODSTUFFS of animal origin, excluding, however, living animals.
II.	FOODSTUFFS of vegetable origin, and common salt.
III.	BEVERAGES, non-alcoholic only, and the substances used in making them.
IV.	SPIRITS AND ALCOHOLIC LIQUORS, including spirits for industrial purposes, and such pharmaceutical preparations as are dutiable as spirits.
V.	TOBACCO, and all preparations thereof.
VI.	LIVE ANIMALS.
VII.	ANIMAL SUBSTANCES, mainly unmanufactured, which are not foodstuffs.
VIII.	VEGETABLE SUBSTANCES and non-manufactured fibres.
IX.	APPAREL, TEXTILES, and various manufactured fibres.
X.	OILS, FATS, AND WAXES.
XI.	PAINTS AND VARNISHES.
XII.	STONES AND MINERALS, used industrially.
XIII.	SPECIE, gold, silver, and bronze.
XIV.	METALS, UNMANUFACTURED, and ores.
XV.	METALS, PARTLY MANUFACTURED.
XVI.	METALS, MANUFACTURED, including machinery.
XVII.	LEATHER AND MANUFACTURES of leather, together with all substitutes therefor, and also INDIARUBBER AND INDIARUBBER MANUFACTURES.
XVIII.	WOOD AND WICKER, both raw and manufactured.
XIX.	EARTHENWARE, CEMENTS, CHINA, GLASS AND STONEWARE.
XX.	PAPER AND STATIONERY.
XXI.	JEWELLERY, TIMEPIECES, AND FANCY GOODS.
XXII.	OPTICAL, SURGICAL, AND SCIENTIFIC INSTRUMENTS.
XXIII.	DRUGS, CHEMICALS, AND FERTILISERS.
XXIV.	MISCELLANEOUS.

COMMONWEALTH IMPORTS ARRANGED IN CLASSES, 1901 and 1907 to 1911.

Classes.	1901.	1907.	1908.	1909.	1910.	1911.
	£	£	£	£	£	£
I. Animal foodstuffs, etc. ...	793,365	688,642	834,542	751,044	873,697	816,915
II. Vegetable ...	2,925,985	1,574,933	2,192,674	2,741,811	1,944,050	2,352,957
III. Beverages (non-alcoholic), etc. ...	1,054,324	1,549,785	1,232,292	1,409,713	1,646,052	1,673,449
IV. Alcoholic liquors, etc. ...	1,845,438	1,556,224	1,575,151	1,496,952	1,654,237	1,920,824
V. Tobacco, etc. ...	717,915	753,869	778,314	616,221	769,470	899,110
VI. Live animals ...	40,306	114,787	108,067	113,724	337,040	395,665
VII. Animal substances, etc. ...	124,017	576,654	400,748	336,981	370,634	296,926
VIII. Vegetable ...	459,361	863,603	944,233	997,205	1,120,045	1,329,295
IX. Apparel, etc. " ...	12,065,367	15,367,604	13,844,687	14,765,738	17,438,605	17,840,496
X. Oils, etc. ...	1,290,252	1,192,177	1,190,816	1,337,429	1,596,643	1,807,983
XI. Paints, etc. ...	385,049	445,769	419,809	416,418	481,392	485,240
XII. Stones, etc. ...	131,095	127,372	119,248	164,069	469,598	173,533
XIII. Specie ...	172,395	406,875	239,088	54,197	374,484	381,482
XIV. Metals, unmanufd., ores, etc.	984,327	1,763,202	1,178,535	1,232,610	1,221,721	1,937,723
XV. Metals, part manufactured ...	1,062,309	797,354	749,036	741,184	1,035,864	1,169,509
XVI. Metals, manufactured ...	7,491,636	10,531,166	10,171,607	10,372,019	12,074,821	14,211,581
XVII. Leather, etc. ...	523,565	1,004,822	932,033	1,080,222	1,303,134	1,586,503
XVIII. Wood, etc. ...	1,814,382	2,106,305	2,343,862	2,060,231	2,583,065	3,361,477
XIX. Earthenware, etc. ...	925,101	863,849	855,855	791,705	1,015,313	1,228,122
XX. Paper, etc. ...	1,731,330	2,071,344	2,234,930	2,098,638	2,457,216	2,831,808
XXI. Jewellery, etc. ...	1,065,348	1,261,046	1,102,644	1,203,528	1,428,029	1,755,583
XXII. Instruments, etc. ...	218,437	379,300	380,140	412,547	444,990	504,775
XXIII. Drugs, etc. ...	1,472,162	1,840,933	1,916,680	1,744,023	2,186,005	2,178,600
XXIV. Miscellaneous ...	3,140,345	3,978,018	4,054,282	4,233,687	5,188,246	5,827,932
Grand total ...	42,433,811	51,809,033	49,799,273	51,171,896	60,014,351	66,967,488

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 the latter consist largely of specie minted from imported gold.

**COMMONWEALTH EXPORTS ARRANGED IN CLASSES, AND DISTINGUISHING
AUSTRALIAN AND THE PRODUCE OF OTHER COUNTRIES,
1901 and 1907 to 1911.**

Classes.	1901.	1907.	1908.	1909.	1910.	1911.
AUSTRALIAN PRODUCE.						
I. Animal foodstuffs, etc.	£ 4,104,196	5,726,153	4,841,315	5,473,619	8,791,463	9,015,595
II. Vegetable foodstuffs, etc.	4,633,926	6,866,279	4,710,815	8,440,099	11,884,259	11,910,303
III. Beverages (non-alcoholic), etc.	2,598	2,810	3,539	3,883	5,826	5,534
IV. Alcoholic liquors, etc.	134,630	134,011	112,621	133,992	137,825	167,137
V. Tobacco, etc.	5,030	67,612	83,142	76,584	67,226	69,035
VI. Live animals	473,601	369,417	263,737	206,485	306,724	296,691
VII. Animal substances, etc.	16,754,006	32,011,364	25,431,142	28,969,998	33,128,767	29,714,471
VIII. Vegetable substances, etc.	142,060	255,191	231,618	195,951	279,053	245,771
IX. Apparel, etc.	42,142	75,562	65,304	78,559	77,217	72,852
X. Oils, etc.	843,755	1,259,021	945,113	1,422,710	2,192,992	2,234,884
XI. Paints, etc.	620	5,433	3,347	4,682	5,871	6,577
XII. Stones, etc.	1,041,974	1,343,791	1,421,304	874,628	943,195	926,655
XIII. Specie	8,884,816	5,411,572	9,819,576	4,267,070	1,199,679	8,210,595
XIV. Metals, unmanufactd., ores, etc.	8,916,269	14,163,540	11,724,275	10,324,317	10,341,849	10,674,748
XV. Metals, part manufactured	3,802	11,049	25,568	7,570	8,922	10,270
XVI. Metals, manufactured	117,662	156,540	225,878	207,893	221,037	252,756
XVII. Leather, etc.	660,692	569,556	573,742	524,711	576,918	583,556
XVIII. Wood, etc.	666,024	802,194	1,038,256	1,033,336	1,020,917	1,061,582
XIX. Earthenware, etc.	6,600	33,053	31,952	14,453	13,284	13,967
XX. Paper, etc.	22,171	49,730	64,738	58,853	58,066	68,957
XXI. Jewellery, etc.	67,978	149,315	141,654	141,950	135,068	161,553
XXII. Instruments, etc.	507	2,766	5,613	6,867	6,922	5,623
XXIII. Drugs, etc.	86,299	209,297	212,421	211,297	243,885	255,716
XXIV. Miscellaneous	130,418	141,244	142,233	164,194	189,189	218,382
Total	47,741,776	69,816,500	62,118,903	62,843,711	71,836,195	76,205,210

OTHER PRODUCE.

I. Animal foodstuffs, etc.	£ 35,291	£ 20,750	£ 20,698	£ 21,872	£ 23,732	£ 25,369
II. Vegetable foodstuffs, etc.	80,371	307,707	280,357	201,555	192,832	210,515
III. Beverages (non-alcoholic), etc.	43,308	72,647	62,285	82,138	91,514	85,661
IV. Alcoholic liquors, etc.	55,732	36,889	31,259	30,736	37,234	40,744
V. Tobacco, etc.	61,753	32,752	40,127	52,889	57,133	52,697
VI. Live animals	105	5,615	1,170	935	5,335	12,017
VII. Animal substances, etc.	10,070	9,565	7,401	3,423	7,363	8,392
VIII. Vegetable substances, etc.	17,625	18,688	16,172	19,888	18,483	26,755
IX. Apparel, etc.	171,014	203,950	229,070	205,936	200,870	185,412
X. Oils, etc.	42,292	42,546	65,324	39,134	38,394	45,960
XI. Paints, etc.	15,186	6,330	7,735	6,462	8,135	7,408
XII. Stones, etc.	2,043	2,179	2,308	2,941	2,779	1,646
XIII. Specie	846,921	1,474,225	660,882	1,099,221	1,047,758	1,639,951
XIV. Metals, ores, etc.	9,744	27,036	11,517	6,287	8,463	17,820
XV. Metals, part manufactured	13,806	54,841	20,602	32,866	39,994	24,952
XVI. Metals, manufactured	196,334	222,313	213,468	206,004	261,708	266,681
XVII. Leather, etc.	13,074	32,692	42,802	52,053	59,653	65,391
XVIII. Wood, etc.	32,135	47,791	36,627	30,095	37,290	34,066
XIX. Earthenware, etc.	23,337	26,037	15,992	12,328	16,839	15,237
XX. Paper, etc.	52,171	52,454	61,177	62,459	75,103	77,951
XXI. Jewellery, etc.	54,431	49,051	59,633	63,095	147,493	148,854
XXII. Instruments, etc.	13,555	32,108	54,775	55,742	54,125	66,171
XXIII. Drugs, etc.	42,976	47,511	48,220	46,786	51,154	49,658
XXIV. Miscellaneous	121,122	182,070	202,554	140,280	178,581	166,910
Total	1,954,396	3,007,747	2,192,155	2,475,125	2,654,955	3,277,048

EXPORTS ARRANGED IN CLASSES, AND DISTINGUISHING AUSTRALIAN PRODUCE AND THE PRODUCE OF OTHER COUNTRIES, 1901 and 1907 to 1911.—Continued.

Classes.	1901.	1907.	1908.	1909.	1910.	1911.
TOTAL EXPORTS.						
I. Animal foodstuffs, etc. ...	£ 4,139,487	£ 5,746,903	£ 4,862,013	£ 5,495,491	£ 8,815,185	£ 9,040,964
II. Vegetable foodstuffs, etc. ...	4,714,297	7,173,986	4,991,172	8,641,654	12,077,131	12,120,818
III. Beverages (non-alcoholic), etc. ...	45,906	75,457	65,824	86,021	97,340	91,195
IV. Alcoholic liquors, etc. ...	190,362	170,900	143,880	164,728	175,060	207,881
V. Tobacco, etc. ...	66,783	100,364	123,269	123,483	124,359	121,732
VI. Live animals ...	473,706	375,082	264,907	207,420	312,059	310,708
VII. Animal substances, etc. ...	16,764,076	32,020,929	25,438,543	28,973,421	33,136,130	29,722,863
VIII. Vegetable substances, etc. ...	159,685	273,879	247,790	215,689	297,536	272,526
IX. Apparel, etc. ...	213,156	279,512	294,374	284,495	278,087	258,264
X. Oils, etc. ...	886,047	1,301,567	1,010,437	1,461,844	2,231,386	2,280,844
XI. Paints, etc. ...	15,806	11,763	11,082	11,144	14,006	13,985
XII. Stones, etc. ...	1,044,017	1,345,970	1,423,612	877,569	945,974	928,301
XIII. Specie ...	9,731,737	6,865,797	10,480,458	5,366,291	2,247,437	9,850,546
XIV. Metals, unmanufactd., ores, etc. ...	8,926,013	14,190,576	11,735,792	10,330,604	10,350,312	10,092,566
XV. Metals, part manufactured ...	17,603	65,890	46,170	40,436	41,916	35,222
XVI. Metals, manufactured ...	313,996	378,853	439,346	413,897	482,745	519,437
XVII. Leather, etc. ...	673,766	602,248	616,544	576,764	636,571	648,877
XVIII. Wood, etc. ...	638,159	849,985	1,074,883	1,063,451	1,068,207	1,116,548
XIX. Earthenware, etc. ...	29,937	59,090	47,944	26,781	30,123	29,204
XX. Paper, etc. ...	74,342	102,184	125,915	121,312	133,169	146,906
XXI. Jewellery, etc. ...	122,409	198,366	201,287	205,045	292,561	310,407
XXII. Instruments, etc. ...	14,062	34,874	60,388	62,609	61,047	71,794
XXIII. Drugs, etc. ...	129,275	256,808	260,641	258,083	235,039	305,374
XXIV. Miscellaneous ...	251,540	323,314	344,787	304,474	367,770	365,292
Total ...	49,696,172	72,824,247	64,311,058	65,318,836	74,491,150	79,482,253

From the above table it will be seen that there has been a very substantial expansion in the principal divisions of the export trade of the Commonwealth. Compared with 1901 the exports in 1911 of animal foodstuffs, principally butter and meat, shew an increase of 118.68 per cent.; vegetable foodstuffs, principally wheat, shew an increase during the same period of 157.08 per cent.; animal substances—wool, skins, etc.—shew an increase of 77.30 per cent.; oils, fats, and waxes—mainly tallow—an increase of 157.40 per cent.; and wood, etc. (timber) an increase of 59.92 per cent.

§ 8. Movement 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 1907 to 1911 :—

COMMONWEALTH IMPORTS AND EXPORTS OF SPECIE AND BULLION,
1901 and 1907 to 1911.

Items.	1901.	1907.	1908.	1909.	1910.	1911.
IMPORTS.						
Gold—Specie ...	£ 3,710	£ 9,967	£ 14,426	£ 11,566	£ 26,008	£ 25,534
Bullion ...	762,415	1,426,827	950,575	999,884	952,436	1,564,036
Total ...	766,125	1,436,794	965,001	1,011,450	978,444	1,609,570
Silver—Specie ...	158,656	375,937	209,564	32,337	332,054	388,765
Bullion ...	54	498	689	2,294	5,040	4,063
Total ...	158,710	376,435	210,253	34,631	337,094	342,828
Bronze—Specie ...	10,029	20,971	15,098	10,294	16,422	17,183
Grand total ...	934,864	1,834,200	1,190,352	1,056,375	1,331,960	1,969,581

COMMONWEALTH IMPORTS AND EXPORTS OF SPECIE AND BULLION, 1901 AND 1907 TO 1911.—Continued.

