

SECTION XV.

COMMERCE.

§ 1. Introductory.

1. **Constitutional Powers of the Commonwealth in regard to Commerce.**—The powers vested in the Commonwealth Parliament by the Commonwealth Constitution Act with respect to trade and commerce will be found on page 25 (section 51 (i.) and pp. 31 to 33 (sections 86-95) of this volume.

§ 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. From this date 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 for five years. [Repealed by the Customs Tariff Act 1908 (No. 7 of 1908).]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, defines the responsibility of shipowners, charterers, masters, or agents in regard to goods carried.

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."

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.

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, and imposes new rates of Customs Duties. This Act provides preference rates of customs duties on certain "goods the produce or manufacture of the United Kingdom."

11. Customs Tariff Amendment Act 1908 (No. 13 of 1908).—"An Act to amend the Tariff Act of 1908," assented to 10th June, 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 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 33 *ante*)—an Act relating to the Interstate Commission was assented to on the 24th December, 1912. This Act provides for the appointment of the Commission, and cognate matters.

§ 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 oversea 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 oversea country were simply recorded in the former as an export to the transshipping State; thus no proper record of the export oversea was made. Owing to this defect the oversea trade prior to September, 1903, is understated by an amount which it is impossible to accurately estimate, since it varies with the development of the shipping facilities of the States concerned. To discover the direction of the transhipped trade is not possible. The figures presented in the tables hereinafter are therefore the values as recorded, and must be taken as subject to the defects explained.

4. **Vessels (Ships) Imported and Exported.**—The imports or exports of vessels were not recorded prior to the year 1905. The value of vessels imported during each of the years 1905-1912 were as follows:—1905, £265,957; 1906, £366,300; 1907, £680,700; 1908, £700,500; 1909, £757,100; 1910, £711,850; 1911, £340,045; 1912, £1,257,655. 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; 1912, £66,300.

5. **Ships' Stores.**—Prior to 1906 goods shipped in Australian ports on board oversea 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.), during 1911 to £1,238,446 (bunker coal £858,783, or 69.35 per cent.), and during 1912, to £1,431,985 (bunker coal £1,008,259, or 70.41 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 3s. 10d. per head of the population. The rapid influx of persons anxious to share the good fortunes of these times, however, soon reduced the value of the trade per head, till, in 1858, it had declined to £31 19s. 6d. per head. The period 1867-1872 shews a marked reduction in the value of trade per head. For some years prior to this period New South Wales had experienced a succession of indifferent seasons, and Victoria was suffering from a congested labour market consequent on the decline of alluvial gold-mining in that State. This congestion of the labour market during the years 1862 to 1866 gave rise to the agitation for a protective tariff to provide employment in 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 1913.

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 1913.—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	18,394	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	93.2
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	69,788	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	55,172	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	78,159	79,096	157,255	16 16 7	17 0 7	33 17 2	101.2
1913 ²	79,712	78,501	158,213	16 12 0	15 12 10	32 4 10	98.5

1. Reckoned on mean population of the year.

2. Preliminary figures.

The graphs illustrating the movement of the oversea trade of Australia (see pages 523 and 524) 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 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. 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 and 1913, while the value of exports remained stationary, is referred to in the succeeding paragraph. The particular classes of goods from which the increases in trade arise are shewn on pages 639 to 641.

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 to 1912 the reverse has been the case. 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 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.

The marked change in the balance of trade, which is in the direction of that of twenty years ago, is a striking feature of the trade returns for 1912. The decline in the ratio of exports to imports has been due, mainly, to the loans recently raised in London by the Governments of the various States of the Commonwealth. The proceeds of these loans, of course, swell the import returns, but, as no immediate payment beyond an instalment of interest has to be made in return, the export figures are affected to a very minor degree, until such time as the principal of the debt is repaid. The larger number of immigrants has, also, to some extent affected the balance of trade by the introduction of capital. The following table shews for the last twelve years the balance of trade of

the Commonwealth as shown by the records of imports and exports for each year, and, also, the modification of these figures as affected by loans raised in London by the States:—

EFFECT OF LOANS ON THE RECORDED BALANCE OF TRADE.

Year.	Excess of Exports as Recorded.		Net Amount of Debt Raised or Redeemed(—) in London.	Excess of Exports Modified by Elimination of Loans.	
	Amount.	Per cent.	Amount.	Amount.	Per cent.
	£1,000.		£1,000.	£1,000.	
1902	3,239	100	5,014	8,253	100
1903	10,439	322	1,658	12,097	146
1904	20,465	632	753	21,218	257
1905	18,494	571	1,968	20,462	248
1906	24,993	771	5,308	19,685	238
1907	21,015	649	2,259	18,756	227
1908	14,512	448	6,088	20,600	249
1909	14,147	436	2,562	16,709	202
1910	14,477	447	2,904	11,573	140
1911	12,518	386	3,123	15,641	189
1912	937	29	12,327	13,264	161
1913	1,211	137	5,590*	4,379	...

* June to December, 1913.

The trade balances would be further modified by the loans of local governing bodies, by the imports of capital for private enterprises, and by the addition to or absorption of bank balances held in London on Australian account. Particulars of such transactions are not available. In regard to the importation of private capital, it may not be without significance that the tariff of 1908 was followed by a pronounced diminution in the excess of exports, the suggestion being that industrial enterprise had been augmented by imported capital.

The general relationship between the balance of trade of the Commonwealth and the borrowing of money abroad is demonstrated by the following figures:—

BALANCE OF TRADE AND PUBLIC DEBT.

Period.	Annual Average.				
	Imports.	Exports.	Excess of		New Debt.
			Imports.	Exports.	
Mill. £.	Mill. £.	Mill. £.	Mill. £.	Mill. £.	
1867-1871	17.8	20.0	...	2.2	1.7
1872-1876	23.4	24.6	...	1.2	2.6
1877-1881	25.5	24.6	1.0	...	5.2
1882-1886	35.8	26.8	9.0	...	10.6
1887-1891	35.4	29.4	6.0	...	7.4
1892-1896	25.6	33.0	...	7.4	3.8
1897-1901	36.2	44.4	...	8.2	3.2
1902-1906	39.6	55.2	...	15.6	0.8
1907-1911	56.0	71.2	...	15.2	1.3
1912-1913	79.0	79.0	...	...	12.0

* Subsequent to 1897 these figures relate to moneys raised outside of Australia only. Prior to 1893 the amounts raised locally were insignificant, but it is probable that the amount of new debt raised during 1892-5 is somewhat overstated.

§ 5. Direction of Trade.

1. **Country of Shipment and Country of Origin.**—The following table shews, for the years 1908 and 1912, 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 1905-11 will be found in previous issues of this work.

COMMONWEALTH IMPORTS FROM COUNTRIES OF SHIPMENT AND COUNTRIES OF ORIGIN, 1908 and 1912.

Country.	Imports according to—							
	Country of Shipment.				Country of Origin.			
	1908.		1912.		1908.		1912.	
	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.
United Kingdom ...	£29,930,157	60.10	£45,925,156	58.76	£25,274,661	50.75	£39,124,829	50.06
BRITISH POSSESSIONS—								
Canada ...	321,041	0.64	1,084,023	1.38	532,752	1.07	977,075	1.25
Ceylon ...	683,813	1.37	863,788	1.11	681,950	1.37	849,588	1.09
Hong Kong ...	247,689	0.50	331,007	0.42	7,321	0.01	4,623	0.01
India ...	1,630,246	3.28	2,106,337	2.70	1,658,140	3.33	2,282,047	2.92
New Zealand ...	2,276,597	4.57	3,352,444	4.29	2,196,433	4.41	2,979,623	3.81
Straits Settlements ...	384,567	0.77	690,875	0.88	158,603	0.32	174,911	0.22
Other British Possessions	845,671	1.70	1,152,732	1.48	994,755	2.00	1,384,896	1.77
Total British Possessions ...	6,389,624	12.83	9,581,206	12.26	6,229,954	12.51	8,652,774	11.07
Total British Countries ...	36,319,781	72.93	55,506,362	71.02	31,504,615	63.26	47,777,603	61.13
FOREIGN COUNTRIES—								
Austria-Hungary ...	16,947	0.03	71,967	0.09	265,345	0.53	381,956	0.49
Belgium ...	970,187	1.95	2,146,487	2.75	636,450	1.28	1,192,034	1.53
China ...	69,362	0.14	102,266	0.13	315,887	0.63	459,402	0.59
France ...	479,642	0.97	574,381	0.73	1,775,389	3.56	2,293,293	2.93
Germany ...	3,509,120	7.05	5,144,613	6.58	4,482,394	9.00	7,153,609	9.15
Japan ...	543,789	1.09	950,298	1.22	574,906	1.15	993,633	1.27
Netherlands ...	173,528	0.35	258,505	0.33	311,832	0.63	438,909	0.56
Norway ...	314,685	0.63	600,479	0.77	420,470	0.85	771,351	0.99
Spain ...	12,131	0.02	34,678	0.04	108,104	0.22	127,233	0.16
Sweden ...	206,614	0.41	602,563	0.77	348,666	0.70	714,574	0.91
Switzerland ...	38,498	0.08	44,307	0.06	754,110	1.51	1,340,297	1.72
United States ...	6,039,753	12.13	9,449,553	12.09	6,581,846	13.22	10,764,257	13.77
Other Foreign Countries	1,105,236	2.22	2,672,141	3.42	1,719,259	3.46	3,750,449	4.90
Total Foreign Countries ...	13,479,492	27.07	22,652,238	28.98	18,294,658	36.74	30,380,997	38.87
Total Imports from all Countries ...	49,799,273	100	78,158,600	100	49,799,273	100	78,158,600	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 1912 shew that while the total direct imports from that country amounted to £45,925,156, the value of the manufactures or produce of the United Kingdom itself, imported from all countries whatsoever during the same year, was £39,124,829. From the foregoing figures it appears that goods to the value of at least £6,800,327 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 1892 to 1911, and for the year 1912, 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, 1892 to 1912.