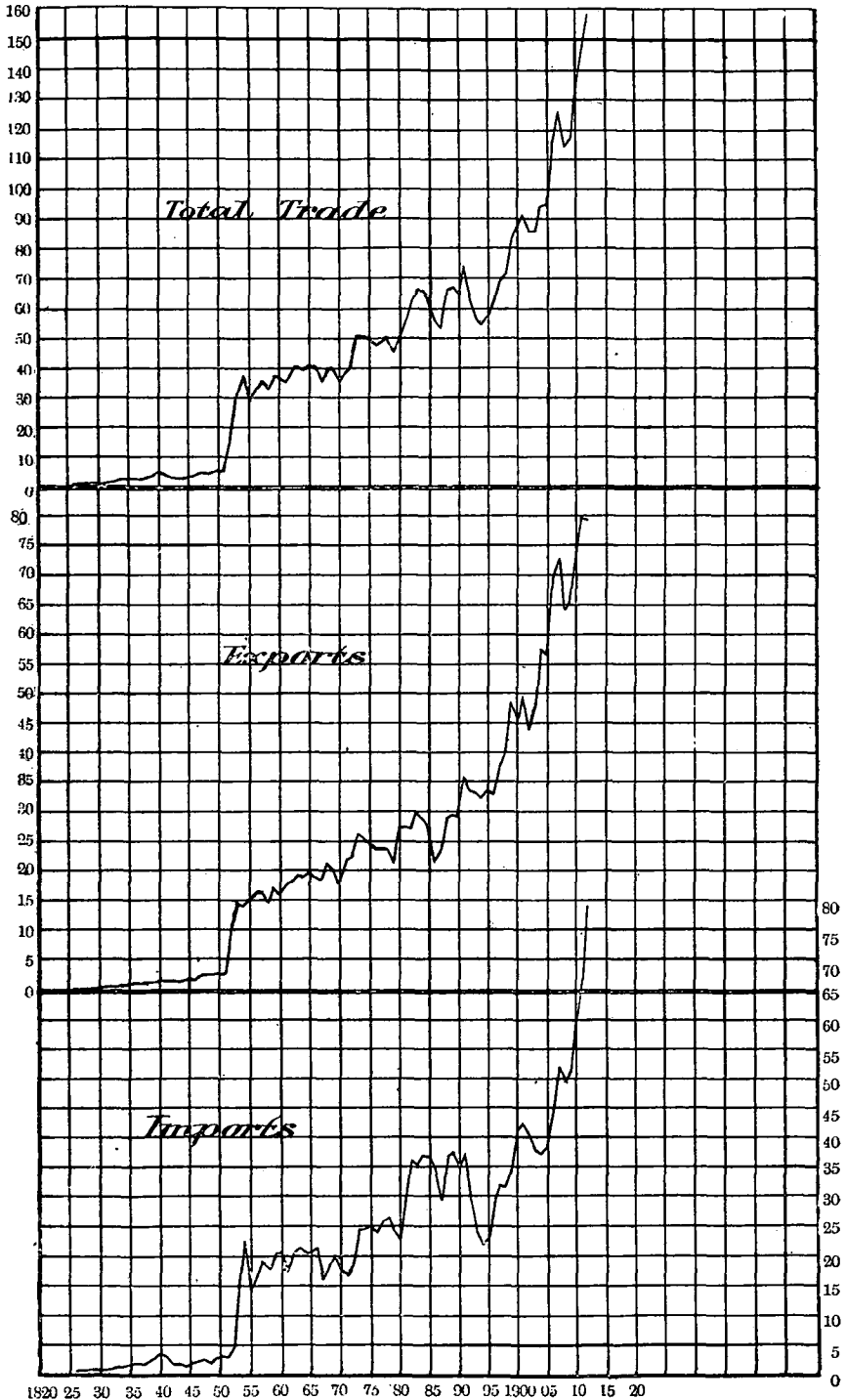
Items	1901.	1907.	1908.	1909.	1910.	1911.
EXPORTS.						
Gold—Specie	£ 9,708,037	£ 6,857,838	£ 10,438,665	£ 5,349,066	£ 2,178,123	£ 9,829,689
Bullion	4,616,039*	3,685,466	3,128,073	3,024,085	1,930,660	1,711,093
Total	14,324,076	10,543,304	13,566,738	8,373,151	4,108,783	11,540,782
Silver—Specie	23,370	25,667	39,781	16,374	69,134	20,823
Bullion	922,443†	616,197	581,689	289,908	457,180	485,447
Total	945,813	641,864	621,470	306,282	526,314	506,270
Bronze—Specie	330	2,292	2,012	851	180	34
Total { Australian produce	14,423,298	9,713,190	13,526,398	7,580,158	3,587,201	10,403,796
{ Other produce	846,921	1,474,270	663,822	1,100,126	1,048,076	1,643,290
Grand total	15,270,219	11,187,460	14,190,220	8,680,284	4,635,277	12,047,086

* Includes gold contained in matte. The value of gold contained in matte exported during 1907 was £350,501, during 1908, £761,103, during 1909, £524,183, during 1910, £549,924, and during 1911, £437,761. † Includes silver contained in matte. The value of silver contained in matte exported during 1907 was £576,959, during 1908, £489,460, during 1909, £370,320, during 1910, £296,228, and during 1911, £219,971.

COMMONWEALTH IMPORTS AND EXPORTS OF SPECIE AND GOLD AND SILVER BULLION FROM AND TO PRINCIPAL COUNTRIES, 1911.

Country.	Imports.			Exports.		
	Specie.	Bullion.	Total.	Specie.	Bullion.	Total.
	£	£	£	£	£	£
United Kingdom	348,973	4,209	353,182	642,240	946,065	1,588,305
Ceylon ... ..	...	...	...	5,115,000	168,750	5,283,750
Fiji ... ..	...	...	...	90,320	13	90,333
Hong Kong ... ..	...	...	...	466,657	400	467,057
India... ..	...	...	...	1,594,800	1,080,300	2,675,100
New Zealand	15,000	1,518,617	1,533,617	760,000	162	760,162
Papua ... ..	...	58,763	58,763	560	...	560
South African Union ... ..	...	...	...	305,000	...	305,000
Straits Settlements	100	...	100	501,997	...	501,997
Other Countries ... ..	...	...	...	5	...	5
Total British Countries	364,073	1,581,589	1,945,662	9,476,579	2,195,690	11,672,269
China	10,000	...	10,000	280,000	850	280,850
Germany ... ..	...	...	...	22,155	...	22,155
Pacific Islands	6,888	6,051	12,939	69,372	...	69,372
Other Countries	521	459	980	2,440	...	2,440
Total Foreign Countries	17,409	6,510	23,919	373,967	850	374,817
Grand total	381,482	1,588,099	1,969,581	9,850,546	2,196,540	12,047,086

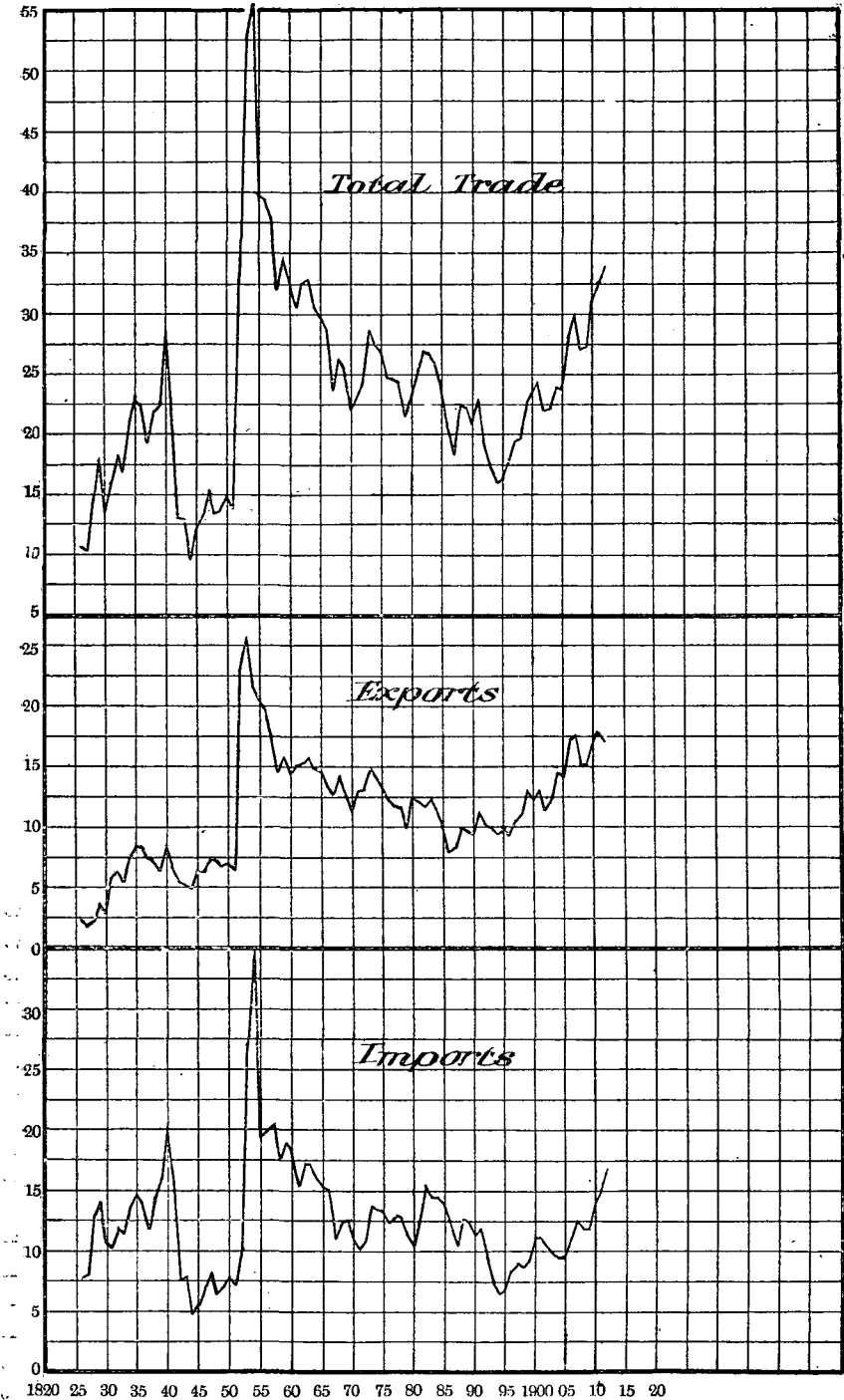
GRAPHS SHEWING VALUES OF TOTAL TRADE, EXPORTS, AND IMPORTS OF
COMMONWEALTH, 1826 TO 1912.



(See pages 593 and 594.)

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. The scales for Total Trade and Exports are on the left and that for Imports on the right hand side of the graphs.

GRAPHS SHÉWING THE VALUES PER HEAD OF POPULATION OF TOTAL TRADE,
EXPORTS AND IMPORTS OF COMMONWEALTH, 1826 TO 1912.



(See pages 593 and 594).

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 sterling per head.

2. **Imports of Bullion and Specie.**—Of the total imports of bullion and specie into the Commonwealth during 1911, 77.11 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 1911 gold represented 95.78 per cent., 81.58 per cent. being in the form of specie, and 14.20 per cent. bullion.

The countries which appear as the largest recipients of gold from Australia are Ceylon, India, United Kingdom, New Zealand, Straits Settlements, Hong Kong, and the South African Union, 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 other country, the actual amount received by each country cannot be stated. Moreover, the dimensions of the gold shipments from Australia to particular countries are without any significance regarding the business transactions between Australia and those countries. Shipments of gold merely represent a contribution towards the liquidation of liabilities or the establishment of credit abroad; and Great Britain being the principal creditor and banker, shipments of gold from the Commonwealth are for the most part directed by London bankers to suit their requirements.

§ 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 84 per cent. of all exports during 1911—after excluding specie and gold bullion, which are not subject to price changes—a fairly extensive basis is afforded on which to found an estimate of the effect of prices over the full range of exports.

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. 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.,—values computed on 1901 prices—represents the volume of exports (less specie and gold bullion), expressed in the common

denomination of value, and from the figures therein it will be seen that, had the prices of 1901 remained constant, the value of the exports of merchandise during the year 1911, for example, would have been £58,085,563 only, instead of £67,920,619—the value actually recorded. The difference between these amounts (£9,835,056) results from a rise of 16.9 per cent. (i.e., from 1000 to 1169) in the price of commodities for the period intervening between 1901 and 1911.

It will be seen from the column of "Price Levels" that prices as indicated by the Commonwealth exports rose steadily from the beginning of the decade to the year 1907. The financial crisis in the United States of America caused a pronounced fall in the prices of 1908. Owing to the large proportion of the aggregate value of exports represented by wool and wheat, any change in the price of these commodities has a marked effect on the index numbers for the total group of exports, and it is to their influence that the fall of prices in 1911 is mainly due.

EFFECT OF PRICES ON THE VALUE OF COMMONWEALTH EXPORTS AND EXPORT

PRICE-LEVELS FOR THE PERIOD 1901 to 1911.

(BASIC YEAR, 1901.)

Year.	Exports of Specie and Gold Bullion.	Other Exports.		Total Exports (including Specie and Gold Bullion).		Price Levels. ¹ 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 ...	14,347,776	35,348,396	35,348,396	49,696,172	49,696,172	1000
1902 ...	14,568,640	29,346,447	27,375,976	43,915,087	41,944,616	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	1128
1905 ...	10,977,111	45,863,924	38,465,210	56,841,035	49,442,321	1192
1906 ...	16,895,059	52,842,704	42,295,310	69,737,763	59,190,369	1249
1907 ...	10,571,263	62,252,984	47,557,141	72,824,247	58,128,404	1309
1908 ...	13,608,531	50,702,527	43,072,809	64,311,058	56,681,340	1177
1909 ...	8,390,376	56,928,460	46,973,200	65,318,836	55,363,576	1212
1910 ...	4,178,097	70,313,053	56,571,308	74,491,150	60,749,405	1243
1911 ...	11,561,639	67,920,619	58,085,563	79,482,258	69,647,202	1169

1. 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, are shewn below.

From the following figures it will be seen that exports of 1911, for example, of specie and gold bullion compared with 1901, shew a decrease of 19.42 per cent., other exports (merchandise) shew an increase of 64.30 per cent. in quantities, and an increase of 16.95 per cent. in the group-prices. These several influences effect an aggregate increase of £29,786,086, or 59.95 per cent., over 1901 as follows:—By increased quantities of merchandise, £22,737,167 (76.33 per cent.); by increased prices, £9,835,056 (33.02 per cent.); accompanied by a decrease of £2,786,137 (19.42 per cent.) in the exports of specie and gold.

**ANALYSIS OF INFLUENCE OF QUANTITY AND PRICE ON INCREASE OR DECREASE
IN COMMONWEALTH EXPORTS, 1902 to 1911, 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.	Quantity of Export other than Specie and Gold.	Prices of Export other than Specie and Gold.	
1902.	Variation, actual £	+ 220,864	—7,972,420	+ 1,970,471	—5,781,085
	Relative magnitude of variation. Total	+ 3.82	—137.90	+ 34.08	—100
	Variation taken as 100	+ 1.54	— 22.55	+ 7.20	—11.63
	Variation, per cent.				
1903.	Variation, actual £	+ 4,060,926	—8,651,276	+ 3,144,290	—1,446,060
	Relative magnitude of variation. Total	+ 280.81	—598.25	+ 217.44	—100
	Variation taken as 100	+ 28.30	— 24.47	+ 11.78	—2.91
	Variation, per cent.				
1904.	Variation, actual £	+ 2,566,915	+ 791,444	+ 4,431,384	+ 7,789,743
	Relative magnitude of variation. Total	+ 32.95	+ 10.16	+ 56.89	+ 100
	Variation taken as 100	+ 17.90	+ 2.24	+ 12.26	+ 15.67
	Variation, per cent.				
1905.	Variation, actual £	—3,370,665	+ 3,116,814	+ 7,398,714	+ 7,144,863
	Relative magnitude of variation. Total	—47.18	+ 43.62	+ 103.56	+ 100
	Variation taken as 100	—23.48	+ 8.82	+ 19.24	+ 14.37
	Variation, per cent.				
1906.	Variation, actual £	+ 2,547,283	+ 6,946,914	+ 10,547,394	+ 20,041,591
	Relative magnitude of variation. Total	+ 12.71	+ 34.66	+ 52.63	+ 100
	Variation taken as 100	+ 17.76	+ 19.65	+ 24.94	+ 40.32
	Variation, per cent.				
1907.	Variation, actual £	—3,776,513	+ 12,208,745	+ 14,695,843	+ 23,128,075
	Relative magnitude of variation. Total	—16.32	+ 52.78	+ 63.54	+ 100
	Variation taken as 100	—26.32	+ 34.55	+ 30.90	+ 46.56
	Variation, per cent.				
1908.	Variation, actual £	—739,245	+ 7,724,413	+ 7,629,718	+ 14,614,886
	Relative magnitude of variation. Total	— 5.06	+ 52.85	+ 52.21	+ 100
	Variation taken as 100	— 5.15	+ 21.85	+ 17.72	+ 29.43
	Variation, per cent.				
1909.	Variation, actual £	—5,957,400	+ 11,624,804	+ 9,955,260	+ 15,622,664
	Relative magnitude of variation. Total	—38.13	+ 74.40	+ 63.73	+ 100
	Variation taken as 100	—41.52	+ 32.89	+ 21.19	+ 31.43
	Variation, per cent.				
1910.	Variation, actual £	—10,169,679	+ 21,222,912	+ 13,741,745	+ 24,794,978
	Relative magnitude of variation. Total	—41.01	+ 85.59	+ 55.42	+ 100
	Variation taken as 100	—70.88	+ 60.04	+ 24.32	+ 49.90
	Variation, per cent.				
1911.	Variation, actual £	—2,786,137	+ 22,737,167	+ 9,835,056	+ 29,786,086
	Relative magnitude of variation. Total	— 9.35	+ 73.33	+ 33.02	+ 100
	Variation taken as 100	—19.42	+ 64.30	+ 16.95	+ 59.95
	Variation, per cent.				