Country.	Yearly Average of Quinquennial Periods.				Year 1912.
	1892-6.	1897-1901.	1902-6.	1907-11.	
	£	£	£	£	£
United Kingdom ...	18,241,366	22,794,700	23,163,660	33,830,777	45,925,156
British Possessions—					
Canada ...	89,861	230,460	291,253	550,005	1,084,023
Ceylon ...	239,774	410,057	603,660	731,614	863,788
Fiji ...	92,125	104,459	79,820	262,592	351,873
Hong Kong ...	460,883	313,578	303,322	259,500	331,007
India ...	606,183	924,316	1,179,309	2,081,511	2,106,337
Mauritius ...	178,074	175,966	104,911	37,051	115,674
New Zealand ...	1,100,533	1,541,128	2,479,298	2,447,039	3,352,444
Papua ...	16,623	52,416	67,987	70,444	77,399
South African Union ...	16,019	3,972	9,528	96,208	295,354
Straits Settlements ...	138,057	281,023	178,658	482,193	690,875
Other British Possessions	15,716	24,791	106,035	272,691	312,432
Total British Possessions ...	2,953,848	4,062,166	5,403,781	7,290,848	9,581,206
Total British Countries ...	21,195,214	26,856,866	28,567,441	41,121,625	55,506,362
Foreign Countries—					
Argentine Republic ...	101	3,264	229,872	21	4
Belgium ...	274,559	394,094	559,880	1,237,894	2,146,487
Chile and Peru ...	2,510	32,129	16,112	27,954	43,336
China ...	327,120	262,195	135,219	75,354	102,266
France ...	201,284	476,756	465,330	498,354	574,381
Germany ...	1,107,496	2,254,746	2,703,806	3,721,467	5,144,613
Hawaiian Islands, New Britain, New Caledonia, New Hebrides, and South Sea Islands ...	78,285	150,508	140,295	210,349	203,406
Italy ...	67,673	137,852	168,221	260,741	439,364
Japan... ..	63,195	225,086	380,388	647,566	950,298
Java ...	464,351	461,748	510,689	535,762	1,387,061
Netherlands ...	12,125	36,919	101,531	192,038	258,505
Norway ...	154,277	234,024	303,446	458,649	600,479
Philippine Islands ...	15,869	69,385	70,668	96,746	136,197
Sweden ...	21,872	97,169	69,827	316,771	602,563
United States of America	1,682,092	4,355,724	5,014,408	6,230,960	9,449,553
Other Foreign Countries	56,544	219,715	282,848	320,156	613,725
Total Foreign Countries ...	4,529,353	9,461,334	11,152,540	14,830,783	22,652,238
Total ...	25,724,567	36,318,200	39,719,981	55,952,408	78,158,600

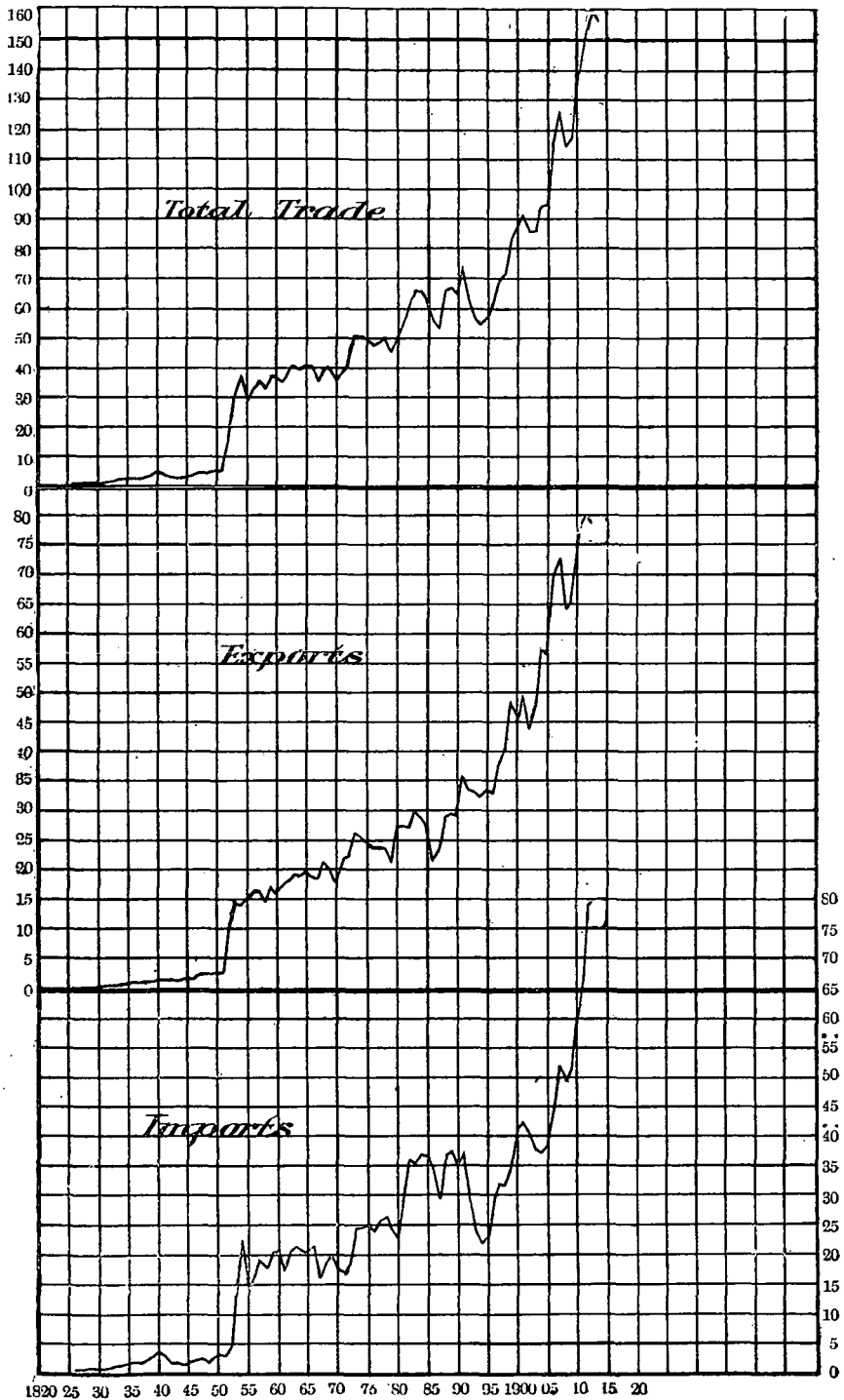
Expressing each item as percentage on the total of the imports, the following results are obtained :—

COMMONWEALTH IMPORTS.—PERCENTAGES OF THE IMPORTS FROM EACH COUNTRY ON THE TOTAL IMPORTS, 1892 to 1912.

Country.	1892-6.	1897-1901.	1902-6.	1907-11.	1912.
	per cent.	per cent.	per cent.	per cent.	per cent.
United Kingdom	70.91	62.76	58.32	60.46	58.76
BRITISH POSSESSIONS—					
Canada	0.34	0.65	0.73	0.98	1.38
Ceylon	0.93	1.13	1.52	1.32	1.11
Fiji	0.36	0.29	0.20	0.47	0.45
Hong Kong	1.80	0.86	0.76	0.46	0.42
India	2.36	2.54	2.97	3.73	2.70
Mauritius	0.69	0.48	0.26	0.06	0.15
New Zealand	4.29	4.24	6.24	4.37	4.29
Papua	0.06	0.14	0.17	0.12	0.10
South African Union	0.06	0.01	0.02	0.18	0.38
Straits Settlements	0.53	0.77	0.45	0.86	0.88
Other British Possessions	0.06	0.07	0.28	0.49	0.40
Total British Possessions	11.48	11.18	13.60	13.04	12.26
Total British Countries	82.39	73.94	71.92	73.50	71.02
FOREIGN COUNTRIES—					
Argentine Republic... ..	0.00	0.00	0.58	0.00	0.00
Belgium	1.07	1.08	1.40	2.21	2.75
Chile and Peru	0.01	0.09	0.04	0.05	0.06
China	1.27	0.72	0.34	0.13	0.13
France	0.78	1.32	1.17	0.89	0.73
Germany	4.31	6.22	6.80	6.65	6.58
Hawaiian Islands, New Britain, New Caledonia, New Hebrides and South Sea Islands	0.31	0.42	0.35	0.38	0.26
Italy	0.26	0.38	0.42	0.47	0.56
Japan	0.24	0.62	0.96	1.16	1.22
Java	1.81	1.27	1.29	0.96	1.77
Netherlands	0.05	0.10	0.26	0.34	0.33
Norway	0.61	0.78	0.76	0.82	0.77
Philippine Islands	0.06	0.19	0.18	0.17	0.17
Sweden	0.08	0.27	0.18	0.56	0.77
United States of America	6.54	11.98	12.62	11.13	12.09
Other Foreign Countries	0.21	0.62	0.73	0.58	0.79
Total Foreign Countries... ..	17.61	26.06	28.08	26.50	28.98
Total	100	100	100	100	100

3. Imports from the United Kingdom.—The foregoing tables shew that while the actual value of direct imports from the United Kingdom during 1912 is above the yearly average of the period under review, being double that of the quinquennium 1897-1901, and nearly double that of the quinquennium 1902-6, the proportion to total imports has diminished, having fallen from 70.91 per cent. during the years 1892-6 to 58.76 per cent.

GRAPHS SHEWING VALUES OF TOTAL TRADE, EXPORTS, AND IMPORTS OF COMMONWEALTH, 1826 to 1913.

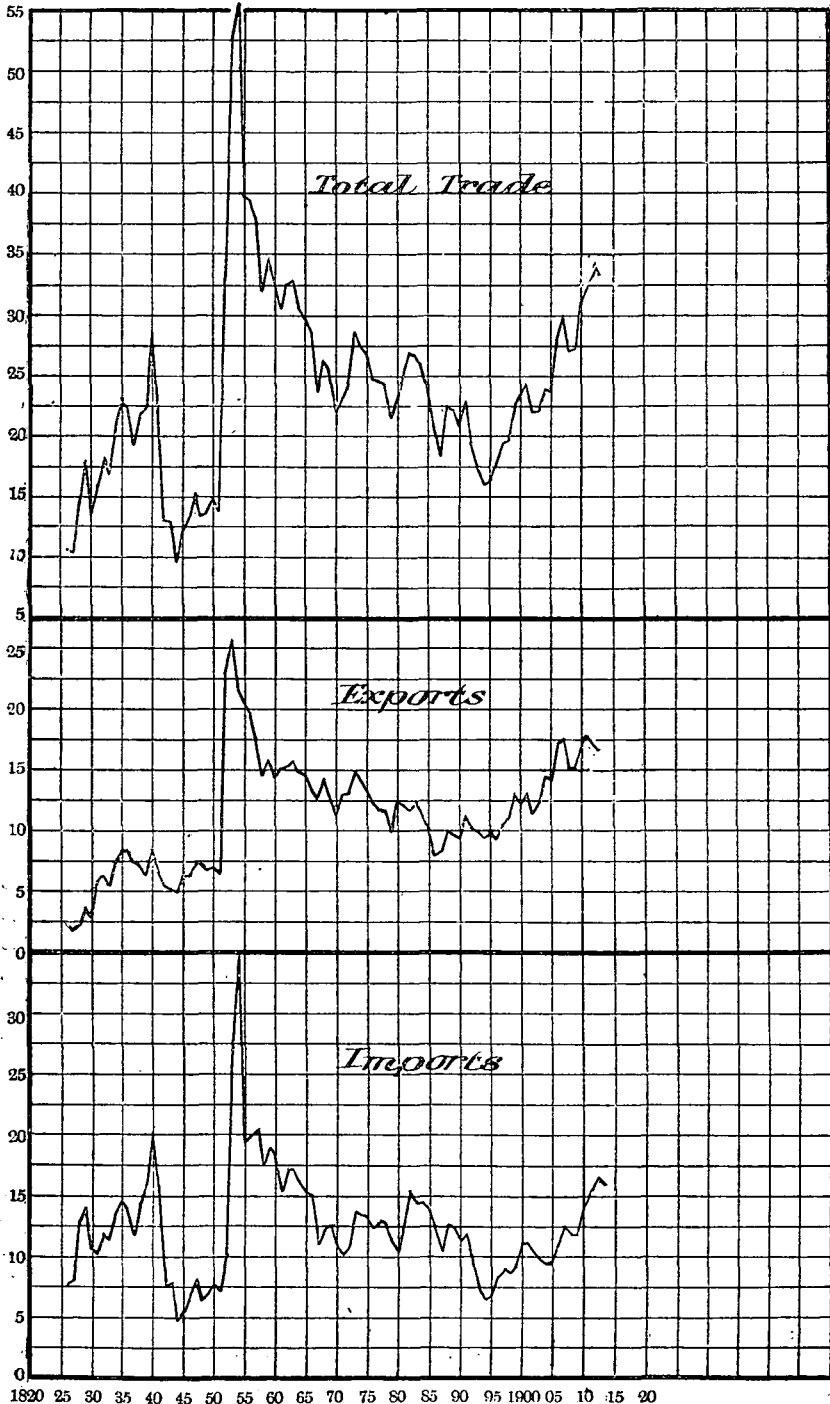


(See pages 516 and 517.)

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 SHEWING THE VALUES PER HEAD OF POPULATION OF TOTAL TRADE,
EXPORTS AND IMPORTS OF COMMONWEALTH, 1826 to 1913.

(See pages 516 and 517.)



1820 25 30 35 40 45 50 55 60 65 70 75 80 85 90 95 1900 05 10 15 20

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.

in 1912. 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 1912 are as follows:—

Ale and beer, £481,886; apparel and textiles—apparel, £3,236,644, textiles, £9,001,802; arms, ammunition and explosives, £712,456; books and periodicals, £613,976; brushware, £84,996; earthenware, etc., £318,056; clocks and watches, £43,616; cocoa and chocolate, £141,340; confectionery, £330,121; cordage, metal, £120,403; cordage, other, £151,783; cutlery, £273,928; drugs and chemicals—alkalies (soda), £117,444, fertilisers, £52,756, medicines, £181,778, other drugs and chemicals, £577,164; electrical and gas appliances, £268,744; electrical materials, £587,438; fancy goods, £244,082; fish, fresh and preserved, £201,864; furniture, £130,324; glass and glassware, £177,452; indiarubber and manufactures, £260,914; instruments, musical, £102,312; instruments, scientific, surgical, etc., £100,571; iron and steel—pig iron, £193,486, bar, hoop, ingot, etc., £837,729, scrap, £74,277, girders, beams, etc., £226,190, plate and sheet, galvanised or corrugated, £1,905,802, not galvanised or corrugated, £245,889, pipes and tubes, £680,518, rails, fishplates, etc., £844,733, tinned plates, plain, £504,257; wire, £125,800; wire netting, £229,575; jewellery and precious stones, £260,952; leather and leather manufactures, £138,485; machines and machinery, £2,510,052; metals, manufactures of, £2,655,430; milk, preserved, £11,495; oils (not essential), £335,667; paints and colours, £456,703; paper, £334,431; pickles, sauces, etc., £156,020; soap, £53,001; specie, £531,878; spirits, £836,621; stationery, £299,931; tobacco, £70,672; tools of trade, £342,179; varnishes, £91,945; vehicles—bicycles, etc., £191,263, motors, £727,371, other vehicles, £157,583; vessels (ships), £1,165,750; yarns, £332,717.

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 11.48 per cent. in the years 1892-6 to 12.26 per cent. in 1912, the actual values being respectively £2,953,848 and £9,581,206. Of the total imports from British possessions during 1912, 34.99 per cent., or 4.29 per cent. of all imports, was from New Zealand; 21.98 per cent., or 2.17 per cent. of all imports, from India; 11.31 per cent., or 1.38 per cent. of all imports from Canada; and 9.02 per cent., or 1.11 per cent. of all imports, from Ceylon.

5. **Principal Imports, the Produce of British Possessions, 1912.**—These are as follows:—

(i.) *Canada.* Apparel and textiles, £16,546; boots and shoes, £8881; drugs and chemicals, £21,209; fish, £77,340; furniture, £23,644; indiarubber and manufactures £27,931; agricultural implements and machinery, £250,699; other machines and machinery, £15,732; metal manufactures, £43,569; paper, £185,781; timber, £70,922; motor chassis, £135,800, motor bodies, £27,135, other vehicles, £25,040.

(ii.) *Ceylon.* Coir fibre, £3428; nuts, £27,446; rubber and manufactures, £63,147; tea, £734,116. The large increase in the imports from Ceylon—from £217,138 during the years 1891-5, to £849,588 in 1912—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 1912, 52.80 per cent. was the produce of Ceylon.

(iii.) *Fiji.* Bananas, £154,509; copra, £40,973; sugar—produce of cane, £84,379, molasses, £9237.

(iv.) *India.* Bags and sacks, £1,003,955; hessians, £215,369; cameos, precious stones, unset, £56,186; carpets, mats, etc., £25,308; coffee and chicory, £47,567; cotton, raw, £11,680; other unmanufactured fibres, £16,708; iron pig, £28,311; linseed, £19,336; rice, £273,411; shellac, £9174; oils—castor, £49,753, linseed, £4473; skins and hides, £32,379; spices, £16,770; tea, £337,665; timber, £20,847; wax, paraffin, £28,289; yarns, £13,237.

(v.) *Mauritius*. Sugar, £115,449.

(vi.) *New Zealand*. Apparel and textiles, £15,066; animals—horses, £122,378, sheep, £10,220; military stores, £8391; fibre, flax, and hemp, £60,647; fish, £44,567; gold, bullion and ore, £1,086,355; grain, barley, £53,067; hops, £13,896; implements and machinery (agricultural), £9112; machines and machinery, £7097; meats, £31,807; seeds, £55,097; skins and hides, £95,863; timber, £657,017; wool, £5204.

(vii.) *Papua*. Gold bullion and ore, £56,177.

(viii.) *South African Union*. Bark, tanning, £50,918; explosives, £19,508; precious stones, £190,637.

(ix.) *Straits Settlements*. Spices, £49,599; sago and tapioca, £70,014; canes and rattans, etc., unmanufactured, £9224; rubber, and rubber manufactures, £21,673.

6. Imports Shipped from Foreign Countries.—The imports direct from foreign countries during the year 1912 represented 28.98 per cent. of the total imports, as compared with 17.61 per cent. during the years 1892-6. Of the total imports into Australia shipped from foreign countries 22.71 per cent.—6.58 per cent. of all imports—was from Germany, and 41.71 per cent.—12.09 per cent. of all imports—was from the United States.

7. Principal Imports the Produce of Foreign Countries, 1912.—The details are as follow :—

(i.) *Austria-Hungary*. Apparel and textiles, £140,861; furniture, £35,680; china-ware, £14,661; glassware, £12,718; fancy goods, £16,132; jewellery and precious stones, £18,922; paper and stationery, £21,428; pipes, smoking, etc., £15,837.

(ii.) *Belgium*. Apparel, £110,405; textiles, £144,292; candles, £1248; cement, £25,879; drugs, chemicals, and fertilisers, £7803; glass and glassware, £181,579; iron and steel—partly manufactured, £127,821, girders, beams, etc., £6506, pipes and tubes, £11,392, plate and sheet, £35,021, railway iron, £125,033, wire, £3464; jewellery, £31,313; machines and machinery, £13,935; matches and vestas, £19,712; metal manufactures, £103,540; motors and parts, £74,264; paper, £35,711, zinc manufactures, £16,243.

(iii.) *Chile*. Barley, £28,022; soda nitrate, £32,448.

(iv.) *China*. Apparel and textiles, £133,854; cotton, raw, £13,357; fish, £15,711; fruit, £9683; ginger, £14,626; rice, £62,133; nuts, £19,141; oils, £14,673; tea, £85,592.

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, £932,607; cream of tartar, £182,917; other drugs and chemicals, £40,287, fruits, £13,495; fancy goods, £60,340; jewellery, £17,857; time-pieces, £8019; pipes, smoking, etc., £77,560; motor vehicles and parts, £235,525; perfumery, £29,154; resin, £19,287; rubber manufactures, £53,652; leather, £17,936; spirits, £151,349; tiles, £11,428; wine, £138,810; machinery and manufactures of metal, £67,850.

(vi.) *Germany*. Ale and beer, £125,552; apparel and textiles, £1,915,135; arms, ammunition and explosives, £76,679; brushware, £31,750; cement, £144,564; chinaware, etc., £66,072, earthenware, £28,573; drugs and chemicals—calcium carbide, £6488, dyes, £20,243; fertilisers, £51,339, other drugs, etc., £157,833; fancy goods, £151,977; furniture, £17,312; minor articles for furniture, £5496; glass and glassware, £138,759; hops, £14,427; indiarubber manufactures, £222,042; metals and manufactures of metals—iron and steel—bar, hoop, ingot, etc., £206,478, plate and sheet, £70,402, pipes and tubes, £81,210, railway iron, £89,739, tools of trade, £37,874; wire, £340,936; wire netting, £174,534; machines and machinery, £281,253; lamps and lampware, £49,486; electrical and gas appliances, £60,922; other manufactures of metals, £621,698; jewellery, cameos, etc., £102,857; leather and leather manufactures (excluding boots and shoes), £84,255;

musical instruments, £504,666; paper, £198,452; spirits, £28,012; stationery, £94,781; tobacco, £13,239; paints and varnishes, £22,032.

(vii.) *Italy.* Apparel and textiles, £191,576; fruits, £29,276; matches and vestas, £22,783; marble and stone, £40,549; oils, olive, £13,792, essential, £17,715; nuts, £18,742; sulphur, £68,479; motors and parts, £88,639.

(viii.) *Japan.* Apparel and textiles, £484,449; bags, baskets, etc., £36,491; china-ware and earthenware, £17,916; fancy goods, £15,000; fertilisers (superphosphates), £90,221; furniture, £15,934; rice, £11,401; oils and waxes, £60,045; spices, £6898; sulphur, £37,666; timber, etc., £76,278.

(ix.) *Java.* Cotton, raw, £5100; hats and caps, £2370; rice, £10,744; kapok, £130,704; rubber, £1435; sugar, £988,049; tobacco, £2260; tea, £162,604.

(x.) *Netherlands.* Apparel and textiles, £54,820; cocoa and chocolate, £72,710; cameos and precious stones, £6384; metal manufactures, £21,005; paper, £41,799; spirits, £143,740.

(xi.) *Norway.* Calcium carbide, £72,273; fish, £124,928; milk, preserved, £7902; paper, £135,174; timber, £374,283.

(xii.) *Philippine Islands.* Flax and hemp, £93,374; cigars, £47,119.

(xiii.) *Russia.* Flax, £5374; oils, £19,995; timber, £87,624.

(xiv.) *Sweden.* Calcium carbide, £48,922; earthenware, glassware, etc., £7355; electrical machinery and fittings, £7128; cream separators, £57,343; matches and vestas, £22,489; paper, £228,588; telephones, £44,416; timber, £233,997.

(xv.) *Switzerland.* Apparel and textiles, £865,265; cigars, £14,617; cocoa and chocolate, manufactured, £135,140; confectionery, £103,215; milk, £6464; watches, £129,833.

(xvi.) *United States of America.* Apparel and textiles—Boots and shoes, £138,915; other apparel, £200,695; textiles, £272,973; arms, £58,410; ammunition and explosives, £63,184; cameras, magic lanterns, phonographs, etc., £72,377; clocks and watches, £106,836; fancy goods, &c., £118,754; fish, £242,028; furniture, £121,650; glass and glassware, £43,981; glucose, £42,485; indiarubber manufactures, £113,484; leather, £359,895; meats, £93,037; medicines, £91,045; metal manufactures—iron and steel: bars, ingots, hoops, etc., £72,528, girders, beams, etc., £30,386, pipes and tubes, £145,572, plate and sheet, £235,459, railway iron, £214,852; tools of trade, £304,893; wire, £352,335; machines and machinery, agricultural, £192,335; other machines and machinery, £1,315,327; other metal manufactures, £549,800; musical instruments, £57,058; oils, fats and waxes—benzine and gasoline, £225,295; kerosene, £610,262, lubricating oils and greases, £187,051, paraffin wax, £25,471, turpentine, £66,772; paints and varnishes, £96,825; paper, £260,277; resin, £63,221; soap, £68,267; stationery, £106,987; surgical and dental instruments, £56,875; timber, £1,314,321; tobacco, cigars, etc., £759,213; wood manufactures, £114,226; vehicles, motors and parts, £427,846; other vehicles and parts, £164,986.

8. *Direction of Exports.*—The following table shews the average yearly value of exports to principal countries during each quinquennial period from 1892 to 1911 and for the year 1912. 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, 1911 and 1912. The large increase 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, 1892 to 1912.

EXPORTS (INCLUDING BULLION AND SPECIE).