§ 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 record, 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 approximately 40 per cent. of the gross trade recorded; of Switzerland, 45 per cent.; of France, 20 per cent.; and of the United

Kingdom, 15 per cent.; whereas in Australia the same element represents only 4 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 Belgium (£40 19s. 10d. per head); the next country in order of value per inhabitant was New Zealand (£37 10s. 4d. per head), followed by Switzerland (£32 11s. 3d. per head). Australia comes fourth (£32 11s. 2d. per head), and is some way in advance of the next country, viz., the Argentine Republic (£25 2s. 6d. 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.	Imports.	Exports.	Total.
		£	£	£	£ s. d.	£ s. d.	£ s. d.
C'WEALTH OF AUSTRALIA*	31/12/11	63,690,440	75,112,852	138,803,292	14 3 8	16 14 7	30 18 2
	31/12/12	75,112,852	76,115,486	151,228,338	16 3 6	16 7 8	32 11 3
United Kingdom*	31/12/11	583,361,816	454,119,298	1,037,481,114	12 17 7	10 0 7	22 18 2
	31/12/12	637,654,306	487,434,002	1,125,088,308	13 19 0	10 13 5	24 12 5
Canada	31/3/12	117,899,000	60,463,000	178,362,000	16 3 10	8 7 6	24 11 4
New Zealand	31/12/11	19,299,287	18,781,898	38,081,185	19 0 3	18 10 1	37 10 4
United States of America	30/6/12	355,220,400	475,487,000	830,707,400	3 14 6	4 19 7	8 14 1
Argentine Republic	31/12/10	77,760,000	74,869,000	152,619,000	12 16 0	12 6 6	25 2 6
Austria-Hungary	"	120,665,000	104,147,000	224,812,000	2 8 10	2 2 2	4 11 0
Belgium	"	170,598,000	136,297,000	306,895,000	23 15 9	18 4 1	40 19 10
Brazil	"	47,587,000	62,628,000	110,215,000	2 4 3	2 18 3	5 2 6
Denmark	"	32,403,000	27,193,000	59,596,000	11 16 10	9 18 8	21 15 6
France	"	303,155,000	264,936,000	568,091,000	7 14 2	6 14 8	14 8 10
German Empire	"	457,742,000	375,840,000	833,582,000	7 2 5	5 16 11	12 19 4
Italy	"	129,839,000	83,199,000	213,038,000	3 14 6	2 7 9	6 2 3
Japan	"	51,207,000	49,946,000	101,053,000	1 0 3	0 19 8	1 19 11
Norway	"	21,800,000	14,903,000	36,703,000	9 3 2	6 5 2	15 8 4
Portugal	31/12/09	14,571,000	6,968,000	21,539,000	2 14 5	1 6 0	4 0 5
Spain	31/12/10	40,001,000	38,821,000	78,822,000	2 1 0	1 19 10	4 0 10
Sweden	"	37,312,000	32,936,000	70,248,000	6 15 8	5 19 9	12 15 5
Switzerland	"	71,516,000	48,965,000	120,481,000	19 6 7	13 4 8	32 11 3
Uruguay	"	8,573,000	8,680,000	17,253,000	7 16 7	7 18 6	15 15 1

* Preliminary figures.

3. External Trade as a Measure of Prosperity.—External trade is not necessarily a measure of the prosperity of a country. 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 temporary 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 the increase is not an evidence of prosperity.

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 shew 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.

1. **General.**—The failure of the United Kingdom to maintain the position formerly held by her in the import trade of Australia has, during recent years, become a matter of more than ordinary interest in both countries. In June, 1905, Mr. R. J. Jeffray was sent here as a "Commissioner of the Advisory Committee on Commercial Intelligence of the British Board of Trade," to investigate the conditions and prospects of British trade with this country, and early in 1908 Mr. Ben H. Morgan was sent on a similar mission by the Manufacturers' Association of Great Britain, and in particular to report on:—(i.) The extent and possibilities of the market, with a view to (a) increasing export trade, (b) establishing branch factories inside the tariffs; (ii.) the extent and condition of local industries; (iii.) the nature and condition of foreign competition; (iv.) transport services, with special reference to shipping "rings" and "conferences"; (v.) the operation of local tariffs and effects of preferences. In December, 1908, a permanent Commissioner of the British Board of Trade arrived in Australia for the purpose of advising British manufacturers of the particular requirements of the Australian markets, with a view to improving the trade between the Commonwealth and the United Kingdom.

In a previous issue of this work (No. 1, 1907) reference was made to the report of Mr. Jeffray, in which he gave the following principal causes of the success of the foreign manufacturer in the Australian market:—(i.) Greater promptitude and attention to orders; (ii.) greater readiness to adapt their goods to the requirements of customers; (iii.) more efficient representation in Australia; (iv.) better package of goods; (v.) more attractive appearance of goods; (vi.) lower freights.

Mr. Morgan reports "that the most important reason for the growth of foreign trade in Australia is that the foreign manufacturer is able to quote lower prices than the British manufacturer for goods of equal value." That the foreign manufacturer is able to do this, is, he contends, due to the following, viz.:—(i.) *Protection*. By virtue of protection for his home market "the foreign manufacturer can depend on a definite consumption therein, and is thus able to produce in larger quantities, and therefore more cheaply." (ii.) *Lower shipping rates and raw materials*. "Direct shipping services have been established with foreign countries, who carry goods generally at lower rates than British shipping companies carry British goods, and that, following the development of manufacturing industries in foreign countries and the establishment of those cheap shipping facilities, the markets for raw materials are being diverted to those countries . . . and by carrying at lower rates, give their manufacturers an advantage in price in such raw materials." After quoting many instances of goods being charged

freights from Liverpool to Australia much above those charged on similar goods from New York to Hamburg *via* Liverpool to Australia, Mr. Morgan says :—"This shipping question is one of vital interest to manufacturers, and the time has come when they must, if they are to retain their position in export markets, interest themselves directly in freight matters, instead of leaving them as heretofore to merchants and shipping agents."

Mr. Wickes, addressing the British delegates attending the seventh Congress of the Chambers of Commerce of the Empire, alluding to freights, said :—"I doubt if there is any question which so illustrates the want of organisation among our commercial community," and he suggested that there should be a keener study of freight rates from other parts of the world, and also a closer co-operation of British manufacturers, for the more economical distribution of their manufactures. In subsequent reports, Mr. Wickes strenuously advocates more direct representation of British manufacturers in Australia.

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 other countries mentioned, during each of the years 1886 to 1911 :—

**PROPORTION OF COMMONWEALTH IMPORT TRADE FROM VARIOUS COUNTRIES,
1886 to 1911.**

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	1899	61.85	11.75	6.07	13.00	26.40
1887	72.26	12.50	2.28	5.37	15.24	1900	61.28	11.28	6.54	12.16	27.44
1888	71.62	12.08	2.71	6.48	16.35	1901	59.47	11.22	6.59	13.80	29.31
1889	68.98	13.45	3.65	6.67	17.57	1902	58.64	13.22	6.53	12.27	28.14
1890	68.08	12.66	4.77	6.54	19.26	1903	52.51	13.17	6.24	16.84	34.32
1891	70.15	11.40	4.53	6.79	18.45	1904	60.68	12.22	7.17	12.40	27.10
1892	70.74	11.37	4.32	6.04	17.89	1905	60.17	14.04	6.42	11.70	25.79
1893	72.78	12.14	3.40	4.98	15.08	1906	59.39	15.09	7.16	10.36	25.52
1894	71.92	11.96	3.78	5.39	16.12	1907	61.59	12.93	6.85	11.33	25.48
1895	71.62	11.46	4.42	5.95	16.92	1908	60.10	12.83	7.05	12.13	27.07
1896	68.28	10.74	5.31	8.59	20.98	1909	60.92	13.45	6.51	9.78	25.63
1897	66.22	10.72	5.75	10.10	23.06	1910	61.06	13.11	6.30	10.82	25.83
1898	66.62	10.88	5.86	10.16	22.50	1911	58.98	12.86	6.63	11.57	28.16

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, 1910 and 1911 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 1911.

PRINCIPAL DIRECT IMPORTS INTO THE COMMONWEALTH FROM THE UNITED KINGDOM, GERMANY, AND THE UNITED STATES, 1886, 1906, 1910 and 1911.

Nature of Imports.	Year.	United Kingdom.	Germany.	United States.	All Countries.
		£	£	£	£
Foodstuffs of animal origin ...	1886	348,950	5,608	70,959	674,296
	1906	293,950	24,319	146,781	697,830
	1910	360,772	37,737	210,707	873,697
	1911	326,971	51,585	206,267	816,915
Alcoholic liquors ...	1886	1,801,200	82,185	82,730	2,126,877
	1906	1,053,154	109,426	24,367	1,388,671
	1910	1,297,598	149,661	12,357	1,654,237
	1911	1,446,351	181,730	17,110	1,920,824
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
	1910	14,193,599	444,592	267,028	17,438,605
	1911	14,794,080	489,784	354,612	17,840,496
Metals unmanufactured and partly manufactured* ...	1886	403,809	2,241	...	430,950
	1906	696,331	62,945	34,927	927,785
	1910	827,854	101,274	44,217	1,229,267
	1911	916,297	70,042	57,819	1,455,764
Manufactures of metals (including machinery) ...	1886	4,616,924	94,832	311,342	5,190,901
	1906	5,144,912	926,314	1,379,662	7,932,675
	1910	7,991,225	1,154,638	2,276,057	12,074,821
	1911	8,965,810	1,218,431	2,838,516	14,211,581
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
	1910	1,659,385	258,241	223,431	2,457,216
	1911	1,871,746	312,329	209,429	2,831,808
Jewellery, timepieces, fancy goods	1886	659,833	24,206	57,477	789,127
	1906	740,850	140,950	59,151	1,045,164
	1910	916,609	205,919	90,825	1,428,029
	1911	1,147,546	250,876	113,323	1,755,583
Earthenware, cements, etc. ...	1886	755,907	78,762	24,711	938,476
	1906	316,252	227,390	37,344	688,510
	1910	530,554	253,028	52,208	1,015,313
	1911	600,210	330,490	54,139	1,228,122
Drugs, chemicals, fertilisers, etc.	1886	511,216	8,660	33,382	766,243
	1906	887,325	193,615	82,789	1,732,543
	1910	939,580	152,401	90,773	2,186,005
	1911	915,588	189,458	99,587	2,178,600
Leather, and mfs. thereof and substitutes therefor, including indiarubber ...	1886	285,601	6,357	53,588	363,332
	1906	682,238	70,028	116,356	924,968
	1910	923,851	125,725	99,211	1,303,134
	1911	1,053,858	188,249	152,726	1,586,503
Total above-mentioned imports ...	1886	20,489,153	378,234	689,225	22,937,818
	1906	22,088,942	2,435,447	2,391,248	30,685,464
	1908	24,558,163	2,638,279	3,044,691	34,444,436
	1909	25,650,092	2,507,669	2,511,450	35,275,485
	1910	29,641,027	2,383,216	3,366,814	41,660,324
	1911	32,038,457	3,282,974	4,103,528	45,826,196
Total imports (less bullion and specie) ...	1886	24,974,939	699,075	2,087,213	33,885,284
	1906	26,437,768	3,202,990	4,633,331	42,413,995
	1908	29,703,021	3,508,845	6,039,499	48,608,921
	1909	31,129,940	3,329,641	5,002,923	50,115,521
	1910	36,273,169	3,777,669	6,494,588	58,682,391
	1911	39,145,829	4,427,153	7,747,470	64,934,538

* Mainly pig iron and bar and rod iron.

PERCENTAGE ON TOTAL COMMONWEALTH IMPORTS OF PRINCIPAL *DIRECT* IMPORTS FROM UNITED KINGDOM, GERMANY, AND UNITED STATES, 1886, 1906, 1910 and 1911.

Nature of Imports.	Year.	United Kingdom.	Germany.	United States.	All Countries
Foodstuffs of animal origin ...	1886	51.75	0.83	10.52	100
	1906	42.12	3.48	21.02	100
	1910	41.29	4.32	24.12	100
	1911	40.02	6.31	25.25	100
Alcoholic liquors ...	1886	84.69	3.86	3.89	100
	1906	75.84	7.88	1.75	100
	1910	78.44	9.05	0.75	100
	1911	75.30	9.46	0.89	100
Apparel, textiles, etc. (including boots)	1886	95.44	0.53	0.15	100
	1906	81.93	3.10	1.64	100
	1910	81.39	2.55	1.53	100
	1911	82.93	2.75	1.99	100
Metals unmanufactured and partly manufactured ...	1886	93.72	0.52	—	100
	1906	75.06	6.78	3.76	100
	1910	63.86	7.81	3.41	100
	1911	62.95	4.81	3.97	100
Manufactures of metals ...	1886	88.93	1.83	6.00	100
	1906	64.85	11.68	17.39	100
	1910	66.18	9.56	18.85	100
	1911	63.09	8.57	19.97	100
Paper and stationery ...	1886	94.03	1.57	2.96	100
	1906	65.69	14.23	15.69	100
	1910	67.52	10.51	9.09	100
	1911	66.10	11.03	7.39	100
Jewellery, timepieces, and fancy goods	1886	83.62	3.07	7.28	100
	1906	70.89	13.48	5.66	100
	1910	64.19	14.42	6.36	100
	1911	65.36	14.29	6.45	100
Earthenware, cements, etc. ...	1886	80.55	8.39	2.63	100
	1906	45.93	33.03	5.42	100
	1910	52.26	24.92	5.14	100
	1911	48.87	26.91	4.41	100
Drugs, chemicals, fertilisers, etc. ...	1886	66.71	1.13	4.36	100
	1906	51.22	11.18	4.78	100
	1910	42.98	6.97	4.15	100
	1911	42.02	8.70	4.57	100
Leather and mfs. thereof, and substitutes therefor, including indiarubber	1886	78.60	1.75	15.30	100
	1906	73.75	7.60	12.58	100
	1910	70.90	9.65	7.61	100
	1911	66.42	11.86	9.63	100
Total above-mentioned imports ...	1886	89.31	1.65	3.01	100
	1906	71.98	7.94	7.79	100
	1908	71.29	7.66	8.84	100
	1909	72.70	7.10	7.12	100
	1910	71.04	6.91	8.07	100
Total imports (less bullion and specie)	1911	69.91	7.16	8.95	100
	1886	73.71	2.06	6.16	100
	1906	62.34	7.55	10.92	100
	1908	61.11	7.32	12.42	100
	1909	62.10	6.64	9.98	100
	1910	61.82	6.44	11.07	100
	1911	60.28	6.82	11.93	100

The foregoing table shews that the share of the United Kingdom, as indicated by the records according to "Country of Shipment," in the trade of those classes of goods enumerated—representing over 70 per cent. of the total imports from that country—has declined from 89.31 per cent. of the whole in 1886 to 69.91 per cent. in 1911. The value of these imports from the United Kingdom has increased from £20,489,153 in 1886 to only £32,038,457 in 1911, or by 56.39 per cent., while the total value of similar imports

has increased from £22,937,818 to £45,826,196, or by 99.78 per cent. Had the same proportion of the total trade been shipped from the United Kingdom during 1911 as in 1886 it would have represented £40,927,377 instead of £32,038,457.