Country.	Yearly Average of Quinquennial Periods.				Year 1912.
	1892-6.	1897-1901.	1902-6.	1907-11.	
	£	£	£	£	£
United Kingdom ...	23,030,779	25,337,456	25,461,689	33,475,363	31,459,317
British Possessions—					
Canada ...	12,793	77,627	172,757	100,552	161,595
Ceylon ...	434,082	1,188,136	4,249,831	2,567,199	7,589,212
Fiji ...	121,771	173,079	246,671	364,786	400,807
Hong Kong ...	489,987	375,559	579,829	722,267	856,313
India ...	405,662	1,222,454	3,341,699	2,242,499	2,915,090
Mauritius ...	54,890	36,992	52,075	34,823	20,328
New Zealand ...	987,718	1,131,067	1,725,234	2,432,561	2,228,551
Papua ...	17,682	46,150	46,744	86,680	140,338
South African Union ...	181,270	2,513,075	3,180,034	1,861,990	1,488,153
Straits Settlements ...	135,040	103,742	209,612	665,999	1,017,335
Other British Possessions ...	9,452	28,164	71,641	70,098	70,222
Total British Possessions	2,820,347	6,896,045	13,876,127	11,149,454	16,887,944
Total British Countries ...	25,851,126	32,233,501	39,337,816	44,624,817	48,347,261
Foreign Countries—					
Argentine Republic ...	195	20,938	30,485	77,030	129,306
Belgium ...	1,422,378	1,488,784	2,695,512	5,247,007	6,584,532
Chile and Peru ...	155,666	239,391	473,650	626,493	736,257
China ...	23,778	208,601	242,580	223,643	191,478
France ...	2,064,639	2,641,244	4,190,591	7,302,738	8,022,319
Germany ...	1,580,692	2,128,596	3,406,633	6,944,941	7,441,246
Hawaiian Is., New Britain, New Caledonia, New He- brides and South Sea Is.	227,756	349,921	350,797	487,790	666,725
Italy ...	44,954	177,742	156,913	327,966	623,049
Japan ...	48,231	138,686	580,670	1,069,390	1,169,335
Java ...	70,581	125,285	157,559	335,994	573,231
Netherlands ...	45,008	69,633	226,958	289,461	264,956
Norway ...	971	105	14	5,558	1,540
Philippine Islands	24,664	150,999	331,047	538,382	565,345
Spain ...	7,047	12,835	61,300	14,643	3,062
Sweden ...	1,433	1,485	3,915	1,595	8,490
United States of America ...	1,263,128	3,941,509	2,591,428	2,092,637	2,043,186
Other Foreign Countries ...	234,656	510,602	408,114	1,075,425	1,724,772
Total Foreign Countries	7,215,777	12,206,356	15,908,166	26,660,693	30,748,829
Total ...	33,066,903	44,439,857	55,245,982	71,285,510	79,096,090

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, 1892 to 1912.

Country.	1892-6.	1897-1901.	1902-6.	1907-11.	1912.
	per cent.	per cent.	per cent.	per cent.	per cent.
United Kingdom	69.65	57.02	46.08	46.96	39.77
British Possessions—					
Canada	0.04	0.17	0.31	0.14	0.20
Ceylon	1.31	2.67	7.69	3.60	9.60
Fiji	0.37	0.39	0.45	0.51	0.51
Hong Kong	1.48	0.85	1.04	1.01	1.08
India	1.23	2.76	6.05	3.15	3.69
Mauritius	0.16	0.08	0.09	0.05	0.03
New Zealand	2.99	2.55	3.12	3.41	2.82
Papua	0.06	0.10	0.08	0.12	0.18
South African Union	0.55	5.66	5.76	2.61	1.88
Straits Settlements	0.33	0.23	0.40	0.94	1.28
Other British Possessions	0.01	0.06	0.13	0.10	0.08
Total British Possessions	8.53	15.52	25.12	15.64	21.35
Total British Countries ...	78.18	72.54	71.20	62.60	61.12
Foreign Countries—					
Argentine Republic	0.00	0.05	0.05	0.11	0.16
Belgium	4.30	3.35	4.88	7.36	8.32
Chile and Peru	0.47	0.54	0.86	0.88	0.93
China	0.07	0.47	0.44	0.31	0.24
France	6.25	5.94	7.58	10.25	10.15
Germany	4.78	4.79	6.17	9.74	9.41
Hawaiian Is., New Britain, New Caledonia, New He- brides and South Sea Is.	0.69	0.79	0.64	0.68	0.85
Italy	0.14	0.40	0.28	0.46	0.80
Japan	0.15	0.31	1.05	1.50	1.48
Java	0.21	0.28	0.29	0.47	0.72
Netherlands	0.14	0.16	0.41	0.41	0.34
Norway	0.00	0.00	0.00	0.01	0.00
Philippine Islands	0.07	0.34	0.60	0.75	0.71
Spain	0.02	0.02	0.11	0.02	0.00
Sweden	0.00	0.00	0.01	0.00	0.01
United States of America	3.82	8.87	4.69	2.94	2.58
Other Foreign Countries	0.71	1.15	0.74	1.51	2.18
Total Foreign Countries...	21.82	27.46	28.80	37.40	38.88
Total	100	100	100	100	100

9. Exports to the United Kingdom.—Notwithstanding an increase of 36.50 per cent. in the actual value of exports to the United Kingdom during the year 1912 as compared with the yearly average of the period 1892-96, the proportion of the total

exports despatched to the United Kingdom has fallen from 69.65 per cent. in the earlier period to 39.77 per cent. in the year 1912. 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 1912 were as follows:— Butter, £2,942,434; fruit—apples, £304,479, other, including pulp, £53,026; grain and pulse—wheat, £4,528,590; flour, £326,423, other, £22,643; hair, £30,640; jewellery and precious stones, £151,791; leather, £431,997; meat, frozen—beef, £1,245,536, mutton, £908,059, lamb, £591,589, rabbits and hares, £313,806, other frozen meat, £56,396; potted meat, £102,931; meat, preserved in tins, £489,595; minerals and metals—copper—concentrates, £2976, ingots, £160,445, in matte, £679,776, ore, £95,099; gold—bullion, £506,207, in matte, £313,192, ore, £56,077; silver—bullion, £73,782, in matte, £216,722, silver and silver-lead—concentrates, £19,835, ore, £23,878; lead—pig, £696,026, in matte, £329,780; ores, other, £58,576; tin, ingots and ore, £646,784; zinc concentrates, £80,798; oil, cocconut, £155,848; pearlshell, £427,085; skins—hides, £430,609, rabbit and hare, £342,276, sheep, £670,816, other skins, £263,255; specie, gold, £381,172; tallow, £1,142,748; timber, £80,259; wine, £85,076; wool—greasy, £8,586,824; scoured, £1,831,653.

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 542 were particularly heavy in 1912, being greater in that year than in any year since 1894. Of the total exports to British Possessions during 1912, viz., £16,887,944, as much as £10,458,641 or 61.93 per cent. was gold.

11. **Principal Exports to British Possessions, 1912.**—These are as follow:—

(i.) *Canada.* Butter, £4673; meats, £45,394; oil, cocconut, £2707; skins, £81,392; timber, undressed, £5893; wool, £7155.

(ii.) *Ceylon.* Butter, £11,951; gold, bullion, £96,632; fodder, £5835; horses, £3403; grain—flour, £31,616; lead, pig, £21,050; silver, bullion, £247,658; soap, £11,187; specie, £7,107,355; sugar, £2061.

(iii.) *Fiji.* Apparel and textiles—apparel, including boots and shoes, £18,126; textiles, £11,105; bags, sacks, and cordage, £5026; biscuits, £23,907; coal, £14,756; drugs and chemicals—fertilizers, £10,718, other, £9019; grain, prepared—bran, pollard, and sharps, £30,793; flour, £20,740; machines and machinery, £10,021; metal manufactures, £41,989; oils, £7818; specie, £25,000; timber, undressed, £18,119; vehicles £8227; vessels, £1250.

(iv.) *Hong Kong.* Butter, £25,574; fish, £34,515; flour, £17,133; lead, pig, £92,199; sandalwood, £11,567; specie, gold, £615,053; copper, ingots, £12,293.

(v.) *India.* Coal, £62,045; gold, bullion, £797,655; specie, £1,273,280; horses, £129,186; hay and chaff, £11,886; lead, pig, £20,358; meats, £1692; silver bullion, £258,715; tallow, £13,469; timber, undressed, £213,403; wool, £18,739; flour, £13,099.

(vi.) *New Zealand*. Apparel, textiles, etc.:— apparel — boots and shoes, £3599; other apparel, £26,658; textiles, £51,081; bags and sacks, £19,574; bark, tanning, £34,224; books and periodicals, £78,956; cameras, magic lanterns, phonographs, etc., £45,633; coal, £209,591; copper, ingots, £11,678; drugs and chemicals—fertilisers, £94,483; medicines, £39,404; other drugs, etc., £38,488; electrical materials, £9506; fodders, £1297; fruit, fresh, £44,454, dried, £20,459; glass and glassware, £10,028; grain—flour, £11,377; rice, £30,661; horses, £11,465; india rubber manufactures, £86,398; iron, pig, £1589; jewellery and precious stones, £18,021; lead, pig, £24,459; leather and leather manufactures, £45,690; metals, manufactures of—agricultural implements and machinery, £17,556; other machines and machinery, £78,532; other manufactures of metals, £81,671; oils, etc., £18,076; onions, £6459; plants, trees and bulbs, £13,949; salt, £13,794; seeds, £9963; soap, £32,510; specie—gold, £290,000; spirits, £25,976; stationery, £93,838; sugar, £7646; tea, £62,031; timber, £174,225; tin, ingots, £32,271; tobacco, £92,638; wine, £26,900.

(vii.) *Papua*. Apparel and textiles, etc., £15,396; flour, £4239; machinery and manufactures of metal, £19,753; meats, £13,124; rice, £10,651; tobacco, £7041.

(viii.) *South African Union*. Animals, living—sheep, £49,633; butter, £113,099; fruits—fresh, £4653; other, £4129; grain—wheat, £355,813; flour, £221,532; jams and jellies, £10,204; leather, £91,801; meats, frozen beef, £97,601; mutton and lamb, £23,919; other meats, £38,046; oil, cocconut, £2209; seeds, £4029; specie, gold, £25,000; tallow, unrefined, £65,131; timber, £271,700.

(ix.) *Straits Settlements*. Butter, £35,914; coal, £62,005; grain, flour, £133,054; horses, £11,322; machines and machinery, £11,982; meats, £49,738; specie, gold, £227,292; tin ore, £387,524; tin concentrates, £18,602.

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 1912 shews an increase of 326 per cent. over similar figures for the years 1892-6, thus increasing the proportion per cent. of all exports from 21.82 per cent. in the earlier years to 33.88 per cent. in 1912. 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 1912 than the annual average during the past fifteen years. These figures, however, include gold bullion and specie, which during the quinquennium 1897-1901 amounted to an average of nearly £3,000,000 per annum, and about £1,300,000 during the period 1902-6, whereas during 1912 no gold bullion or specie was shipped to the United States of America.

13. **Principal Exports to Foreign Countries, 1912.**—These are as follow:—

(i.) *Argentine Republic*. Agricultural implements and machinery, £107,420; coal, £11,120; timber, £4447.

(ii.) *Belgium*. Bark, tanning, £15,520; copper, £776,743; grain, wheat, £279,449; lead, £39,036; leather, £11,119; silver and silver-lead ore, £94,594; concentrates £805,697; hides and skins, £658,047; tallow, £51,496; timber, £19,300; tin, £14,460; wool, £2,480,348; zinc ore, £1661, concentrates, £1,260,642.