The following table gives an analysis of the imports during the years 1907-1911 according to the countries of origin of the goods, and has been extended to include the products of Belgium and France. (See subsequent section dealing with "Preference.")

IMPORTS INTO THE COMMONWEALTH OF PRODUCTS OR MANUFACTURES OF THE UNITED KINGDOM, BELGIUM, FRANCE, GERMANY, AND THE UNITED STATES OF AMERICA DURING THE YEARS 1907 to 1911.

Nature of Imports.	Year.	United Kingdom.	Belgium	France.	Germany.	U.S. of America.	All Countries
		£	£	£	£	£	£
Foodstuffs of animal origin	1907	177,767	800	4,637	7,859	153,599	688,642
	1908	327,047	948	5,103	9,963	227,308	834,542
	1909	309,642	4,505	5,431	6,737	181,435	751,044
	1910	313,066	1,141	3,806	6,414	242,427	873,697
	1911	266,740	885	3,199	8,354	226,495	816,915
Alcoholic liquors, etc.	1907	1,015,026	3,175	271,295	71,921	26,043	1,556,224
	1908	1,007,600	914	281,529	77,379	18,182	1,575,151
	1909	956,882	1,637	250,042	80,283	13,053	1,496,952
	1910	1,052,003	1,502	287,106	95,039	17,330	1,654,237
	1911	1,138,158	327	443,587	112,904	22,758	1,920,824
Apparel (including boots), textiles, etc.	1907	9,900,952	138,685	889,545	1,344,415	444,594	15,367,604
	1908	8,791,471	131,317	786,394	1,252,337	349,885	13,844,687
	1909	9,231,968	155,078	857,808	1,299,041	355,768	14,765,733
	1910	10,896,368	204,370	864,908	1,446,075	429,517	17,438,605
	1911	11,462,927	235,317	861,323	1,608,348	515,806	17,840,496
Metals unmanufactured or partly manufactured, excluding gold and silver bullion	1907	823,259	57,818	2,124	112,818	46,258	1,133,231
	1908	665,128	62,685	3,995	130,627	61,026	976,307
	1909	667,327	73,495	2,447	116,017	50,015	971,616
	1910	821,626	125,752	2,882	198,946	44,993	1,296,309
	1911	928,172	150,203	2,616	230,180	58,691	1,519,132
Manufactures of metals	1907	6,767,768	129,686	29,779	1,184,232	2,022,584	10,531,166
	1908	6,550,743	143,692	44,185	1,142,443	1,938,008	10,171,607
	1909	6,786,806	137,710	47,947	1,190,998	1,732,858	10,372,019
	1910	7,491,624	159,085	48,528	1,369,378	2,460,278	12,074,821
	1911	8,507,499	281,070	57,977	1,724,344	3,029,091	14,211,581
Paper and stationery	1907	1,199,123	22,273	10,351	317,544	326,779	2,071,344
	1908	1,217,008	31,923	13,656	310,006	292,426	2,234,930
	1909	1,250,166	23,800	14,889	236,970	231,215	2,096,638
	1910	1,448,938	31,726	17,974	248,102	275,181	2,457,216
	1911	1,651,715	39,638	22,148	311,030	303,015	2,831,808
Jewellery, timepieces and fancy goods	1907	516,552	48,170	109,515	239,363	131,750	1,261,046
	1908	418,400	49,428	127,831	210,814	87,201	1,102,644
	1909	452,473	38,396	107,915	227,625	97,125	1,203,528
	1910	526,605	49,971	117,831	261,236	140,611	1,428,029
	1911	611,355	63,389	151,788	323,482	202,272	1,755,583
Earthenware, cements, glass, etc.	1907	399,074	119,915	28,357	206,705	68,036	863,849
	1908	411,913	103,776	26,918	215,293	40,923	855,855
	1909	378,049	119,633	27,312	176,082	41,866	791,705
	1910	492,842	136,138	31,213	234,074	61,123	1,015,313
	1911	553,817	180,445	35,594	318,258	60,043	1,228,122
Drugs, chemicals, fertilisers	1907	838,227	16,853	181,258	209,269	146,825	1,840,933
	1908	819,949	12,034	224,398	161,594	132,406	1,916,680
	1909	735,854	9,847	173,753	168,590	132,596	1,744,023
	1910	939,349	18,767	177,839	185,794	140,957	2,186,005
	1911	896,921	8,390	233,370	212,045	152,413	2,178,600
Leather and manufactures thereof and substitutes therefor, including india-rubber (excluding boots)	1907	414,302	1,406	40,490	117,833	275,235	1,004,822
	1908	367,539	202	49,534	145,461	227,260	932,033
	1909	383,930	551	54,079	210,307	294,128	1,080,222
	1910	490,154	1,573	64,407	189,660	306,363	1,303,134
	1911	544,583	7,261	57,172	257,117	323,825	1,586,503
Total above-mentioned imports	1907	22,052,050	538,781	1,567,351	3,809,959	3,641,703	36,318,861
	1908	20,577,098	541,319	1,569,543	3,655,937	3,374,630	34,444,436
	1909	21,183,097	564,652	1,541,623	3,712,650	3,130,059	35,275,485
	1910	24,472,575	730,035	1,616,394	4,234,708	4,118,780	41,727,366
	1911	26,561,887	971,925	1,868,774	5,106,062	4,894,909	45,889,565
Total imports (less bullion and specie)	1907	26,441,942	632,486	1,742,612	4,622,933	6,763,531	49,974,833
	1908	25,042,810	636,450	1,775,389	4,482,119	6,574,380	48,608,992
	1909	25,809,347	662,132	1,784,312	4,537,112	5,934,295	50,115,521
	1910	30,048,714	853,708	1,949,735	5,214,149	7,658,878	58,682,391
	1911	32,365,588	1,141,075	2,268,692	6,363,248	9,007,065	64,997,907

NOTE.—1905 figures were last shown in No. 3, and 1906 figures in No. 5 Year Book.

* Mainly pig iron and bar and rod iron.

In the above table the totals only, of the several classes of goods mentioned, have been dealt with. On pages 635 *et seq.* will be found a more detailed analysis, shewing the principal items of United Kingdom origin, in which goods favoured by preferential tariff rates are distinguished from other imports.

COMMONWEALTH PERCENTAGE ON TOTAL IMPORTS, OF IMPORTS OF PRODUCTS OR MANUFACTURES OF THE UNITED KINGDOM, BELGIUM, FRANCE, GERMANY, AND THE UNITED STATES OF AMERICA DURING THE YEARS 1907 to 1911.

Nature of Imports.	Year.	United Kingdom.	Belgium.	France.	Germany.	U.S.A.	All Countries
Foodstuffs of animal origin	1907	25.81	0.12	0.67	1.14	22.30	100
	1908	39.19	0.04	0.61	1.20	27.25	100
	1909	41.23	0.60	0.72	0.90	24.16	100
	1910	35.83	0.14	0.44	0.73	27.75	100
	1911	32.65	0.11	0.39	1.02	27.73	100
Alcoholic liquors, etc.	1907	65.21	0.20	17.43	4.62	1.67	100
	1908	63.96	0.05	17.82	4.91	1.15	100
	1909	63.92	0.11	16.71	5.36	0.87	100
	1910	63.59	0.09	17.36	5.75	1.05	100
	1911	59.25	0.02	23.09	5.88	1.18	100
Apparel (including boots), textiles, etc.	1907	64.44	0.90	5.79	8.75	2.89	100
	1908	63.56	0.95	5.68	9.04	2.53	100
	1909	62.53	1.05	5.81	8.80	2.41	100
	1910	62.48	1.17	4.96	8.29	2.46	100
	1911	64.25	1.31	4.83	9.02	2.89	100
Metals unmanufactured or partly manufactured, excluding gold and silver bullion ...	1907	72.66	5.10	0.19	9.96	4.08	100
	1908	68.20	6.42	0.41	13.38	6.25	100
	1909	68.68	7.56	0.25	11.94	3.15	100
	1910	63.38	9.70	0.22	15.35	3.47	100
	1911	61.10	9.89	0.17	15.15	3.86	100
Manufactures of metals ...	1907	64.27	0.64	0.28	11.25	19.21	100
	1908	64.40	1.46	0.43	11.23	19.05	100
	1909	65.43	1.38	0.46	11.48	16.71	100
	1910	62.04	1.32	0.40	11.34	20.37	100
	1911	59.87	1.98	0.41	12.14	21.32	100
Paper and stationery ...	1907	57.89	1.07	0.50	15.33	15.77	100
	1908	54.45	1.43	0.61	13.87	13.08	100
	1909	59.97	1.13	0.71	11.29	11.02	100
	1910	58.96	1.29	0.73	10.10	11.20	100
	1911	58.33	1.40	0.78	10.09	10.70	100
Jewellery, timepieces, and fancy goods ...	1907	40.97	3.82	8.68	18.98	10.42	100
	1908	37.95	4.48	11.59	19.12	7.91	100
	1909	40.09	3.19	8.97	18.92	8.07	100
	1910	36.88	3.50	8.25	18.29	9.85	100
	1911	34.83	3.90	8.64	18.44	11.55	100
Earthenware, cements, glass, etc. ...	1907	46.19	13.88	3.28	23.93	7.87	100
	1908	48.09	12.13	3.15	25.16	4.78	100
	1909	47.75	15.11	3.45	22.24	5.29	100
	1910	48.54	13.41	3.07	23.05	6.02	100
	1911	45.09	14.69	2.90	25.91	4.88	100
Drugs, chemicals, and fertilisers ...	1907	45.54	0.91	9.85	10.88	7.98	100
	1908	42.78	0.62	11.71	8.43	6.91	100
	1909	42.20	0.56	9.96	9.67	7.60	100
	1910	42.97	0.86	8.14	8.50	6.45	100
	1911	41.18	0.38	10.71	9.73	6.99	100
Leather and manufactures thereof and substitutes therefor, including india-rubber (excluding boots)	1907	41.24	0.14	4.03	11.73	27.40	100
	1908	39.47	0.02	5.31	15.61	24.39	100
	1909	35.55	0.05	5.01	19.47	27.23	100
	1910	37.61	0.12	4.94	14.56	23.51	100
	1911	34.32	0.45	3.60	16.21	20.41	100
Total above-mentioned articles ...	1907	60.72	1.48	4.32	10.47	10.03	100
	1908	59.74	1.57	4.54	10.61	9.80	100
	1909	60.05	1.60	4.37	10.52	9.87	100
	1910	58.65	1.75	3.87	10.15	9.87	100
	1911	57.88	2.12	4.07	11.13	10.67	100
Total imports...	1907	52.91	1.27	3.49	9.25	13.53	100
	1908	51.52	1.31	3.65	9.22	13.54	100
	1909	51.50	1.32	3.56	9.05	11.84	100
	1910	51.21	1.45	3.32	8.89	13.05	100
	1911	49.80	1.75	3.49	9.79	13.68	100

A comparison of the results given in the immediately preceding tables with those given on pages 625 and 626 discloses the value of the export trade of other countries which reaches the Commonwealth through the United Kingdom.

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.

**AVERAGE ANNUAL VALUE OF MERCHANDISE AND BULLION AND SPECIE
DESPATCHED FROM THE UNITED KINGDOM TO AUSTRALIA, 1886 to 1911.**

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.			
	£	£	£	£	£	
1886-1890 ...	19,510,884	2,344,309	874,249	90,135	22,819,577	14.16
1891-1895 ...	15,376,625	1,756,065	556,287	402,256	18,091,233	13.07
1896-1900 ...	18,353,571	1,919,912	445,552	117,146	20,836,181	11.42
1901-1905 ...	18,271,705	2,226,321	750,520	79,014	21,327,560	14.01
1906-1910 ...	23,783,823	2,990,009	1,183,812	221,956	28,179,600	14.93
1911 ...	30,881,094	3,659,182	1,477,713	353,164	36,371,153	14.26

From the above table it will be seen that the average proportion of foreign goods despatched to Australia through the United Kingdom during 1911 is almost identical with the average of the years 1886-90, and is greater than the average of the past twenty-five years, viz., 13.52 per cent. During the quinquennium 1886-90 the average value of foreign and colonial produce despatched each year from the United Kingdom to Australia was £3,218,558, equal to 14.16 per cent. of all goods so despatched, while during the period 1906-10 the corresponding amount was £4,173,821, or 14.93 per cent. and in 1911 14.26 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.

4. **Preferential Tariff.**—The Tariff Act of 1903, at present in force, provides preferential tariff rates in favour of goods produced or manufactured in the United Kingdom. On the introduction of the preferential treatment of British goods, it was required that British material or labour should represent not less than one-fourth the value of such goods. From the 1st September, 1911, it has been required, in regard to goods only partially manufactured in the United Kingdom, that the final process or processes of manufacture shall have been performed in the United Kingdom, and that the expenditure in material of British production and/or British labour shall have been not less than one-fourth of the factory or works' cost of the goods in the finished state.

In the analyses given in this section the results shewn are those obtained by applying the tariff rates to the imports of the year, whether entered for consumption or re-exported. The re-exports are, however, relatively small.

The following table presents an analysis of the imports during 1911, distinguishing those affected—favourably or adversely—by the preferential provisions of the tariff, from those not affected:—

COMMONWEALTH IMPORTS, 1911, PREFERENTIAL AND NON-PREFERENTIAL.

Particulars.	Country of Origin.			
	United Kingdom.	British Possessions.	Foreign Countries.	Total.
Imports affected by preferential tariff	£	£	£	£
Free	6,972,586	—	—	6,972,586
Dutiable	14,145,471	268,511	11,825,659	26,239,641
Total	21,118,057	268,511	11,825,659	33,212,227
Impts. not affected by preferential tariff				
Free	7,609,261	3,952,511	8,181,275	19,743,047
Dutiable	3,638,270	2,134,792	6,269,571	12,042,633
Total	11,247,531	6,087,303	14,450,846	31,785,680
Total merchandise	32,365,588	6,355,814	26,276,505	64,997,907
Bullion and specie	370,383	1,577,431	21,767	1,969,581
Total imports	32,735,971	7,933,245	26,298,272	66,967,488

Of the total imports of merchandise (£64,997,907) £33,212,227, or 51.10 per cent., would be affected by the preferential tariff.

The imports during 1911 of United Kingdom origin, favoured by preference, amounted to £21,118,057, representing 65.24 per cent. of the total imports of merchandise from that country, against £19,049,506 (63.40 per cent.) during 1910. Under the preferential tariff these imports would be subject to duty equivalent to an average *ad valorem* rate of 12.99 per cent., as compared with an average rate of 18.06 per cent. which the same goods would be required to pay under the general tariff rates—an advantage of £1,071,185 in the amount of duty. The actual amount of rebate allowed on United Kingdom goods entered for home consumption during 1911, under the varying rates of duty, was £1,070,823.