(iii.) *Chile*. Coal, £463,231.

(iv.) *China*. Butter, £35,789; copper, £28,406; flour, £15,918; lead, £38,521; sandalwood, £16,619; specie, gold, £27,587; leather, £11,497.

(v.) *Egypt*. Butter, £13,060; flour, £56,557; meats—beef, £24,537, mutton and lamb, £8282, other meats, £2664; wheat, £85,970.

(vi.) *France*. Concentrates—silver, £56,200, zinc, £132,901; copper ingots, £128,760; hides and skins, £1,017,597; lead, £42,441; ores, £19,734; tallow, £56,713; wheat, £10,913; wool, £6,527,854.

(vii.) *Germany*. Bark, tanning, £20,630; concentrates—silver, £94,933, zinc, £307,768; copper, £642,744; fruit, fresh, £62,217; grain—wheat, £115,340; hides and skins, £214,056; lead, £70,638; linseed cake and oilcake, £2070; meats, preserved in tins, £8058; oil, cocoanut, £9669; ores—silver and silver lead, £95,292, wolfram, £64,154; zinc, £12,150, other ores, £11,855; precious stones, unset, £25,502; sausage casings, £72,191; specie, gold, £400,351; tallow, £5662; timber, £18,844; tin ingots, £53,397; wool, £5,050,974.

(viii.) *Italy*. Copper matte, £36,060; lead, £7050; meats, preserved, £28,630; skins, £126,209; tallow £69,264; tin ingots, £11,681; wool, £230,536.

(ix.) *Japan*. Butter, £5713; grain, wheat, £7844; hides, £8378; lead, £233,154; manures, £28,385; oils, £19,661; tallow, £78,891; wool, £703,371.

(x.) *Java*. Butter, £81,898; cattle, £19,282; coal, £105,905; fertilisers, £12,244; flour, £256,531; cattle, £19,282; horses, £13,459; meats, £12,994; gold, specie, £25,000.

(xi.) *Netherlands*. Concentrates—silver, £36,988, zinc, £180,967; tallow, £21,207; wool, £5972; gold ore, £10,372.

(xii.) *Peru*. Coal, £32,644; wheat, £237,915.

(xiii.) *Philippine Islands*. Butter, £40,296; cattle, £35,884; coal, £54,932; flour, £149,500; fodder, £23,695; horses, £5449; meats—bacon and hams, £24,906, beef, £162,555, mutton and lamb, £9271, pork, £5000, other meats, £9211.

(xiv.) *United States of America*. Coal, £55,580; copper, £686,683; gold, in matte, £143,337; hides and skins, £458,935; pearlshell, £95,155; silver in matte, £24,627; tin, £33,828; wool, £460,275.

§ 6. Development of Export Trade to Eastern Countries.

1. **Trade with Eastern Countries.**—The following tables shew the value of exports from the Commonwealth to Eastern countries during the last five years in comparison with the year 1901. 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 tables apply to these countries only:—

**VALUE OF PRINCIPAL ITEMS OF MERCHANDISE EXPORTED FROM THE
COMMONWEALTH TO EASTERN COUNTRIES, 1901 to 1912.**

Article.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
Butter	64,585	151,984	166,046	171,372	181,418	237,020
Coal	154,950	501,002	293,584	265,011	240,012	290,243
Copper	39,375	239,646	43,255	29,080	26,296	91,580
Grain and pulse—						
Wheat	46,685	111,885	68,558	49,596	17,502	8,605
Flour	134,861	294,615	359,877	421,444	655,287	620,841
Other (prepd. & unprepd.)	4,806	10,536	17,690	21,603	21,748	13,906
Hay, chaff, and comp. fodder	13,081	29,554	30,684	31,838	50,437	50,210
Horses	101,566	199,239	165,370	227,848	182,736	166,134
Lead	10,454	203,799	115,310	230,461	343,915	407,475
Meats	193,751	243,799	206,759	229,461	259,462	304,530
Sandalwood	77,237	77,463	45,120	88,624	73,386	32,675
Skins, hoofs, horns, bones, sinews, tallow	16,419	43,167	46,428	28,158	85,701	126,278
Tin ore	4,096	205,114	186,191	194,066	277,961	387,524
Timber, undressed	79,913	367,322	447,347	351,830	398,049	220,751
Wool	56,618	147,416	281,537	444,890	480,850	722,133
Other merchandise...	220,613	338,037	270,433	336,470	412,100	519,833
Total merchandise	1,219,310	3,169,643	2,744,189	3,121,752	3,706,860	4,199,738
Specie & gold & silver bullion	3,339,953	4,014,545	4,394,792	1,873,102	8,951,059	10,677,601
Total exports	4,559,263	7,184,188	7,138,981	4,994,854	12,657,919	14,877,339

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 1908 to 1912:—

**VALUE OF COMMONWEALTH EXPORTS OF MERCHANDISE TO PRINCIPAL EASTERN
COUNTRIES, 1901 and 1908-12.**

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
China	33,906	263,532	116,236	95,771	133,634	163,891
India and Ceylon	417,291	901,983	745,629	759,057	773,359	723,007
Japan	123,355	267,963	432,622	657,057	832,958	1,169,335
Java	197,412	260,344	290,703	340,315	487,696	548,231
Philippine Islands	302,086	604,089	531,438	473,268	512,085	565,345
Straits Settlements	113,467	575,911	444,611	544,815	703,261	790,043
Hong Kong	31,853	295,821	182,880	251,469	263,867	239,886
Total	1,219,310	3,169,643	2,744,189	3,121,752	3,706,860	4,199,738

BUTTER.

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
China	1,987	11,207	17,397	19,352	12,345	35,789
Hong Kong	8,555	21,713	19,696	21,767	21,303	25,570
India and Ceylon	9,696	8,627	7,373	9,239	8,942	12,381
Japan	1,504	7,063	4,375	5,383	8,067	5,713
Java	11,919	39,583	54,267	61,366	76,618	81,408
Philippine Islands	21,061	46,447	42,402	30,865	25,252	40,296
Straits Settlements...	9,863	17,344	20,536	23,400	28,891	35,863
Total... ..	64,585	151,984	166,046	171,372	181,418	237,020

The exports of butter given above for the year 1912 were shipped from the several States as follows:—New South Wales, £79,003; Victoria, £105,421; Queensland, £51,123; South Australia, £1473.

COAL.

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
China ...	...	20,041	7,470	1,245	2,700	510
Hong Kong ...	7,653	39,040	17,908	5,321	...	192
India and Ceylon ...	17,639	94,617	34,205	32,753	18,924	66,699
Japan ...	1	...	...	63	...	...
Java ...	43,110	44,614	34,132	47,856	65,819	105,905
Philippine Islands...	59,936	190,920	121,668	105,195	82,914	54,932
Straits Settlements...	26,611	111,770	78,201	72,578	69,655	62,005
Total ...	154,950	501,002	293,584	265,011	240,012	290,243

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 274,767 tons of coal at 2.66 dollars per ton from Japan during 1912, against 119,502 from Australia at 2.42 dollars per ton.

COPPER.

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
China ...	...	172,196	23,100	18,469	18,050	28,406
Hong Kong ...	...	...	8,500	1,120	5,426	12,293
India and Ceylon ...	39,375	62,011	6,800	8,959	300	45,403
Japan ...	...	1,465	145	...	2,520	5,478
Java ...	...	2,334	318	...	...	...
Straits Settlements...	...	1,640	4,392	...	...	...
Philippine Islands ...	...	...	...	532	...	...
Total ...	39,375	239,646	43,255	29,080	26,296	91,580

The copper exported to the East during 1912 was shipped as follows:—New South Wales, £83,580; South Australia, £8000.

GRAIN AND PULSE—WHEAT.

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
China ...	...	...	10	18	...	...
Hong Kong ...	...	...	...	14	...	...
India and Ceylon ...	35,660	111,872	22,414	162	228	316
Japan ...	11,016	13	12,694	49,379	17,211	7,844
Java ...	9	...	34	17	11	22
Philippine Islands...	...	...	33,404	...	29	418
Straits Settlements...	...	...	2	6	23	5
Total ...	46,685	111,885	68,558	49,596	17,502	8,605

The exports of wheat given above for the year 1912 were shipped from the following States:—New South Wales, £101; Victoria, £714; South Australia, £7770; Western Australia, £20.

GRAIN AND PULSE—FLOUR.

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
China ...	1,147	3,221	2,671	6,094	12,615	15,918
Hong Kong ...	4,489	4,449	15,462	16,144	44,784	17,133
India and Ceylon ...	22,275	24,368	23,412	23,857	32,319	44,715
Japan ...	7,206	9	2,946	7,583	2,172	3,990
Java ...	82,335	119,397	132,908	166,177	242,898	256,531
Philippine Islands ...	4,046	90,653	117,825	87,668	141,498	149,500
Straits Settlements...	13,363	52,518	64,653	113,921	179,001	133,054
Total ...	134,861	294,615	359,877	421,444	655,287	620,841

The flour exported during 1912, as above, was shipped from the several States as follows:—New South Wales, £232,450; Victoria, £180,001; South Australia, £171,358; Western Australia, £37,032.

GRAIN AND PULSE, OTHER THAN WHEAT AND FLOUR.

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
China ...	43	226	21	759	861	66
Hong Kong ...	777	81	149	95	5	129
India and Ceylon ...	3,033	6,144	7,451	9,687	9,894	6,061
Japan ...	7	152	15	12	133	61
Java ...	...	1,380	1,735	2,086	1,490	1,550
Philippine Islands ...	946	1,847	7,651	8,115	7,881	4,942
Straits Settlements...	...	706	668	849	1,484	1,097
Total ...	4,806	10,536	17,690	21,603	21,748	13,906

The exports given above for 1912 were shipped from the following States:—New South Wales, £4320; Victoria, £8927; Queensland, £128; South Australia, £531.

HAY AND CHAFF, AND COMPRESSED FODDER.

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
China ...	2,934	74	700	45	21	33
Hong Kong ...	28	387	61	149	989	230
India and Ceylon ...	5,848	8,777	8,321	11,204	14,094	18,621
Japan ...	57	560	19	3	591	58
Java ...	14	1,573	984	1,111	1,270	1,634
Philippine Islands	2,582	15,340	18,550	15,037	27,332	23,695
Straits Settlements	1,618	2,843	2,049	4,289	6,140	5,939
Total ...	13,081	29,554	30,684	31,838	50,437	50,210

The exports given above for the year 1912 were shipped from the several States as follows:—New South Wales, £5402; Victoria, £43,357; Queensland, £8; South Australia, £105; Western Australia, £1338.

HORSES.

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
China ...	4,460	892	295	60	390	625
Hong Kong ...	775	545	888	...	800	40
India and Ceylon ...	78,723	141,486	128,887	179,348	139,462	132,589
Japan ...	100	12,234	60	1,860	2,115	2,650
Java ...	2,105	16,457	19,598	10,424	19,235	13,459
Philippine Islands ...	190	12,134	5,303	14,971	7,795	5,449
Straits Settlements...	15,513	15,491	10,339	21,185	12,939	11,322
Total ...	101,866	199,239	165,370	227,848	182,736	166,134

The horses exported to the above countries during 1912 were shipped from the following States:—New South Wales, £40,859; Victoria, £67,860; Queensland, £48,567; South Australia, £8848.

LEAD, PIG.

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
China ...	6,102	28,456	13,716	24,661	48,586	38,481
Hong Kong ...	1,257	85,625	22,062	66,997	63,257	92,199
India and Ceylon ...	315	59,250	27,400	56,717	43,190	41,408
Japan ...	2,750	30,040	47,905	77,493	187,778	233,154
Java ...	18	106	198	...	...	232
Philippine Islands ...	12	298	4,029	4,553	1,104	1,212
Straits Settlements...	...	24	...	40	...	789
Total...	10,454	203,799	115,310	230,461	343,915	407,475

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

MEATS—PRESERVED BY COLD PROCESS.