The following tables give the comparative results of an application of the preferential tariff rates and the general tariff rates to the imports from the United Kingdom, British Possessions and foreign countries respectively :—

IMPORTS AFFECTED BY PREFERENTIAL TARIFF RATES.

FROM UNITED KINGDOM.

Particulars.	Imports.	Duty which would be payable under—			
		Preferential Tariff.		General Tariff.	
		£	Rate %	£	Rate %
(A) Free	6,972,586	...	...	361,329	5.18
(B) Dutiable	14,145,471	2,743,827	19.40	3,453,683	24.42
Total	21,118,057	2,743,827	12.99	3,815,012	18.06

IMPORTS AFFECTED BY PREFERENTIAL TARIFF RATES.

FROM BRITISH POSSESSIONS.

Particulars.	Imports.	Duty which would be payable under—			
		General Tariff.		Preferential Tariff.	
Imports similar to group A above	£ 93,902	£ 4,695	Rate % 5.00	£ ...	Rate % ...
" " " B "	174,609	52,785	30.23	42,623	24.46
Total	268,511	57,480	21.41	42,623	15.87

FROM FOREIGN COUNTRIES.

Imports similar to group A above	£ 1,935,188	£ 96,877	Rate % 5.01	£ ...	Rate % ...
" " " B "	9,890,471	2,411,562	24.38	1,866,401	18.87
Total	11,825,659	2,508,439	21.21	1,866,401	15.78

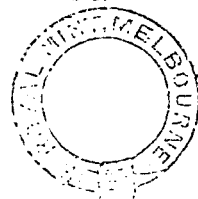
The proportion of the imports from British Possessions adversely affected by the preference to the United Kingdom is relatively small, representing only 4.22 per cent. of the imports of merchandise from those countries. The surcharge of duty on imports from British Possessions during 1911 amounted to £14,857, as against £10,747 in 1910. The sum of £14,857 would, on the basis of the trade of 1911, represent the loss of revenue involved in an extension of the preference given to the United Kingdom to the rest of the Empire, as in the preferential scheme of New Zealand. The British Possessions chiefly affected are India, Canada, Straits Settlements, and New Zealand.

The surcharge on imports, affected by preference, from foreign countries during 1911 would amount to £642,038, as against £522,069 during 1910.

5. Effect of Preference.—It may again be mentioned here that the system of recording imports according to "country of origin," was introduced only from the beginning of 1905, and it is evident that in the earlier period of its operation, some goods, imported through the United Kingdom, were wrongly described as of United Kingdom origin. Particular instances in which manufactures of foreign countries have obviously been credited to the United Kingdom are alluded to later. When the question of revenue became involved, and a more exact description of the goods was insisted upon, goods which might formerly have been accepted and recorded as British would be correctly classed as foreign.

A comparison of the returns of the British Board of Trade (shewing the exports of produce or manufacture of the United Kingdom to Australia) with the import returns of the Commonwealth, supports the belief that the proportion of the trade credited to the United Kingdom in this country during the years 1905 and 1906 is too high. If this supposition be correct, the apparent decline in the proportion of British goods, as compared with the years mentioned, indicated by the Commonwealth records, is somewhat misleading.

In regard to imports of United Kingdom origin, it has been shewn in previous issues that, while the results for the later years are in substantial agreement, those ascertained from the Commonwealth import returns for 1905 are 8.35 per cent. above those ascertained from the returns of the British Board of Trade.



If it be conceded that the figures of the British Board of Trade for 1905 and 1906 with 10 per cent. added are nearer the truth than the Commonwealth records for those years, and in the subsequent years the Commonwealth figures be accepted, the results would be approximately as follows:—

IMPORTS OF UNITED KINGDOM ORIGIN, 1905 to 1911.

Year.	Prefential Imports.		Non-Prefential Imports.*		Total.*	
	Value.	Per cent. on Total Pref. Imports.	Value.	Per cent. on Total Non-Pref. Imports.	Value.	Per cent. on Total Imports.
	£	%	£	%	£	%
1905†	12,220,000	63.98	6,821,000	48.18	18,541,000	57.55
1906†	14,316,000	66.80	7,774,000	50.02	22,090,000	59.74
1907	17,049,000	66.08	9,224,000	51.12	26,273,000	59.93
1908	15,896,000	65.70	9,007,000	50.70	24,903,000	59.36
1909	16,482,000	66.80	9,137,000	49.94	25,619,000	59.61
1910	19,049,000	65.88	10,821,000	48.37	29,870,000	58.23
1911	21,118,000	63.58	10,957,000	46.81	32,075,000	56.66

See note (*) to table on following page. † The figures for these years are based on export returns of the United Kingdom.

From this table it will be observed that instead of declining rapidly since 1905, as indicated by the Commonwealth records, the position of the United Kingdom has been, on the whole, well maintained up to and including the year 1910. The records for 1911, however, shew a very pronounced decline as compared with the immediately preceding years, and mark—in both the preferential and non-preferential groups—the lowest point within the period under review to which the share of the United Kingdom has yet fallen.

The effect of industrial troubles in the United Kingdom during 1911 on her relative position in the Commonwealth import trade cannot, of course, be measured, but it is more than probable that it has been material. It is also possible that the revised definition of “origin” has had the apparent effect of reducing the value of United Kingdom goods and correspondingly increasing those of other countries.

The following comparative tables shew the proportion of imports—preferential and non-preferential, respectively—recorded in the Commonwealth as of United Kingdom origin during the years 1905-1911:—

PREFERENTIAL IMPORTS, 1905 to 1911.

Year.	Country of Origin.							
	United Kingdom.		British Possessions.		Foreign Countries.		Total.	
	£	%	£	%	£	%	£	%
1905*	13,268,596	89.56	151,463	0.78	5,656,611	29.66	19,076,670	100
1906*	14,643,287	68.58	165,699	0.78	6,545,603	30.64	21,354,589	100
1907	17,049,196	66.08	210,545	0.82	8,539,885	33.10	25,799,626	100
1908	15,895,721	65.70	162,097	0.67	8,136,004	33.63	24,193,822	100
1909	16,482,032	66.80	319,900	1.29	7,875,832	31.91	24,677,764	100
1910	19,049,506	65.88	211,687	0.73	9,655,762	33.39	28,916,955	100
1911	21,118,057	63.58	268,511	0.81	11,825,559	35.61	33,212,227	100

* See modified figures in the preceding table.

From the percentages shewn in the immediately preceding table it would appear that the United Kingdom's proportion of this trade has materially declined since 1905, but, as

already mentioned, the accuracy of the figures for that year is open to doubt. It will be more satisfactory, therefore, to confine attention to years subsequent to 1906. From the above table it will be seen that, in regard to that portion of the trade which has been affected by the preferential tariff, there has been, on the whole, no decided change in the relative proportions supplied by the United Kingdom until the year 1911, when a very decided decline is apparent, the percentage proportion falling from 65.89 per cent. in 1910 to 63.58 per cent. in 1911, the imports from foreign countries within this division having increased by £2,169,897, or 22.47 per cent., while those from the United Kingdom increased by £2,068,551, representing only 10.86 per cent. It would therefore appear that over 50 per cent. of the increased trade in this division was supplied by foreign countries. During the four years since 1907 the imports from foreign countries have increased at an average annual rate of 8.48 per cent., and those from the United Kingdom by 5.56 per cent.

COMMONWEALTH NON-PREFERENTIAL IMPORTS*, 1905 to 1911.

Year.	Country of Origin.							
	United Kingdom.		British Possessions.		Foreign Countries.		Total.	
	£	%	£	%	£	%	£	%
1905† ...	6,843,465	51.98	1,621,168	12.31	4,701,383	35.71	13,166,016	100
1906† ...	7,952,039	50.81	2,017,206	12.89	5,680,078	36.30	15,649,413	100
1907 ...	9,323,549	51.12	2,277,889	12.64	6,543,733	36.24	18,045,171	100
1908 ...	9,006,821	50.70	2,299,775	12.95	6,456,040	36.35	17,762,636	100
1909 ...	9,137,146	49.94	2,500,859	13.66	6,659,699	36.40	18,297,704	100
1910 ...	10,820,679	48.37	3,526,523	15.76	8,625,977	35.87	22,973,179	100
1911 ...	10,956,913	46.81	2,808,406	12.00	9,639,534	41.19	23,404,853	100

* In order to obtain a more satisfactory comparison only goods of a character similar to those affected by preferential rates have been included in this table. Articles such as fruits, grain, cocoa beans, raw coffee, tea, sugar, unmanufactured tobacco, hides, fibres, kerosene, timber, etc., which are not produced in the United Kingdom, have been excluded. The proportion of these goods recorded as of United Kingdom origin during 1911 was only 3.47 per cent.

† See modified figures in the first table on the preceding page.

In regard to the non-preferential imports, the proportion supplied by the United Kingdom has fallen from 51.12 per cent. in 1907 to 46.81 per cent. in 1911. The proportion supplied by foreign countries declined slightly from 36.24 per cent. in 1907 to 35.87 per cent. in 1910, but made a most pronounced advance in 1911 to 41.19 per cent.

In the review of the trade of 1910 (Year Book No. 5, page 640) it was shewn that the decline in the relative position of the United Kingdom as compared with 1907 was due to increased imports from British possessions, largely composed of bags and sacks from India, imported to meet the requirements of the bountiful harvests, and of coal, also from India, imported in consequence of the miners' strike in New South Wales. In 1911, however, the imports of non-preferential goods from British Possessions fell even below their normal proportion; and, thus, by the reduced imports of bags and sacks the relative position of the United Kingdom in the non-preferential division of the apparel and textile group has been fully restored, though a further marked decline is evident in regard to the total of the non-preferential imports. In this non-preferential division of the trade the imports from the United Kingdom during 1911 increased, as compared with 1910, by only £136,234, or 1.26 per cent., while those from foreign countries increased by £1,613,557, or 20.10 per cent. It will be observed from the foregoing table that the increase of imports from foreign countries exceeded that for the whole of the group. If, however, the imports of bags and sacks and of coal—which have been shewn to be a disturbing element—be eliminated from the figures for both years it will be found that of a total increase, during 1911 over 1910, of £1,808,120, foreign countries supplied £1,654,143, or 91.48 per cent. It might be mentioned that the relative position of the United Kingdom has been adversely affected by the abnormally small imports of ships, of which she has

usually supplied about 90 per cent. The value of ships imported into the Commonwealth during 1911 was less than 50 per cent. of that of any of the four preceding years, and of this reduced aggregate the United Kingdom supplied 71 per cent. only. If the value of ships be also eliminated, it will be found that foreign countries still had as much as 72 per cent. of the increased trade. Compared with 1907 the average annual rates of increase are respectively:—United Kingdom 4.40 per cent., and foreign countries 10.17 per cent.

The principal classes of imports affected by preference are "apparel, textiles and manufactured fibres," and "manufactures of metals, including machinery." Together these two classes represented 67 per cent. of all imports affected by the preferential tariff during 1911, the former class representing 43 per cent. and the latter 24 per cent. The following analysis gives the particulars of the imports of these groups, as recorded, for the past seven years:—

COMMONWEALTH IMPORTS OF APPAREL, TEXTILES, AND MANUFACTURED FIBRES,

1905 to 1911.

PREFERENTIAL.

Year.	Country of Origin.							
	United Kingdom.		British Possessions.		Foreign Countries.		Total.	
	£	%	£	%	£	%	£	%
1905* ...	7,586,841*	76.98*	42,442	0.42	2,228,104	22.60	9,857,387	100
1906* ...	8,240,338*	75.92*	59,402	0.55	2,554,765	23.53	10,854,505	100
1907 ...	8,725,908	70.20	68,764	0.54	3,637,169	29.26	12,431,841	100
1908 ...	7,716,800	68.35	54,667	0.48	3,519,641	31.17	11,291,108	100
1909 ...	8,038,772	69.26	58,599	0.50	3,509,876	30.24	11,607,247	100
1910 ...	9,511,026	70.31	55,662	0.41	3,960,627	29.28	13,527,315	100
1911 ...	10,022,798	70.06	68,030	0.48	4,214,179	29.46	14,305,007	100

NON-PREFERENTIAL.

Year.	£	%	£	%	£	%	£	%
1905* ...	903,653*	42.28*	971,931	45.47	261,815	12.25	2,137,399	100
1906* ...	1,045,608*	39.72*	1,251,066	47.53	335,389	12.75	2,632,053	100
1907 ...	1,153,666	39.66	1,327,829	45.64	427,325	14.70	2,908,820	100
1908 ...	1,074,671	42.08	1,168,473	45.76	310,435	12.16	2,553,579	100
1909 ...	1,193,196	37.77	1,380,056	43.70	585,239	18.53	3,158,491	100
1910 ...	1,385,342	35.42	1,798,895	45.99	727,053	18.59	3,911,290	100
1911 ...	1,440,129	40.73	1,330,974	37.65	764,386	21.62	3,535,489	100

* The amount credited to the United Kingdom in these years is considered to be in excess of the truth.

The above table, referring to preferential imports, shews very little variation in the distribution of the textile trade as between the United Kingdom and foreign countries since 1906, and the same stability is maintained throughout the several lines shewn in the following detailed table. The sudden decline in the United Kingdom's share of the preferential group from 75.92 per cent. in 1906 to 70.20 per cent. in 1907, accompanied by a decline of only 0.06 per cent. during the same period in the non-preferential group, suggests, however, that the differentiation in the rates of duty instantly caused a greater accuracy in the statement of origin of goods in the preferential group, whereas in the non-preferential group, where loss of revenue was not involved, the element of misdescription was more gradually eliminated, and, consequently, that the decline in the latter is more apparent than real. This appears to be amply supported by the item "Minor Articles for Apparel," on which no duty is payable, for while the total imports under this heading have increased from £211,324 in 1905 to £412,064 in 1911 (95 per cent.), and the imports recorded as shipped from the United Kingdom have increased from £178,657 to £326,526 (83 per cent.), the amount recorded as of United Kingdom origin has only increased from £162,767 to £178,218 (9 per cent.); or, in other words, of the total imports of this item recorded as shipped from the United Kingdom in 1905, 91 per cent. was recorded

as of United Kingdom origin; in 1906, 89 per cent.; in 1907, 79 per cent.; in 1908, 70 per cent.; in 1909, 58 per cent.; and in 1910 and 1911, only 54 per cent. The proper assumption is that in the earlier years the United Kingdom was credited with goods which she did not manufacture, rather than that she has, in so short a time, lost so largely to her rivals.

The detailed tables which are appended shew the relative proportions of the various classes of textile goods supplied by the United Kingdom. In regard to those textile goods affected by preference the figures shew that since 1907 (the first year with which satisfactory comparisons can be made), the share of the United Kingdom has been substantially maintained in nearly all the lines enumerated below, the aggregate result being that in the year 1911 she supplied 70.06 per cent. as against 70.20 per cent. in 1907.

The value and proportion of the more important items, included in the above groups of apparel and textiles, recorded as of United Kingdom manufacture, are given below:—

**COMMONWEALTH IMPORTS OF PREFERENTIAL ITEMS OF APPAREL AND TEXTILES
RECORDED AS OF UNITED KINGDOM ORIGIN, 1907 to 1911.**

Items.	1907.		1908.		1909.		1910.		1911.	
	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.
	£	%	£	%	£	%	£	%	£	%
Apparel—										
Boots and shoes ...	195,426	65.28	174,153	64.87	187,600	68.22	238,597	67.23	264,713	71.17
Gloves ...	48,166	17.07	38,320	15.00	49,148	16.75	31,659	10.78	29,133	8.31
Hats, caps, & bonnets ...	280,853	63.87	208,143	70.36	176,998	66.36	209,443	67.31	222,486	67.34
Socks and stockings of wool, &c. ...	348,307	97.23	*402,040	80.35	367,669	95.73	412,359	95.47	490,318	95.35
Trimmings & Ornaments ...	86,317	25.73	54,860	26.69	49,130	31.30	46,547	25.85	53,762	†11.58
Other apparel ...	1,040,855	67.28	905,922	68.26	906,615	66.90	1,044,336	66.08	1,158,403	64.21
Textiles, etc. — Piece goods — Cotton and linen, n.e.l. ...	3,266,665	89.90	2,946,313	89.71	3,208,581	88.71	3,936,739	88.36	3,919,465	86.62
Woolen or containing wool ...	1,849,153	80.62	1,580,004	78.74	1,595,809	81.18	1,815,245	84.57	1,960,760	85.68
Silk or containing silk (not containing wool) ...	106,008	11.73	63,676	7.61	89,534	10.31	115,003	12.19	142,257	13.81
Velvets, velveteens, plushes, ribbons, lace, etc. ...	235,214	27.67	233,384	23.92	278,786	25.48	274,450	22.52	300,520	†34.69
Flannelettes ...	228,240	81.85	193,142	79.63	127,466	81.40	133,098	82.50	136,564	84.48
Other textiles & manufactured fibres ...	1,060,702	85.23	916,843	83.98	1,001,346	85.35	1,248,550	86.38	1,414,417	85.95
Total apparel & textiles	8,725,908	70.20	7,716,800	68.35	8,038,772	69.26	9,511,026	70.31	10,022,798	70.06

* Includes cotton socks which were subject to preferential rates to the 29th April only. No separate record was made of the imports of cotton socks during 1908.

† In this year some ribbons, galloons, etc., previously included with Velvets, etc., have been transferred to Trimmings and Ornaments.

The items "gloves," "trimmings and ornaments," and "silk and velvet piece goods," appear to furnish further definite instances of misdescription in the earlier years under review.* These goods are largely gathered from other parts of the world into the United Kingdom, whence they are shipped to Australia. The records for 1909 shew that, of the total imports into the Commonwealth of these four items taken conjointly, only 19.34 per cent. was of United Kingdom origin, while as much as 83.63 per cent. was shipped from that country. In 1911 the corresponding proportions were 18.53 per cent. and 79.41

* For 1906 figures see previous issue.

per cent. respectively. Under these circumstances it appears probable that, until the question of revenue arose (viz., in August, 1907), some portion of these goods, merely packed in the United Kingdom, was recorded as of British manufacture. This suggestion is again supported by the British trade returns, for although the items presented therein are not identical with the items in the Commonwealth returns, it can be shewn that the exports from the United Kingdom to Australia of British silk manufactures bear to the imports into the Commonwealth of silk, etc., piece goods the same ratio in 1908 as in 1905, viz., 10.88 per cent., instead of declining, as shewn by the Commonwealth records, from 24.97 per cent. to 7.61 per cent., while in subsequent years the two records are consistent.

COMMONWEALTH IMPORTS OF NON-PREFERENTIAL ITEMS OF APPAREL AND TEXTILES RECORDED AS OF UNITED KINGDOM ORIGIN, 1907 to 1911.

Items.	1907.		1908.		1909.		1910.		1911.	
	Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.
	£	%	£	%	£	%	£	%	£	%
Apparel—Socks & stockings of cotton ...	48,207	29.66	*	...	40,639	25.06	48,697	27.37	45,576	23.51
Other ...	97,228	76.00	67,067	72.94	56,474	48.50	57,612	47.71	76,671	48.27
Minor Articles for—										
Boots and shoes ...	33,340	56.73	31,885	57.07	31,735	60.87	35,044	51.80	34,875	53.82
Hats and caps ...	42,937	29.78	39,279	31.81	58,236	30.70	59,695	25.54	58,317	31.15
Umbrellas ...	20,902	96.26	33,387	97.86	32,456	96.24	40,211	93.87	32,969	91.97
Other apparel ...	153,600	65.83	129,852	57.15	156,040	48.38	171,461	44.55	178,218	43.25
Piece goods—Canvas & duck ...	107,792	89.05	142,855	92.26	164,095	90.97	212,779	89.62	237,353	89.42
Hessians... ..	47,840	19.14	27,304	14.63	51,593	24.65	50,268	21.44	28,185	13.73
Other ...	69,551	79.28	80,134	83.69	84,222	74.92	114,352	69.18	115,434	68.04
Sewing silks, threads, etc	317,519	87.76	315,109	89.50	312,217	89.88	360,900	91.90	402,051	91.86
Tents and flags ...	4,147	91.49	5,159	85.64	3,816	96.58	12,734	98.30	10,608	95.28
Cordage and twine ...	200,030	90.03	200,449	88.09	196,241	84.43	215,371	90.81	208,690	85.37
Bags and sacks ...	10,573	0.95	2,191	0.22	5,432	0.45	6,218	0.39	11,182	0.97
Total	1,153,666	39.66	1,074,671	42.08	1,193,196	37.77	1,385,342	35.42	1,440,129	40.73

* Not recorded apart from woollen socks and stockings in this year.

COMMONWEALTH IMPORTS OF METALS AND MANUFACTURES OF METALS (INCLUDING MACHINERY), 1905 to 1911.

PREFERENTIAL.

Year.	Country of Origin.							
	United Kingdom.		British Possessions.		Foreign Countries.		Total.	
	£	%	£	%	£	%	£	%
1905 ...	2,690,043	72.77	13,597	0.37	993,252	26.86	3,696,892	100
1906 ...	3,132,437	73.35	17,492	0.41	1,121,241	26.24	4,271,170	100
1907 ...	4,401,531	75.73	25,926	0.45	1,384,530	23.82	5,811,987	100
1908 ...	4,271,659	75.53	9,765	0.17	1,374,303	24.30	5,655,727	100
1909 ...	4,517,994	76.95	144,933	2.47	1,208,538	20.58	5,871,465	100
1910 ...	4,834,293	73.13	17,384	0.26	1,759,351	26.61	6,611,028	100
1911 ...	5,675,023	70.72	17,360	0.22	2,332,527	29.06	8,024,910	100

NON-PREFERENTIAL.

	£	%	£	%	£	%	£	%
1905 ...	1,793,631	51.40	129,747	3.72	1,566,421	44.88	3,489,799	100
1906 ...	2,416,705	53.22	92,978	2.05	2,030,556	44.73	4,540,239	100
1907 ...	3,180,805	54.90	209,725	3.62	2,403,455	41.48	5,793,985	100
1908 ...	2,942,084	53.85	189,632	3.47	2,332,059	42.68	5,463,775	100
1909 ...	2,934,101	53.91	201,511	3.70	2,307,684	42.39	5,443,296	100
1910 ...	3,478,432	51.90	325,299	4.85	2,898,362	43.25	6,702,093	100
1911 ...	3,756,393	49.27	368,234	4.83	3,500,862	45.90	7,625,489	100

**COMMONWEALTH IMPORTS OF PRINCIPAL ITEMS OF METALS, Etc., INCLUDING
MACHINERY, RECORDED AS OF UNITED KINGDOM ORIGIN, 1907 to 1911.**

PREFERENTIAL.

Items.	1907.		1908.		1909.		1910.		1911.	
	Amount.	%	Amount.	%	Amount.	%	Amount.	%	Amount.	%
	£		£		£		£		£	
Iron & steel girders, beams, etc.	64,366	68.88	72,990	65.28	77,648	82.61	138,588	82.92	182,685	72.18
Plate & sheet (corrugated or galvd.)	1,279,440	94.36	1,098,985	97.42	1,375,433	95.36	1,590,746	92.37	1,677,259	94.18
Rails, fishpits, etc.	562,610	89.46	530,678	66.93	436,872	54.40	399,547	48.69	499,629	46.27
Tinned plates	247,650	99.55	284,564	99.97	284,446	99.91	355,395	99.99	486,311	100.00
	2,154,066	92.57	1,987,217	85.75	2,174,399	82.86	2,484,276	81.04	2,845,884	79.04
Machinery	775,673	62.15	922,615	72.64	1,015,163	77.06	691,224	63.46	946,182	64.42
Cutlery and plated ware	318,324	83.63	284,732	83.00	320,067	84.65	394,239	85.17	426,685	84.32
Other manufactures of metals	1,153,468	62.15	1,077,095	62.44	1,008,365	65.20	1,264,554	63.43	1,456,272	59.45
	2,247,465	64.50	2,284,442	68.44	2,343,595	72.18	2,350,017	66.28	2,829,139	63.94
Total ...	4,401,531	75.73	4,271,659	75.53	4,517,994	76.95	4,834,293	73.12	5,675,023	70.72

NON-PREFERENTIAL.

Iron and steel—										
Pig	162,815	90.16	89,341	87.51	129,212	92.68	105,596	77.10	132,857	66.24
Bar, rod, angle, and tee	475,748	79.31	425,900	74.20	393,939	70.88	552,788	70.37	572,569	68.50
Hoop	42,513	62.40	29,800	51.28	25,248	41.35	27,604	41.63	33,036	40.14
Ingots, blooms & slabs	10,470	26.23	3,107	10.36	7,556	23.69	9,910	19.30	18,220	26.69
Plate and sheet—										
plain	179,928	62.98	131,379	60.84	148,537	59.46	201,788	61.03	217,401	55.63
Scrap	44,989	88.64	45,194	94.59	37,125	93.17	48,118	98.91	68,816	97.26
	916,463	74.83	724,721	70.50	741,617	68.80	945,804	66.63	1,042,899	63.26
Machinery—										
Agricultural dairy- ing, etc.	53,491	10.32	61,964	14.21	81,458	17.10	96,029	13.63	74,601	10.52
Engines—										
Gas and oil	113,035	73.70	79,553	70.03	103,554	74.66	124,732	73.59	114,224	67.71
Sewing machines	12,789	6.76	64,249	36.85	86,038	45.70	106,849	42.17	91,328	32.00
Other machinery and mach. tools	324,889	50.55	542,484	54.16	472,127	52.61	620,046	53.55	656,451	48.58
Tools of trade	219,907	45.98	233,080	43.51	216,568	52.42	267,341	52.48	319,902	48.88
Wire—Iron & steel	52,365	9.67	71,282	12.66	75,435	13.64	115,555	16.51	111,267	14.92
Other	96,335	72.82	73,112	59.93	49,348	48.86	104,039	65.82	107,677	62.13
Wire netting	400,708	68.90	309,853	67.56	216,186	58.85	159,291	55.42	179,649	54.30
Other metals and man'fact. thereof	990,823	74.44	780,886	73.68	891,770	72.21	918,746	70.42	1,058,395	67.95
	2,264,342	49.55	2,217,363	49.98	2,192,484	50.22	2,532,628	47.94	2,713,494	45.40
Total ...	3,180,805	54.90	2,942,084	53.85	2,934,101	53.91	3,478,432	51.90	3,756,393	49.27

The foregoing tables shew, in regard to metals and manufactures thereof, that, in the preferential division, the relative position of the United Kingdom improved somewhat during the years 1907-9, but has since fallen to the lowest point yet registered. In this division the imports from the United Kingdom shew an average annual increase of 13.25 per cent. since 1905, and those from foreign countries an increase of 19.80 per cent. per annum, with the result that the proportion supplied by the United Kingdom has declined from 72.77 per cent. of the whole to 70.72 per cent., while that received from foreign countries has increased from 26.86 per cent. to 29.06 per cent. Comparing 1911 with 1910, the imports of United Kingdom origin increased by £840,730, or 17.40 per cent., and those of foreign manufacture by £573,176, or 32.61 per cent.; or, differently stated, of the increased trade (£1,413,882) the United Kingdom supplied 59.46 per cent. and foreign countries 40.54 per cent. In 1910 foreign countries supplied 74.47 per cent. of the increase.

In the non-preferential division the imports from the United Kingdom have increased since 1905 at an average annual rate of 13.11 per cent., and from foreign countries at a rate of 13.90 per cent. per annum. In 1911 the trade of the United Kingdom shews an increase of £277,961, or 8.00 per cent., and the trade of foreign countries an increase of £602,500, or 20.80 per cent., over that of 1910. Of the total increase for the year (£923,396) the United Kingdom supplied only 30.12 per cent. and foreign countries 65.25 per cent. In 1910 foreign countries supplied only 46.91 per cent. of the year's increase.

If the trade of 1911 be compared with that of 1907, when the preferential tariff was introduced, it will be seen that of the increased trade in the preferential division (£2,212,923) the United Kingdom supplied £1,273,492, or 57.54* per cent., representing an increase of 28.95 per cent. on her sales, and foreign countries £947,997, or 42.84* per cent.—equal to an increase of 68.48 per cent. on sales. To maintain the relative positions as in 1907 required that the United Kingdom should have supplied 75.73 per cent. of the increase, which would mean that, instead of her sales in this group during 1911 being £5,675,023, they should have been £6,077,000.

During the same period the imports in the non-preferential division increased by £1,831,504, of which the United Kingdom supplied £575,588, or 31.43 per cent., representing an increase of 18.09 per cent. on her sales, and foreign countries supplied £1,097,407, or 59.92 per cent., representing an increase of 45.64 per cent. on sales. The remaining 8.65 per cent. of the increase was, of course, supplied by British possessions, and was chiefly composed of agricultural implements from Canada.

Observation of the fact that the United Kingdom has furnished 57.54 per cent. of the new trade in the preferential division and only 31.43 per cent. in the non-preferential division might suggest the degree of effect of the preference. It must, however, be borne in mind that in the former case the United Kingdom had, at the beginning of the period, 75.73 per cent. of the trade and in the latter only 54.90. Moreover, such complete reversions as are shewn in the proportions secured of the increased trade of 1910 over 1909, and of 1911 over 1910,—referred to in the concluding sentences of the first two paragraphs above—point to influences which, at least at times, outweigh the advantages of the tariff. As suggested in the last issue of the Year Book, until it is shewn that those influences—whatever their character—which have enabled the British manufacturer to improve his position in certain lines without the aid of preference, have not been operative in regard to items in the preferential division, or at least until there is a

The imports from British possessions were less in 1911 than in 1907.

more marked divergence between the movements of the relative positions in the two groups, no indubitable pronouncement in regard to the efficiency of the preferential tariff can be made.

The records of the imports of metals and metal manufactures may be accepted as free from the defects previously alluded to in regard to apparel and textiles. The proportion of metal goods of foreign origin received via the United Kingdom is relatively small.

This group also affords a more satisfactory basis of comparison on which to measure the effects of preference than does the textile group, for the reason that the value of the trade is more even between the two divisions (preferential and non-preferential), and further, the character of the goods in one division does not differ from that in the other, whereas, in the textile groups, the goods embraced in the preferential division represented, in 1911, 81.3 per cent. of the total of the group and differ somewhat in character from those in the non-preferential division.

It is of interest to note that, while in the supply of the less complex forms of metal manufacture in both the preferential and non-preferential divisions the British manufacturers have failed to hold their position as in 1905,* in the supply of machinery and the higher forms of manufacture they still shew some slight improvement as compared with 1905, notwithstanding the decline as compared with later years. It should also be remarked that the general tendency of the movement of the relative position of the United Kingdom was in evidence before the introduction of preference, both in the downward movement of the simpler manufactures and in the upward movement of the more complex.

It might also be suggested that the failure of the United Kingdom to maintain for an indefinite period, without extreme protective measures in its favour, the same relatively high position (in an increasing volume of trade and in opposition to the highly organised competition of other nations of more recent industrial development) formerly held by it, should not, *per se*, be taken as evidence of waning industrial or commercial virility.