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
China ...	...	261	1,099	...	...	...
Hong Kong ...	3,195	7,746	5,332	7,373	11,273	9,109
India and Ceylon ...	5,907	3,581	1,916	4,252	5,029	6,864
Japan ...	19	5,391	1,342	445	935	15
Java ...	...	2,539	949	920	3,540	949
Philippine Islands ...	153,250	181,460	139,260	143,581	135,249	182,724
Straits Settlements...	...	18,376	21,320	25,849	37,593	43,453
Total...	162,371	219,354	171,218	182,420	194,619	243,114

The exports to the above-mentioned Eastern countries during 1912 of meats preserved by cold process were shipped from the following States:—New South Wales, £48,326; Victoria, £680; Queensland, £194,108. In addition to the meat included in

the above table, meat preserved by cold process to the value £70,358 was exported to Asiatic Russia in 1908.

MEATS—OTHER THAN MEATS PRESERVED BY COLD PROCESS.

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
China	491	2,367	2,841	5,205	6,531	5,902
Hong Kong	571	622	1,249	1,853	4,238	3,220
India and Ceylon	11,464	10,054	16,267	12,936	14,415	3,143
Japan	893	1,076	1,104	1,137	1,659	1,778
Java	14,813	6,224	5,889	8,591	8,875	12,045
Philippine Islands	2,617	7,391	6,531	10,707	22,336	29,043
Straits Settlements	531	1,711	1,660	6,612	6,789	6,285
Total	31,380	29,445	35,541	47,041	64,843	61,416

The exports given above for the year 1912 were shipped from the following States:—New South Wales, £7840; Victoria, £4118; Queensland, £48,756; South Australia, £693; Western Australia, £9.

SANDALWOOD.

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
China	7,905	6,238	12,180	7,332	2,348	16,619
Hong Kong	53,991	65,037	25,546	71,672	62,566	11,567
India and Ceylon ... ..	...	5,604	2,358	6,301	2,505	3,455
Straits Settlements	15,341	589	5,036	3,319	5,967	1,034
Total	77,237	77,468	45,120	88,624	73,386	32,675

These exports of sandalwood in 1912 were shipped from Queensland, £5142; and Western Australia, £27,533.

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

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
China ... ..	...	14	36	...	977	661
Hong Kong	1,234	1,706	779	401	129	403
India and Ceylon	2,761	5,319	2,958	3,485	9,880	13,538
Japan	11,829	35,459	40,363	23,145	72,509	109,562
Java ... ..	...	315	1,305	337	1,296	909
Philippine Islands	165	91	626	389	577	397
Straits Settlements	430	263	361	401	333	808
Total	16,419	43,167	46,428	28,158	85,701	126,278

The above exports of skins, etc., in 1912 were shipped from the several States as follows:—New South Wales, £43,915; Victoria, £12,635; Queensland, £69,515; South Australia, £1; Northern Territory, £212.

TIN ORE.

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
Straits Settlements	4,096	205,114	186,191	194,066	277,961	387,524

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 1912 as follows:—New South Wales, £201,141; Queensland, £135,311; Western Australia, £25,572; Northern Territory, £25,500.

TIMBER, UNDRESSED.

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
China	4,090	13,060	26,606	2,699	14,250	2
Hong Kong ... ..	...	29,015	30,298	19,590	763	3
India and Ceylon ...	61,246	278,372	379,349	307,001	362,549	217,556
Japan	418	4,332	1,296	781	476	972
Java	20	251	56	307	15	1,298
Philippine Islands ...	9,278	30,849	3,372	21,132	19,616	414
Straits Settlements...	4,861	11,443	6,370	320	380	506
Total	79,913	367,322	447,347	351,830	398,049	220,751

The above exports of timber during 1912 from the several States were shipped as follows:—New South Wales, £5892; Victoria, £507; Queensland, £725; Western Australia, £213,627.

WOOL.

Country.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
China ... ..	...	300	250	...	560	...
Hong Kong ... ..	...	...	...	...	...	23
India and Ceylon ...	7,853	21,708	16,657	24,268	21,290	18,739
Japan	48,653	125,408	264,630	420,622	459,000	703,371
Java	112	...	...	...	...	...
Total... ..	56,618	147,416	281,537	444,890	480,850	722,133

The wool exported to the East by the several States during 1912 was shipped as follows:—New South Wales, £656,385; Victoria, £19,007; Queensland, £46,741.

§ 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 1908 to 1912, arranged in classes according to the nature of the goods:—

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 thereof, and also INDIARUBBER AND INDIARUBBER MANUFACTURES.
XVIII.	WOOD AND WICKER, both raw and manufactured.
XIX.	EARTHENWARE, CEMENTS, CHINA, GLASS AND STONWARE.
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 1908 to 1912.

Classes.	1901.	1908.	1909.	1910.	1911.	1912.
	£	£	£	£	£	£
I. Animal foodstuffs, etc.	793,365	834,542	751,044	873,697	816,915	1,037,692
II. Vegetable	2,925,985	2,192,674	2,741,811	1,944,050	2,352,957	4,455,662
III. Beverages (non-alcoholic), etc.	1,054,324	1,232,292	1,409,713	1,646,052	1,673,449	1,863,712
IV. Alcoholic liquors, etc.	1,845,438	1,575,151	1,496,952	1,654,237	1,920,824	2,022,986
V. Tobacco, etc.	717,915	778,314	616,221	769,470	899,110	1,045,841
VI. Live animals	40,306	108,067	113,724	337,040	395,665	243,489
VII. Animal substances, etc.	124,017	400,748	336,981	370,634	296,926	337,052
VIII. Vegetable " "	459,361	944,233	997,205	1,120,045	1,329,295	1,493,582
IX. Apparel, etc.	12,065,367	13,844,687	14,765,738	17,438,605	17,840,496	19,495,762
X. Oils, etc.	1,290,252	1,190,816	1,337,429	1,596,643	1,807,983	2,192,317
XI. Paints, etc.	385,049	419,809	416,418	481,392	485,240	676,861
XII. Stones, etc.	131,095	119,248	164,069	469,598	173,533	201,317
XIII. Specie	172,395	239,088	54,197	374,484	381,482	542,937
XIV. Metals, unmanufd., ores, etc.	984,327	1,178,535	1,232,610	1,221,721	1,937,723	1,488,167
XV. Metals, part manufactured	1,062,309	749,036	741,184	1,035,864	1,169,509	1,424,261
XVI. Metals, manufactured	7,491,636	10,171,607	10,372,019	12,074,821	14,211,581	16,985,089
XVII. Leather, etc.	523,565	932,033	1,080,222	1,303,134	1,586,503	1,788,272
XVIII. Wood, etc.	1,814,382	2,343,862	2,060,231	2,583,065	3,361,477	3,565,445
XIX. Earthenware, etc.	925,101	855,855	791,705	1,015,313	1,223,122	1,445,090
XX. Paper, etc.	1,731,330	2,234,930	2,098,638	2,457,216	2,831,808	3,116,215
XXI. Jewellery, etc.	1,065,348	1,102,644	1,203,528	1,428,029	1,755,583	1,873,917
XXII. Instruments, etc.	218,437	380,140	412,547	444,990	504,775	517,677
XXIII. Drugs, etc.	1,472,162	1,916,680	1,744,023	2,186,005	2,178,600	2,394,162
XXIV. Miscellaneous	3,140,345	4,054,282	4,233,687	5,188,246	5,827,932	7,951,095
Grand total	42,433,811	49,799,273	51,171,896	60,014,351	66,967,488	78,158,600

The exports are shown 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 1908 to 1912.**

Classes	1901.	1908.	1909.	1910.	1911.	1912.
AUSTRALIAN PRODUCE.						
	£	£	£	£	£	£
I. Animal foodstuffs, etc.	4,104,196	4,841,315	5,473,619	8,791,463	9,015,595	7,991,038
II. Vegetable foodstuffs, etc.	4,633,926	4,710,815	8,440,099	11,884,299	11,910,303	8,741,065
III. Beverages (non-alcoholic), etc.	2,598	3,539	3,853	5,826	5,534	4,895
IV. Alcoholic liquors, etc.	134,630	112,621	133,992	137,826	167,137	131,850
V. Tobacco, etc.	5,030	83,142	76,594	67,926	69,035	78,901
VI. Live animals	473,601	263,737	206,485	306,724	298,601	327,524
VII. Animal substances, etc.	16,754,066	25,431,142	28,969,998	33,128,767	29,714,471	31,283,280
VIII. Vegetable substances, etc.	142,060	231,618	195,951	279,053	245,771	173,685
IX. Apparel, etc.	42,142	65,304	78,559	77,217	72,852	76,912
X. Oils, etc.	843,755	945,113	1,422,710	2,192,992	2,234,884	1,845,916
XI. Paints, etc.	620	3,347	4,682	5,871	6,577	6,799
XII. Stones, etc.	1,041,974	1,421,304	874,628	943,195	926,555	1,160,962
XIII. Specie	8,884,816	9,819,576	4,267,070	1,139,879	8,210,595	9,057,444
XIV. Metals, unmanufactd., ores, etc.	8,916,289	11,724,275	10,324,317	10,341,849	10,674,748	12,364,321
XV. Metals, part manufactured	3,802	25,568	7,570	8,322	10,270	18,907
XVI. Metals, manufactured	117,662	225,878	207,893	221,037	252,756	303,219
XVII. Leather, etc.	660,692	573,742	524,711	576,318	583,556	715,961
XVIII. Wood, etc.	666,024	1,038,256	1,033,336	1,020,517	1,061,582	908,049
XIX. Earthenware, etc.	6,600	31,952	14,453	13,284	13,967	18,915
XX. Paper, etc.	22,171	64,738	58,593	58,066	68,957	71,905
XXI. Jewellery, etc.	67,978	141,654	141,360	138,068	161,553	170,962
XXII. Instruments, etc.	507	5,613	6,867	6,922	5,623	6,347
XXIII. Drugs, etc.	86,239	212,421	211,297	243,885	255,716	267,946
XXIV. Miscellaneous	130,418	142,233	164,194	189,189	218,362	234,760
Total ...	47,741,776	62,118,903	62,843,711	71,836,195	76,205,210	75,961,563

OTHER PRODUCE.