Taking together the two groups of the simpler forms of iron and steel manufactures, enumerated in the above tables, it appears that in 1905*, of a total trade of £2,051,077, the United Kingdom supplied £1,758,638, or 85.74 per cent., while in 1911, when the total value of the same trade had increased to £5,248,979, she supplied £3,888,783, representing, however, only 74.09 per cent. Thus, though the United Kingdom increased her sales to the Commonwealth by £2,130,145, while similar sales by all other countries increased only by £1,067,755, the relative proportion of the trade supplied by the United Kingdom fell from 85.74 per cent. in 1905 to 74.09 in 1911. Moreover, in the important item of iron plate and sheet, corrugated and galvanised, the United Kingdom had still as much as 94.18 per cent. of the trade, and in tinned plates she had a complete monopoly. That such a monopoly should be maintained by her, in the face of the circumstances referred to above and in view of the rapidly increasing volume of the world's trade, is scarcely to be expected.

The decline in 1910 in the United Kingdom's share of the trade in corrugated or galvanised iron (sheet and plate) was due to increased sales by the United States, which in 1910 were nearly double those of 1909, the amounts being—1909, £64,805, 1910,

* For 1905 figures, see Year Book No. 4.

£128,010, and 1911, £100,973. The proportions of rails and fishplates, etc., supplied by the United Kingdom shew remarkable fluctuations.

The countries from which the principal supplies of rails, fishplates, etc., were drawn, and the percentage proportion supplied by each, are shewn in the following table:—

IMPORTS INTO THE COMMONWEALTH OF IRON AND STEEL RAILS, Etc.,

1907 TO 1911.

Country of Origin.	1907.		1908.		1909.		1910.		1911.	
	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.
	£	%	£	%	£	%	£	%	£	%
United Kingdom ...	562,610	89.46	530,678	66.92	436,872	54.39	399,547	48.69	499,629	46.27
Canada ...	—	—	—	—	132,963	16.55	8	—	—	—
Belgium ...	19,599	3.12	9,852	1.24	21,693	2.70	14,806	1.80	43,014	3.98
Germany ...	37,969	6.04	44,057	5.56	70,201	8.74	33,864	4.13	210,757	19.51
Russia...	—	—	36,300	4.58	—	—	—	—	—	—
Utd. States of America	7,705	1.22	171,996	21.69	140,300	17.47	371,561	45.27	309,578	28.67
Other Countries ...	1,048	0.16	45	0.01	1,131	0.15	891	0.11	16,950	1.57
Total ...	628,931	100.00	792,928	100.00	803,160	100.00	820,677	100.00	1,079,928	100.00

The very marked decline in 1910 in the United Kingdom's position in the supply of machinery, affected by preference, was due to the completion of large orders for locomotive engines for the New South Wales Government. The position of the United Kingdom in regard to the supply of pig-iron has been affected by the increased imports from India and China. The imports of pig-iron from India were in 1909 valued at £7644, in 1910 at £17,137, and in 1911 at £38,837, while those from China increased from £160 in 1909 to £11,401 in 1910, and to £21,476 in 1911. The imports of British bar, rod, angle and tee-iron which have rapidly diminished, absolutely as well as relatively, during the years 1908-1909, shew a substantial increase in value in 1910, but notwithstanding an increase in actual sales the relative proportion has again fallen in 1911. Germany, Belgium, and the United States have been the principal competitors in this trade, a steadily increasing share of the trade having fallen to the first named.

The position is very similar in regard to iron hoop. In the supply of ingots, blooms, and slabs, the United Kingdom has quite recovered her position by almost doubling the sales of 1910; Belgium at the same time increased her sales from £15,208 in 1910 to £22,889, while those of Germany were almost identical in the two years. In plain sheet and plate the United States share increased largely while that of the United Kingdom declined.

The United States supplied the whole of the increased trade in wire and also captured trade from Germany, the sales of the United Kingdom remaining practically the same as in 1910, though lower in relation to the total imports. In regard to wire netting the increased trade was almost evenly divided between the United Kingdom and Germany.

The large increase in the United Kingdom's share of the imports of sewing machines requires special explanation. In the tariff as introduced on the 8th August, 1907, it was provided that sewing machines manufactured in the United Kingdom should be free,

while those from other countries should pay 10 per cent. *ad valorem*. On the 16th November, 1907, the preferential provisions were deleted and all sewing machines became free. In the meantime, in order to procure the advantage of the tariff, the largest firm manufacturing these machines and operating both in the United States and in the United Kingdom, transferred its Australian business from its American to its British branch. Notwithstanding the cessation of preference, and in the face of higher freight charges from Liverpool direct than from New York via Liverpool, this firm, rather than again disturb its business arrangements, continued to supply the Australian trade, in certain classes of machines, from its British branch. This transfer, however, did not carry a corresponding amount of employment to the British operatives, for the reason that, while the Australian business was transferred to the United Kingdom, a corresponding amount of trade—unaffected by any preferential tariffs—formerly supplied by the British branch, was transferred to America. In 1911 the imports of sewing machines of United Kingdom origin as compared with 1910, declined by £15,521 to £91,328, while those of United States manufacture increased by £40,956 to £139,020, and from Germany by £6128 to £53,529.

A further list of items, preferential and non-preferential, recorded as of United Kingdom origin is appended:—

PRINCIPAL OTHER PREFERENTIAL IMPORTS, 1907 to 1911.

Article.	1907.		1908.		1909.		1910.		1911.	
	Amount	Per cent.	Amount	Per cent.	Amount	Per cent.	Amount	Per cent.	Amount	Per cent.
	£		£		£		£		£	
Milk—Preserved, concentrated, etc.	13,727	8.05	149,673	83.02	135,240	92.64	124,116	91.72	63,162	84.93
Confectionery, cocoa, chocolate, etc.	270,311	67.59	256,989	69.87	295,721	70.24	345,733	70.40	417,887	62.85
Gelatine, glue, cements	19,115	33.14	19,475	45.81	21,367	47.72	25,576	44.92	27,186	45.69
Yarns	128,166	78.42	122,985	82.58	112,409	80.34	142,014	84.38	249,543	90.06
Oils	25,226	11.69	23,526	9.73	24,928	9.39	33,976	9.29	32,633	6.48
Paints	65,278	68.22	70,787	69.67	71,413	73.02	88,246	71.84	107,660	68.06
Varnishes	66,387	83.83	60,076	83.10	63,487	84.83	81,357	83.58	69,410	77.14
Slates—roofing	26,615	62.65	21,920	59.25	20,444	73.26	28,515	71.59	24,834	54.66
Leather	60,550	83.02	50,981	84.96	51,889	84.62	69,259	84.32	77,386	85.59
Rubber, manufactures of	136,463	58.82	138,310	51.55	130,118	38.94	182,157	46.34	199,231	37.94
Furniture, etc.	69,200	27.09	43,463	25.13	63,786	37.10	63,093	31.98	80,252	30.47
Wood manufactures	40,229	26.97	34,036	22.94	35,601	31.95	37,761	29.60	40,219	26.28
China & earthenware	216,869	64.38	198,738	63.46	172,382	66.28	217,193	65.50	269,360	63.20
Glass and glassware	90,609	27.02	78,359	27.58	68,925	25.28	84,006	26.46	95,931	25.73
Cement (Portland)	23,638	46.33	48,517	53.74	45,153	58.14	79,032	56.96	62,708	41.44
Tiles—roofing	17,766	46.22	18,671	53.51	20,851	57.63	23,498	50.99	25,503	55.24
Paper	280,836	52.33	270,159	51.01	281,975	57.46	333,067	56.92	361,394	53.42
Stationery	194,555	64.70	180,664	62.42	163,980	63.85	186,897	64.54	205,216	61.54
Timepieces, jewellery, and fancy goods	483,120	46.58	383,826	43.15	427,331	6.97	473,518	46.00	535,884	43.85
Arms	28,392	85.34	51,718	60.07	39,356	6.01	39,599	45.05	45,687	41.28
Percussion caps, cartridges, etc.	82,999	54.72	76,846	63.67	74,823	54.33	69,439	53.32	84,544	57.33
Detonators and fuse	42,384	98.06	36,797	96.23	45,950	97.94	40,087	97.12	43,359	98.55
Dynamite, gunpowder	277,394	82.39	293,002	77.98	324,699	76.02	307,130	70.86	299,351	71.99
Bags, baskets, etc.	42,038	33.59	44,000	33.55	47,026	31.42	54,706	29.79	74,361	27.78
Brushware	89,025	53.58	57,255	54.16	56,981	56.23	73,194	55.41	80,859	51.51
Blackings, etc.	55,502	66.39	38,961	72.24	23,359	68.17	12,444	48.01	10,262	39.21
Electrical articles and materials	233,439	68.72	271,453	73.68	164,446	74.16	277,105	77.49	430,016	75.10
Matches	44,848	98.74	59,264	32.68	57,716	37.03	59,043	39.89	107,305	57.04
Pianos and parts	43,663	13.94	24,886	10.11	34,549	13.16	46,067	13.58	73,374	15.50
Oilmen's stores	57,124	63.63	55,777	71.21	63,427	68.22	78,803	71.04	82,631	71.19
Vehicles, bicycles, tricycles, etc.	418,019	65.32	416,637	61.14	490,957	61.56	669,993	56.30	775,699	48.05

PRINCIPAL NON-PREFERENTIAL IMPORTS, 1907 to 1911.

Article.	1907.		1908.		1909.		1910.		1911.	
	Amount	Per cent.	Amount	Per cent.	Amount	Per cent.	Amount	Per cent.	Amount	Per cent.
	£		£		£		£		£	
Fish	135,420	35.13	146,616	29.05	143,694	31.13	147,793	26.50	158,201	27.95
Meats	23,271	49.65	26,366	48.05	24,901	46.85	34,260	51.44	34,508	52.75
Grain, prepared (malt, oatmeal, etc.) ...	61,412	76.81	69,558	76.83	37,867	68.84	36,825	67.94	34,360	65.18
Hops	7,604	15.30	7,934	19.24	6,430	16.95	9,097	15.12	9,516	19.37
Oilmen's stores (free) ...	48,694	82.27	55,075	77.48	72,125	80.88	88,500	82.73	89,911	80.47
Mustard	45,956	98.07	39,979	99.25	46,074	99.18	46,625	98.80	47,532	97.97
Tobacco, mfd. (cigars, cigarettes, etc.) ...	35,238	10.76	31,941	10.24	37,850	13.12	44,122	13.63	57,366	14.69
Oils and greases	138,834	29.17	178,008	38.33	177,523	40.20	231,648	37.89	315,347	39.37
Paints and colours	232,623	85.88	213,272	86.72	207,909	85.27	223,395	85.52	205,309	86.60
Marble and stone	14,071	26.91	13,595	29.49	16,222	29.86	13,445	25.04	18,383	27.41
India-rubber manufacts. ...	41,132	22.10	38,607	23.01	44,726	26.21	50,642	17.50	49,362	12.20
Leather, manufacts. of ...	114,009	25.44	88,347	23.10	88,655	19.99	95,494	21.58	107,325	23.84
Harness—minor articles for ...	62,148	94.73	61,594	96.46	68,542	97.12	92,602	96.39	111,279	95.86
Furniture—minor articles for ...	34,801	74.10	36,242	70.80	50,931	76.10	52,033	77.52	60,763	78.63
Earth-ware, Bricks, etc. ...	19,321	82.02	25,767	69.01	30,564	69.26	37,289	66.19	51,235	61.01
Glass and Glassware	28,247	48.15	41,189	49.63	39,039	44.04	50,439	50.30	47,739	38.31
Paper	255,238	36.63	280,859	32.99	305,451	39.86	385,543	41.08	417,018	40.86
Books, printed	424,045	92.02	421,458	89.13	465,719	90.34	501,495	88.83	616,657	89.24
Stationery	44,449	62.48	63,868	69.67	33,041	47.64	41,936	52.91	51,430	46.42
Instruments, scientific do., surgical & dental ...	13,803	66.35	21,498	72.69	17,709	67.09	22,707	69.60	27,897	67.89
Drugs and chemicals—Insecticides, disinfectants, etc. ...	40,136	46.12	41,256	45.41	41,412	44.69	45,338	42.56	63,062	44.11
Medicines	35,070	67.72	38,057	71.27	30,337	69.97	33,927	63.08	41,811	75.42
Essential oils	146,689	62.63	133,427	58.49	123,438	58.13	157,712	61.95	157,316	58.92
Acids	19,092	42.87	14,675	28.91	8,067	24.93	11,517	27.01	11,839	23.07
Cyanide of potassium ...	11,361	23.08	23,605	31.35	20,518	44.04	24,047	40.48	17,279	35.94
Sodas (exclud. soda nitrate)	174,571	84.94	208,773	91.04	196,548	83.63	233,110	88.74	196,198	87.52
Fertilisers	82,699	94.80	72,941	92.35	79,095	92.03	117,228	94.42	125,301	95.43
Other drugs	100,331	25.79	83,745	18.96	74,014	20.52	124,468	18.58	90,163	17.57
Musical instruments (not pianos) & parts ...	200,009	31.73	168,358	27.68	135,879	23.13	138,943	25.79	161,237	23.08
Soap	29,932	26.74	18,007	21.17	19,958	23.63	26,854	24.09	28,431	21.76
Ships	47,692	46.12	35,574	46.13	31,994	46.44	45,853	43.69	44,314	41.40
	655,760	96.34	672,000	95.98	749,950	99.05	637,500	96.58	241,245	70.94

6. **General Conclusions as to Preference.**—It will be seen from the foregoing that in order to determine in the early years of preference whether it has been efficient or not, it would be absolutely necessary to have correct records on the same basis for the years preceding the preferential scheme. There is every reason to believe that the records, in many instances, are not sufficiently accurate to allow of just comparisons being made. It is also obvious that a much more detailed analysis is essential than has ordinarily been thought necessary, and it will only be in the course of a number of years that anything like a definite opinion can be reached as to the efficiency of the preferential treatment, for as Professor W. J. Ashley in his preface to Mr. John Holt Schoaling's "British Trade Book" says—"No comparison of isolated years, no comparison of short consecutive periods, can be relied upon to give properly comparable data."

Primarily, it will be necessary in some way to eliminate the normal growth in business which would have taken place under any régime whatever in an advancing country; and secondly, the significance of the statistics will depend upon a very rigid adherence to the same method of description in regard to items and the same definition of "Origin." If the practice of recording is as variable in the future as it has been in the past, no real deductions can be drawn, and this goes to shew the importance of maintaining the same method of describing items, quite irrespective of their significance from the standpoint merely of revenue.

In order to determine the course of trade, it will be essential to maintain in its integrity for a sufficient number of years any classification of items once adopted, and no practicable means of analysis will enable one to penetrate the significance of the trade if

that course is not followed, because the determining effect of a preference which, in its nature, is likely to be not too well marked compared with the other elements of growth, can easily be vitiated by the entering of other possibilities of change into the results.

7. **Preferential Tariff of New Zealand.**—"The Preferential and Reciprocal Trade Act 1903" of New Zealand introduced preferential rates of duty in favour of the produce of the British Dominions by imposing extra duties on certain imports which were the produce or manufacture of other countries. The list of preferential items was materially extended by the New Zealand "Tariff Act 1907," from the 31st March, 1908.

The following tables present an analysis of the imports into New Zealand during 1911, distinguishing those which would be affected by an application of the preferential provisions of the "Tariff Act 1907":—

NEW ZEALAND.—IMPORTS, 1911, PREFERENTIAL AND NON-PREFERENTIAL.