	£	£	£	£	£	£
I. Animal foodstuffs, etc.	35,291	20,698	21,872	23,722	25,369	23,486
II. Vegetable foodstuffs, etc.	80,371	280,357	201,555	192,332	210,515	170,060
III. Beverages (non-alcoholic), etc.	43,308	62,285	82,138	91,514	85,661	78,329
IV. Alcoholic liquors, etc.	55,732	31,259	30,736	37,234	40,744	42,407
V. Tobacco, etc.	61,753	40,127	52,889	57,133	52,697	52,501
VI. Live animals	105	1,170	935	5,335	12,017	5,433
VII. Animal substances, etc.	10,070	7,401	3,423	7,363	8,392	5,709
VIII. Vegetable substances, etc.	17,625	16,172	19,888	18,483	26,755	65,955
IX. Apparel, etc.	171,014	229,070	205,936	200,870	185,412	204,565
X. Oils, etc.	42,292	65,324	39,134	36,394	45,960	52,019
XI. Paints, etc.	15,186	7,735	6,462	8,135	7,408	8,263
XII. Stones, etc.	2,043	2,308	2,941	2,779	1,646	1,846
XIII. Specie	846,921	660,882	1,099,221	1,047,758	1,639,951	1,420,151
XIV. Metals, ores, etc.	9,744	11,517	6,287	8,463	17,820	23,414
XV. Metals, part manufactured	13,806	20,602	32,866	32,994	24,952	25,404
XVI. Metals, manufactured	196,334	213,468	206,004	261,708	266,681	268,603
XVII. Leather, etc.	13,074	42,802	52,053	59,653	65,321	55,210
XVIII. Wood, etc.	32,135	36,627	30,095	37,290	34,966	33,627
XIX. Earthenware, etc.	23,337	15,992	12,328	16,839	15,237	15,702
XX. Paper, etc.	52,171	61,177	62,459	75,103	77,951	111,817
XXI. Jewellery, etc.	54,431	59,633	63,095	147,493	148,854	87,186
XXII. Instruments, etc.	13,555	54,775	55,742	54,125	66,171	93,072
XXIII. Drugs, etc.	42,976	48,220	46,786	51,154	49,658	55,367
XXIV. Miscellaneous	121,122	202,554	140,280	178,581	166,910	234,401
Total ...	1,954,396	2,192,155	2,475,125	2,654,955	3,277,048	3,134,527

EXPORTS ARRANGED IN CLASSES, AND DISTINGUISHING AUSTRALIAN PRODUCE AND THE PRODUCE OF OTHER COUNTRIES, 1901 and 1908 to 1912.—Continued.

Classes.	1901.	1908.	1909.	1910.	1911.	1912.
TOTAL EXPORTS.						
	£	£	£	£	£	£
I. Animal foodstuffs, etc.	4,139,487	4,862,013	5,495,491	8,815,185	9,040,964	8,014,524
II. Vegetable foodstuffs, etc.	4,714,297	4,991,172	8,641,654	12,077,131	12,120,818	8,911,125
III. Beverages (non-alcoholic), etc.	45,906	65,824	86,021	97,340	91,195	83,224
IV. Alcoholic liquors, etc.	190,362	143,880	164,728	175,060	207,881	174,257
V. Tobacco, etc.	66,783	123,269	129,483	124,359	121,732	131,402
VI. Live animals	473,706	264,907	207,420	312,059	310,708	332,957
VII. Animal substances, etc.	16,764,076	25,438,543	28,973,421	33,136,130	29,722,863	31,288,989
VIII. Vegetable substances, etc.	159,685	247,790	215,839	297,536	273,526	239,640
IX. Apparel, etc.	213,156	294,374	284,495	278,097	258,264	281,477
X. Oils, etc.	886,047	1,010,437	1,461,844	2,231,386	2,280,844	1,897,935
XI. Paints, etc.	15,806	11,082	11,144	14,006	13,985	15,062
XII. Stones, etc.	1,044,017	1,423,612	877,569	945,974	928,301	1,162,808
XIII. Specie	9,731,737	10,480,458	5,366,291	2,247,437	9,850,546	10,477,595
XIV. Metals, unmanufactd., ores, etc.	8,926,013	11,735,792	10,330,604	10,350,312	10,692,568	12,387,735
XV. Metals, part manufactured ...	17,608	46,170	40,436	41,916	35,222	44,311
XVI. Metals, manufactured ...	313,996	439,346	413,897	482,745	519,437	571,822
XVII. Leather, etc.	673,766	616,544	576,764	636,571	648,877	771,171
XVIII. Wood, etc.	698,159	1,074,883	1,063,431	1,058,207	1,116,548	941,676
XIX. Earthenware, etc.	29,937	47,944	26,781	30,123	29,204	34,617
XX. Paper, etc.	74,342	125,915	121,312	133,169	146,906	183,722
XXI. Jewellery, etc.	122,409	201,287	205,045	282,561	310,407	258,148
XXII. Instruments, etc.	14,062	60,388	62,609	61,047	71,794	99,419
XXIII. Drugs, etc.	129,275	260,641	258,083	295,039	305,374	323,313
XXIV. Miscellaneous ...	251,540	344,787	304,474	367,770	385,292	469,161
Total ...	49,696,172	64,311,058	65,318,836	74,491,150	79,482,258	79,096,090

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 1912 of animal foodstuffs, principally butter and meat, shew an increase of 93.61 per cent.; vegetable foodstuffs, principally wheat, shew an increase during the same period of 89.12 per cent.; animal substances—wool, skins, etc.—shew an increase of 86.65 per cent.; oils, fats, and waxes—mainly tallow—an increase of 114.19 per cent.; and metals, ores, etc. an increase of 38.76 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 1908 to 1912 :—

COMMONWEALTH IMPORTS AND EXPORTS OF SPECIE AND BULLION, 1901 and 1908 to 1912.

Items.	1901.	1908.	1909.	1910.	1911.	1912.
IMPORTS.						
	£	£	£	£	£	£
Gold—Specie ...	3,710	14,426	11,566	26,008	25,534	244,737
Bullion ...	762,415	950,575	999,884	952,436	1,584,036	1,125,807
Total ...	766,125	965,001	1,011,450	978,444	1,609,570	1,370,544
Silver—Specie ...	158,656	209,564	32,337	332,054	338,765	277,614
Bullion ...	54	689	2,294	5,040	4,063	6,496
Total ...	158,710	210,253	34,631	337,094	342,828	284,110
Bronze—Specie ...	10,029	15,098	10,294	16,422	17,183	20,586
Grand total ...	934,864	1,190,352	1,056,375	1,331,960	1,969,581	1,675,240

COMMONWEALTH IMPORTS AND EXPORTS OF SPECIE AND BULLION, 1901 AND 1908 TO 1912.—Continued.

Items	1901.	1908.	1909.	1910.	1911.	1912.
EXPORTS.						
Gold—Specie	£ 9,708,037	£ 10,438,665	£ 5,349,066	£ 2,178,123	£ 9,829,689	£ 10,440,058
Bullion	4,616,039*	3,128,073	3,024,085	1,930,660	1,711,093	1,403,621
Total	14,324,076	13,566,738	8,373,151	4,108,783	11,540,782	11,843,679
Silver—Specie	23,370	39,781	16,374	69,134	20,823	37,537
Bullion	922,443†	581,689	289,908	457,180	485,447	580,384
Total	945,813	621,470	306,282	526,314	506,270	617,921
Bronze—Specie	330	2,012	851	180	34	...
Total { Australian produce	14,423,298	13,526,398	7,580,158	3,587,201	10,403,796	11,089,919
{ Other produce	846,921	663,822	1,100,126	1,048,076	1,643,290	1,421,651
Grand total	15,270,219	14,190,220	8,680,284	4,635,277	12,047,086	12,461,600

* Includes gold contained in matte. The value of gold contained in matte exported during 1908 was £761,100, during 1909, £524,183, during 1910, £549,934, during 1911, £437,761 and during 1912, £473,791. † Includes silver contained in matte. The value of silver contained in matte exported during 1908 was £489,460, during 1909, £370,329, during 1910, £296,223, during 1911, £219,971, and during 1912, £255,728.

COMMONWEALTH IMPORTS AND EXPORTS OF SPECIE AND GOLD AND SILVER BULLION FROM AND TO PRINCIPAL COUNTRIES, 1912.

Country.	Imports.			Exports.		
	Specie.	Bullion.	Total.	Specie.	Bullion.	Total.
	£	£	£	£	£	£
United Kingdom	287,421	6,866	294,287	395,175	579,989	975,164
Ceylon ... ..	...	...	...	7,107,355	344,290	7,451,645
Fiji	1,000	...	1,000	25,000	61	25,061
Hong Kong ... ..	...	...	...	615,053	1,374	616,427
India... ..	...	...	...	1,273,280	1,056,370	2,329,650
New Zealand	243,362	1,072,480	1,315,842	290,100	163	290,263
Papua ... ..	...	50,758	50,758	1,136	...	1,136
South African Union ... ..	...	...	...	80,800	...	80,800
Straits Settlements ... ..	...	...	...	177,292	...	177,292
Total British Countries	531,783	1,130,104	1,661,887	9,965,191	1,982,247	11,947,438
China ... ..	...	...	...	27,587	...	27,587
Germany	10,000	...	10,000	400,351	1,108	401,459
Pacific Islands	581	...	581	56,797	...	56,797
Other Countries	573	2,199	2,772	27,669	650	28,319
Total Foreign Countries	11,154	2,199	13,353	512,404	1,758	514,162
Grand total	542,937	1,132,303	1,675,240	10,477,595	1,984,005	12,416,600

2. **Imports of Bullion and Specie.**—Of the total imports of bullion and specie into the Commonwealth during 1912, 67.20 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 1912, gold represented 95.05 per cent., 83.79 per cent. being in the form of specie, and 11.26 per cent. bullion.

The countries which appear as the largest recipients of gold from Australia are Ceylon, India, United Kingdom, Hong Kong, and Germany, 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 83 per cent. of all exports during 1912—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 commo_n

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 1912, for example, would have been £53,175,536 only, instead of £67,214,874—the value actually recorded. The difference between these amounts (£14,039,338) results from a rise of 26.4 per cent. (i.e., from 1000 to 1264) in the price of commodities for the period intervening between 1901 and 1912.

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 1912.

(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	1123
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	58,104,744	79,482,258	69,666,383	1169
1912 ...	11,881,216	67,214,874	53,175,536	79,096,090	65,056,752	1264

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 shown below.

From the following figures it will be seen that exports of 1912, for example, of specie and gold bullion compared with 1901, shew a decrease of 17.19 per cent., other exports (merchandise) shew an increase of 50.43 per cent. in quantities, and an increase of 26.40 per cent. in the group-prices. These several influences effect an aggregate increase of £29,399,918, or 59.16 per cent., over 1901 as follows:—By increased quantities of merchandise, £17,827,140 (60.64 per cent.); by increased prices, £14,039,338 (47.75 per cent.) accompanied by a decrease of £2,466,560 (17.19 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 1912, 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
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
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
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
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
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
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
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
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
1911.	Variation, actual £	-2,786,137	+22,756,348	+9,815,875	+29,786,086
	Relative magnitude of variation. Total	-9.35	+76.40	+32.95	+100
	Variation taken as 100	-19.42	+64.37	+16.89	+59.95
1912.	Variation, actual £	-2,466,560	+17,827,140	+14,039,338	+29,399,918
	Relative magnitude of variation. Total	-8.39	+60.64	+47.75	+100
	Variation taken as 100	-17.19	+50.43	+26.40	+59.16

§ 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 transhipment 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 (£44 8s. 1d. per head) ; the next country in order of value per inhabitant was New Zealand (£40 14s. 3d. per head), followed by Switzerland (£33 1s. 6d. per head). Australia comes fourth (£31 10s. 9d. per head), and is considerably in advance of the next country, viz., Denmark (£23 9s. 2d. per head) :—

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

Country.	Year ended.	Trade.			Trade per Inhabitant.		
		Imports.	Exports.	Total.	Im-ports.	Ex-ports.	Total.
		£	£	£	£ s. d.	£ s. d.	£ s. d.
C'WEALTH OF AUSTRALIA*	31/12/13	76,323,000	75,113,000	151,436,000	15 17 11	15 12 10	31 10 9
	31/12/12	74,943,000	75,962,000	150,905,000	16 2 8	16 7 1	32 9 9
United Kingdom*	31/12/13	671,265,000	525,461,000	1,196,726,000	14 11 8	11 8 4	26 0 0
	31/12/12	657,498,637	487,223,439	1,124,722,076	13 19 3	10 13 5	24 12 8
Canada	31/12/12	117,899,000	60,463,000	178,362,000	16 3 10	8 7 6	24 11 4
New Zealand	31/12/12	20,478,398	21,272,405	41,750,803	19 9 5	20 14 10	40 14 3
United States of America	30/6/13	342,106,000	436,547,000	778,653,000	3 12 11	4 13 1	8 6 0
Argentine Republic ...	31/12/11	75,915,000	65,542,000	141,457,000	12 4 1	10 10 9	22 14 10
Austria-Hungary	"	134,714,000	105,717,000	240,431,000	2 14 1	2 2 5	4 16 6
Belgium	"	187,755,000	144,842,000	332,597,000	25 1 4	19 6 9	44 8 1
Brazil	"	52,945,000	66,839,000	119,784,000	2 5 10	2 17 10	5 3 8
Denmark	"	34,989,000	30,036,000	65,025,000	12 12 6	10 16 8	23 9 2
France	"	341,126,000	254,477,000	595,603,000	8 12 3	6 8 6	15 0 9
German Empire	"	492,026,000	404,366,000	896,392,000	7 9 10	6 3 2	13 13 0
Italy	"	135,480,000	88,456,000	223,936,000	3 18 2	2 11 0	6 9 2
Japan	"	54,537,000	49,060,000	103,597,000	10 11 7	9 10 4	20 1 11
Norway	"	25,778,000	16,080,000	41,858,000	10 13 9	6 13 4	17 7 1
Portugal	"	15,544,000	7,759,000	23,303,000	2 17 7	1 8 9	4 6 4
Spain	"	39,795,000	39,057,000	78,852,000	2 0 7	1 19 10	4 0 5
Sweden	"	38,701,000	36,865,000	75,566,000	6 19 2	6 12 7	13 11 9
Switzerland	"	73,754,000	51,554,000	125,308,000	19 9 4	13 12 2	33 1 6
Uruguay	31/12/10	8,573,000	8,546,000	17,119,000	7 9 1	7 8 8	14 17 9

* 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 favourably.