Particulars.	From United Kingdom and British Possessions.	From Foreign Countries.	Total.
Imports affected by preferential tariff—	£	£	£
Free	2,113,265	—	2,113,265
Dutiable	3,598,896	1,159,342	4,758,238
Total	5,712,161	1,159,342	6,871,503
Imports not affected by preferential tariff—			
Free	5,784,963	1,518,268	7,303,231
Dutiable	4,091,294	516,580	4,607,874
Total	9,876,257	2,034,848	11,911,105
Total merchandise	15,588,418	3,194,190	18,782,608
Bullion and specie	762,571	700	763,271
Total	16,350,989	3,194,890	19,545,879

NOTE.—In this table the imports affected by the preferential provisions of the tariff are stated, as far as possible, according to the country of origin; those unaffected by preference according to country of shipment, the country of origin of these not being recorded. Without doubt imports from the United Kingdom and British Possessions include goods of foreign origin.

**NEW ZEALAND.—IMPORTS AFFECTED BY PREFERENTIAL TARIFF RATES, 1911.
FROM UNITED KINGDOM AND BRITISH POSSESSIONS.**

Particulars.	Imports.	Duty which would be payable under—			
		Preferential Tariff.		General Tariff.	
	£	£	Rate %	£	Rate %
(A) Free	2,113,265	...	...	379,548	17.96
(B) Dutiable	3,598,896	732,674	20.36	1,077,695	29.94
Total	5,712,161	732,674	12.83	1,457,243	25.51

NEW ZEALAND—IMPORTS AFFECTED BY PREFERENTIAL TARIFF RATES,
1911—Continued.

FROM FOREIGN COUNTRIES.

Particulars.	Imports.	Duty which would be payable under—			
		General Tariff.		Preferential Tariff.	
	£	£	Rate %	£	Rate %
Imports similar to group A above	107,539	15,651	14.55	...	...
" " " B "	1,051,803	315,780	30.02	215,774	20.51
Total	1,159,342	331,431	28.59	215,774	18.61

8. **Preferential Tariff of South Africa.**—Preference to goods of United Kingdom origin was first granted by the South African Customs Union Convention of 1903 from the 15th August of that year, and similar treatment was extended to Canada from the 1st July, 1904. The present preferential tariff of the South African Customs Union (Convention, 1906, and amendments, 1908) applies to produce of United Kingdom, Canada, New Zealand and the Commonwealth.

An analysis of the trade of South Africa is appended :—

SOUTH AFRICA.—IMPORTS, 1911, PREFERENTIAL AND NON-PREFERENTIAL.

Particulars.	From United Kingdom and Reciprocating Countries.	From other Countries.	Total.
Imports affected by preferential tariff—	£	£	£
Free... ..	5,489,640	...	5,489,640
Dutiable	16,510,521	9,538,618	26,049,139
Total	22,000,161	9,538,618	31,538,779
Imports not affected by preferential tariff—			
Free... ..	2,317,917	1,421,426	3,739,343
Dutiable	820,276	2,341,237	3,161,513
Total	3,138,193	3,762,663	6,900,856
Total merchandise	25,138,354	13,301,281	38,439,635
Bullion and specie	794,522	330,620	1,125,142
Total	25,932,876	13,631,901	39,564,777

NOTE.—Owing to difficulty in applying the tariff rates to the statistical items, the above results must be taken as approximate only.

**SOUTH AFRICA.—IMPORTS AFFECTED BY PREFERENTIAL TARIFF RATES, 1911.
FROM UNITED KINGDOM AND RECIPROCATING BRITISH POSSESSIONS.**

Particulars.	Imports.	Duty which would be payable under—			
		Preferential Tariff.		General Tariff.	
	£	£	Rate %	£	Rate %
(A) Free	5,489,640	...	...	164,689	3.00
(B) Dutiable	16,510,521	2,365,404	14.33	2,878,443	17.43
Total	22,000,161	2,365,404	10.75	3,043,132	13.84

FROM FOREIGN COUNTRIES.

Particulars.	Imports.	Duty which would be payable under—			
		General Tariff.		Preferential Tariff.	
	£	£	Rate %	£	Rate %
Imports similar to group (A) above	4,340,983	130,229	3.00	...	...
" " (B) "	5,197,635	931,541	17.92	768,828	14.79
Total	9,538,618	1,061,770	11.13	768,828	8.06

9. Preferential Tariff of Canada.—Preferential tariff treatment of goods of the United Kingdom and certain British Possessions was first given by Canada in 1897.

The published trade returns of Canada do not permit of an analysis similar to those given for the Commonwealth, New Zealand, and South Africa.

10. Preferential Tariff Comparisons.—The following table presents a comparative statement of the imports into the Commonwealth, New Zealand, and South Africa during 1911, the imports of each country having been analysed according to the application of its own tariff.

APPLICATION OF PREFERENTIAL TARIFFS.—COMPARATIVE STATEMENT, 1911.

Particulars.	C'wealth of Australia.	Dominion of New Zealand.	Customs Union of South Africa.
1. Total imports of merchandise ...	£ 65,001,970	18,782,608	38,439,635
2. " " from favoured countries	£ 32,366,124	15,588,418	25,138,354
3. Imports from favoured countries, p.c. to item 1	46.23	83.00*	65.40
4. Imports affected (favourably or adversely) by preferential rates ...	£ 32,212,227	6,871,503	31,538,779
5. Imports affected (favourably or adversely) by preferential rates, per cent. to total item 1...	51.10	36.59	82.05
6. Imports favoured by preferential rates	£ 21,118,057	5,712,161*	22,000,161
7. " " " p.c. to item 1	32.47	30.41	57.23
8. " " " " "	65.20	36.38	86.50
9. Amount of rebate ...	£ 1,071,185	724,569	677,728
10. Rate of rebate per cent. <i>ad val.</i> ...	5.08	12.69	3.08

* See note to table on page 643.

From the foregoing it will be observed that the preferential schemes, as at present in force in the different parts of the empire, are by no means uniform. The preferential tariff of New Zealand applies to a wider range of countries than that of any other part of the empire, inasmuch as the advantage of the lower tariff rates is extended to all parts of the British dominions, while those of Canada and South Africa apply to the United Kingdom and reciprocating British Possessions, and that of the Commonwealth to the United Kingdom only. Apart from the British preferential tariff, however, the Commonwealth, in consideration of its participation in the South African preference, gives a preference to certain products of that country. New Zealand and South Africa have also a special reciprocal trade agreement in addition to the main schemes of preference. Canada, under the Customs Tariff Act of 1907, makes provision for an intermediate tariff, which may be applied to the produce of *foreign* countries. Canada already has a reciprocal trade agreement with France.

The margin between the rates of duty applied to British and foreign goods, respectively, is also higher in New Zealand than in the Commonwealth or South Africa, though in the latter countries the preferential tariff affects a greater proportion of the trade. On the basis of the imports into New Zealand during 1911 the average margin of preference was 12.69 per cent. of the value of the goods, while in the Commonwealth the similar margin was 5.08 per cent., and in South Africa 3.08 per cent. The average rate of duty charged in New Zealand on British goods, subject to preferential rates, was 12.83 per cent., while the same goods if of foreign origin would have had to pay 25.51 per cent. In the Commonwealth the collateral rates were 12.99 per cent. and 18.06 per cent. respectively, and in South Africa 10.75 per cent. and 13.84 per cent.

11. South African Preference.—Under the Commonwealth 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, during 1911, affected by the above-mentioned Act were as follows:—

IMPORTS INTO THE COMMONWEALTH DURING 1911 OF ARTICLES ENTITLED TO PREFERENCE UNDER THE SOUTH AFRICAN PREFERENCE ACT, AND THE VALUE OF THE PREFERENCE THEREON.

Particulars.	Rate of Rebate.	Imports.		Amount of Rebate.
		Quantity	Value.	
			£	£ s.
Fish—				
Preserved in tins, etc. ... lbs.	½d. per lb.	33,000	1,112	34 7
Grain—				
Maize cental	6d. per cntl.	6,029	1,980	150 14
Feathers—				
Undressed	5 per cent.	—	3,813	190 6
Dressed	10 per cent.	—	174	17 8
Tobacco manufactured—				
Cut lbs.	1/3 per lb.	5,305	666	331 11
N.E.I. lbs.	1/- per lb.	1,411	160	70 11
Total	—	—	7,905	794 17

§ 12. Imports of Dutiable and Free Goods.

1. **Classified Statement of Imports.**—The following table shews, classified according to their nature, and distinguishing between dutiable and free goods, the estimated value of imports entered for home consumption during 1911, together with the amount and equivalent *ad valorem* rates of duty collected thereon. As no record is made of the value, entered for home consumption, of goods subject to specific duties, the value has been estimated on the basis of the value of corresponding imports. The free goods entered for home consumption have been taken to be the total imports of free goods less the value of similar goods re-exported.

VALUE OF GOODS (EXCLUDING BULLION AND SPECIE) ENTERED FOR CONSUMPTION IN THE COMMONWEALTH AND DUTY COLLECTED THEREON, 1911.

Classification of Imports.		Value Entered for Consumption.			Duty Collected, less Refunds.	Equivalent <i>ad valorem</i> rate per cent. on—	
		Dutiable.	Free. (Net Imports)	Total.		Dutiable Imports.	All Imports.
		£	£	£	£	%	%
I.	Foodstuffs of animal origin (excluding living animals)	763,665	80,233	843,898	147,580	19.33	17.49
II.	Foodstuffs of vegetable origin and salt	1,945,971	195,553	2,141,524	651,210	33.46	30.41
III.	Beverages (non-alcoholic) & substances used in making	412,105	1,191,290	1,603,395	82,841	20.10	5.17
IV.	Spirits & alcoholic liquors, including industrial spirits and pharmaceutical preparations dutiable as spirits	1,837,394	556	1,837,950	2,636,029	143.50	143.49
V.	Tobacco and preparations thereof	693,759	...	693,759	1,095,862	157.96	157.96
VI.	Live animals	70,147	320,950	391,097	835	1.19	0.21
VII.	Animal substances (mainly unmanufactured) not foodstuffs	84,270	205,649	289,919	16,230	19.26	5.60
VIII.	Vegetable substances and fibres	168,121	1,133,551	1,301,672	47,012	27.96	3.61
IX.	Apparel, textiles, and manufactured fibres	10,619,109	7,240,655	17,859,764	2,301,818	21.68	12.89
X.	Oils, fats, and waxes	1,078,252	709,377	1,787,629	188,263	17.46	10.53
XI.	Paints and varnishes	491,450	22,634	514,084	88,433	17.99	17.20
XII.	Stones and minerals used industrially	132,826	39,374	172,200	30,348	22.85	17.62
XIII.	Specie (omitted)	...	...	...	...	...	...
XIV.	Metals (unmanufactured) and ores, excluding gold and silver bullion	12,632	323,151	335,783	1,924	15.23	0.57
XV.	Metals partly manufactured	...	1,144,557	1,144,557	...	...	...
XVI.	Metals manufactured, including machinery	8,681,574	5,474,535	14,156,109	1,391,782	16.03	9.93
XVII.	Leather and manufactures of leather and substitutes therefor, also indiarubber and indiarubber manufactures	1,063,258	517,283	1,580,541	226,324	21.29	14.32
XVIII.	Wood and wicker, raw and manufactured	3,020,972	341,395	3,362,368	500,523	16.57	14.89
XIX.	Earthenware, cements, china, glass, & stoneware	1,132,256	93,996	1,226,252	316,233	27.92	25.79
XX.	Paper and stationery	906,897	1,902,067	2,808,964	222,973	24.59	7.94
XXI.	Jewellery, timepieces, and fancy goods	1,237,733	494,891	1,732,624	318,457	25.73	18.38
XXII.	Optical, surgical, & scientific instruments...	113,339	370,924	484,263	21,618	19.07	4.46
XXIII.	Drugs, chemicals, and fertilisers	466,846	1,690,788	2,157,634	94,288	20.20	4.37
XXIV.	Miscellaneous	3,236,934	2,579,215	5,816,149	648,938	20.05	11.16
	Total merchandise	38,169,511	26,072,624	64,242,135	11,029,521	28.90	17.17
	Merchandise, excluding stimulants and narcotics	35,638,358	26,072,068	61,710,426	7,297,630	20.48	11.83

2. **Comparative Rates of Duty.**—Omitting bullion and specie, the proportion of total merchandise entered for “home consumption” free of duty in the undermentioned countries, and also the equivalent *ad valorem* rates of duty charged, are as follows:—

PROPORTION OF FREE GOODS AND RATES OF IMPORT DUTY.

Particulars.	Australia.		Canada.	New Zealand.	U.S. of America.
	31/12/06	31/12/11	31/3/12	31/12/11	30/6/11
Year ended	31/12/06	31/12/11	31/3/12	31/12/11	30/6/11
Percentage of free merchandise ...	35.18	40.58	35.70	50.21	50.85
Equival't <i>ad valorem</i> rates of duty on	%	%	%	%	%
Spirits, wines, and malt liquors	153.23	143.49	120.80	154.05	89.78
Tobacco, and preparations thereof	168.65	157.96	22.30*	133.75	85.10†
Other dutiable merchandise ...	17.04	20.48	23.86	22.38	38.02
Other merchandise dutiable & free	10.75	11.83	15.34	10.57	18.06
Total dutiable merchandise ...	27.14	28.90	26.12	34.27	41.22
Total merchandise dutiable & free	17.59	17.17	16.79	17.06	20.29
Customs duty per head	£ s. d. 1 15 10	£ s. d. 2 9 2	£ s. d. 2 5 0	£ s. d. 3 2 5†	£ s. d. 0 13 6

* Unmanufactured tobacco is admitted to Canada free of duty. † Exclusive of Maoris.
‡ Tobacco is admitted free of Customs duty from the Philippine Islands.

In 1906—the last full year of operation of the 1902 tariff—free goods represented 35.18 per cent. of the total imports of merchandise into the Commonwealth. The tariff of 1908 extended the free list so that in 1908 the proportion of free goods increased to 39.69 per cent., in 1909 to 41.10 per cent., in 1910 to 42.80 per cent., and in 1911 to 40.58 per cent. This gradual increase in the proportion of free goods, under the same tariff, appears to indicate some restrictive effect of the protective duties, inasmuch as the imports of free goods, which may be taken as raw materials or goods which cannot yet be advantageously manufactured in Australia, have increased by 30.96 per cent. since 1908, while those of dutiable goods have only increased by 15.20 per cent. The tariff of 1908, while extending the free list, increased the average rates on the goods subject to duty. Excluding drinks and tobacco the average rate of duty on dutiable goods during 1906 was 17.04, in 1908 it was 21.30, in 1910 it was 21.26, and in 1911 it was 20.48 per cent. The combined effect of the extension of the free list with an increase of duties on the remaining goods has been that in 1911 the average rate of duty over the total imports of merchandise was 17.17 per cent., against 17.59 per cent. in 1906.

From the above table it will be seen that, excluding spirits, etc., and tobacco, the average rate of duty charged in the Commonwealth on dutiable goods imported during 1911 was about 1.90 per cent. *ad valorem* lower than in New Zealand, and about $3\frac{1}{2}$ per cent. lower than in Canada, and was only a little more than one half the rate charged in the United States. On the other hand the proportion of free goods was smaller in the Commonwealth than in New Zealand or the United States, though larger than in Canada. Over the total imports the average *ad valorem* rates charged in the Commonwealth, New Zealand, and Canada do not differ materially, while in the United States the average rate is about $3\frac{1}{2}$ per cent. higher. The influence of the various rates charged on stimulants and tobacco in smoothing out the differences in average *ad valorem* rates on the total imports should not be lost sight of. During 1911, 80 per cent. of the value of tobacco imported into Canada was unmanufactured tobacco admitted free of duty, and subject only to excise on manufacture.