§ 11. Trade of the United Kingdom with Australia.

1. **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 1912:—

PROPORTION OF COMMONWEALTH IMPORT TRADE FROM VARIOUS COUNTRIES,
1886 to 1912.

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	1900	61.28	11.28	6.54	12.16	27.44
1887	72.26	12.50	2.28	5.37	15.24	1901	59.47	11.22	6.59	13.80	29.31
1888	71.62	12.03	2.71	6.48	16.35	1902	58.64	13.22	6.53	12.27	28.14
1889	68.98	13.45	3.65	6.67	17.57	1903	52.51	13.17	6.24	16.84	34.32
1890	68.08	12.66	4.77	6.54	19.26	1904	60.68	12.22	7.17	12.40	27.10
1891	70.15	11.40	4.53	6.79	18.45	1905	60.17	14.04	6.42	11.70	25.79
1892	70.74	11.37	4.32	6.04	17.89	1906	59.39	15.09	7.16	10.36	25.52
1893	72.78	12.14	3.40	4.98	15.08	1907	61.59	12.93	6.85	11.33	25.48
1894	71.92	11.96	3.78	5.39	16.12	1908	60.10	12.83	7.05	12.13	27.07
1895	71.62	11.46	4.42	5.95	16.92	1909	60.92	13.45	6.51	9.78	25.63
1896	68.28	10.74	5.31	8.59	20.98	1910	61.06	13.11	6.30	10.82	25.83
1897	66.22	10.72	5.75	10.10	23.06	1911	58.98	12.86	6.63	11.57	28.16
1898	66.62	10.88	5.86	10.16	22.50	1912	58.76	12.26	6.58	12.09	28.98
1899	61.85	11.75	6.07	13.00	26.40						

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, 1911 and 1912 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 later years.

PRINCIPAL DIRECT IMPORTS INTO THE COMMONWEALTH FROM THE UNITED KINGDOM, GERMANY, AND THE UNITED STATES, 1886, 1906, 1911 and 1912.

Nature of Imports.	Year.	United Kingdom.	Germany.	United States.	All Countries.
		£	£	£	£
Foodstuffs of animal origin ...	1886	348,950	5,603	70,959	674,296
	1906	293,950	24,319	146,781	697,830
	1911	326,971	51,585	206,267	816,915
	1912	366,358	69,208	306,072	1,037,692
Alcoholic liquors ...	1886	1,801,200	82,185	82,730	2,126,877
	1906	1,053,154	109,426	24,367	1,388,671
	1911	1,446,351	181,730	17,110	1,920,824
	1912	1,507,929	236,691	15,447	2,022,986
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
	1911	14,794,080	489,734	354,612	17,840,496
	1912	16,123,368	648,695	459,674	19,495,762
Metals unmanufactured and partly manufactured* ...	1886	403,809	2,241	...	430,950
	1906	696,331	62,945	34,927	927,785
	1911	916,297	70,042	57,819	1,455,764
	1912	1,212,737	113,256	72,008	1,780,125
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
	1911	8,965,810	1,218,431	2,838,516	14,211,581
	1912	11,236,241	1,322,872	3,111,429	16,985,089
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
	1911	1,871,746	312,329	209,429	2,831,808
	1912	1,970,405	307,361	264,148	3,116,215
Jewellery, timepieces, fancy goods	1886	659,833	24,206	57,477	789,127
	1906	740,850	140,950	59,151	1,045,164
	1911	1,147,546	250,876	113,323	1,755,583
	1912	1,282,434	205,896	127,795	1,873,917
Earthenware, cements, etc. ...	1886	755,907	78,762	24,711	938,476
	1906	316,252	227,390	37,344	688,510
	1911	600,210	330,490	54,139	1,228,122
	1912	667,301	407,335	67,597	1,445,090
Drugs, chemicals, fertilisers, etc.	1886	511,216	8,660	33,382	766,243
	1906	887,325	193,615	82,789	1,732,543
	1911	915,588	189,458	99,587	2,178,600
	1912	968,579	213,182	111,630	2,394,162
Leather, and mfs. thereof (excluding boots) and substitutes therefor, including indiarubber ...	1886	285,601	6,357	53,588	363,332
	1906	682,238	70,028	116,356	924,968
	1911	1,053,858	188,249	152,726	1,586,503
	1912	1,090,717	212,068	254,708	1,788,272
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	2,983,216	3,366,814	41,660,324
	1911	32,038,457	3,282,974	4,103,528	45,826,196
	1912	36,426,069	3,736,564	4,790,508	51,939,310
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
	1912	45,630,869	5,134,594	9,448,643	76,483,360

* 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, 1911 and 1912.

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
	1911	40.02	6.31	25.25	100
	1912	35.30	6.38	29.49	100
Alcoholic liquors ...	1886	84.69	3.86	3.89	100
	1906	75.84	7.88	1.75	100
	1911	75.30	9.46	0.89	100
	1912	74.54	11.70	0.76	100
Apparel, textiles, etc. (including boots)	1886	95.44	0.53	0.15	100
	1906	81.93	3.10	1.64	100
	1911	82.93	2.75	1.99	100
	1912	82.70	3.33	2.36	100
Metals unmanufactured and partly manufactured ...	1886	93.72	0.52	—	100
	1906	75.06	6.78	3.76	100
	1911	62.95	4.81	3.97	100
	1912	68.13	6.36	4.04	100
Manufactures of metals ...	1886	88.93	1.83	6.00	100
	1906	64.85	11.68	17.39	100
	1911	63.09	8.57	19.97	100
	1912	66.15	7.79	18.32	100
Paper and stationery ...	1886	94.03	1.57	2.96	100
	1906	65.69	14.23	15.69	100
	1911	66.10	11.03	7.39	100
	1912	63.24	9.86	8.48	100
Jewellery, timepieces, and fancy goods	1886	83.62	3.07	7.23	100
	1906	70.89	13.48	5.66	100
	1911	65.36	14.29	6.45	100
	1912	68.44	10.99	6.82	100
Earthenware, cements, etc. ...	1886	80.55	8.39	2.63	100
	1906	45.93	33.03	5.42	100
	1911	48.87	26.91	4.41	100
	1912	46.18	28.19	4.68	100
Drugs, chemicals, fertilisers, etc. ...	1886	66.71	1.13	4.36	100
	1906	51.22	11.18	4.78	100
	1911	42.02	8.70	4.57	100
	1912	40.46	8.90	4.66	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
	1911	66.42	11.86	9.63	100
	1912	61.00	11.86	14.24	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
	1911	69.91	7.16	8.95	100
	1912	68.20	7.19	9.22	100
Total imports (less bullion and specie)	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
	1912	59.66	6.71	12.35	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 68.20 per cent. in 1912. The value of these imports from the United Kingdom has increased from £20,489,153 in 1886 to only £35,426,069 in 1912, or by 72.90 per cent., while the total value of similar imports

has increased from £22,937,818 to £51,939,310, or by 126.45 per cent. Had the same proportion of the total trade been shipped from the United Kingdom during 1912 as in 1886 it would have represented £46,394,669 instead of £35,426,069.

The following table gives an analysis of the imports during the years 1908-1912 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 1908 TO 1912.

Nature of Imports.	Year.	United Kingdom.	Belgium	France.	Germany.	U.S. of America.	All Countries
		£	£	£	£	£	£
Foodstuffs of animal origin	1908	327,047	348	5,103	9,983	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
	1912	268,870	915	3,837	9,775	335,533	1,037,692
Alcoholic liquors, etc.	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	1,654,937
	1911	1,138,158	327	443,587	112,904	22,758	1,920,824
	1912	1,323,859	1,185	290,159	157,668	21,542	2,022,986
Apparel (including boots), textiles, etc.	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	14,765,738
	1910	10,896,368	204,370	964,808	1,446,075	429,517	17,435,605
	1911	11,462,927	235,317	861,323	1,603,348	515,806	17,840,496
	1912	12,514,286	255,796	932,798	1,923,217	619,944	19,495,762
Metals unmanufactured or partly manufactured, excluding gold and silver bullion	1908	665,128	62,685	3,995	130,627	61,026	976,307
	1909	667,327	73,495	2,447	116,017	50,015	971,615
	1910	821,626	125,752	2,882	195,946	44,993	1,296,309
	1911	928,172	150,203	2,616	230,180	58,691	1,519,133
	1912	1,217,280	144,362	812	251,710	74,146	1,780,125
Manufactures of metals	1908	6,550,743	148,692	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	159,095	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
	1912	10,813,092	315,134	67,850	1,808,054	3,340,959	16,985,069
Paper and stationery	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	2,098,638
	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
	1912	1,748,338	37,073	24,657	293,233	367,264	3,116,215
Jewellery, timepieces and fancy goods	1908	418,400	49,428	127,831	210,814	87,201	1,102,644
	1909	482,473	38,396	107,915	227,625	97,125	1,203,528
	1910	526,605	49,971	117,831	261,226	140,611	1,428,029
	1911	611,355	63,389	151,788	323,492	202,772	1,755,583
	1912	624,911	35,104	163,776	294,483	234,559	1,873,917
Earthenware, cements, glass, etc.	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	135,138	31,213	234,074	61,123	1,015,313
	1911	553,817	180,445	35,594	318,258	60,043	1,228,122
	1912	617,470	212,208	34,366	413,322	71,236	1,445,090
Drugs, chemicals, fertilisers	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
	1912	929,142	7,803	252,358	235,903	172,070	2,394,162
Leather and manufactures thereof and substitutes therefor, including india-rubber (excluding boots)	1908	367,839	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
	1912	574,325	6,276	71,588	306,297	473,379	1,788,272
Total above-mentioned imports	1908	20,577,098	541,319	1,563,543	3,655,937	3,374,690	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	26,561,897	971,925	1,868,774	5,106,062	4,894,909	45,889,565
	1912	30,631,573	1,015,856	1,842,171	5,693,662	5,710,632	51,939,310
Total imports (less bullion and specie)	1908	25,042,810	636,450	1,775,389	4,482,119	6,574,380	48,608,921
	1909	25,809,347	662,132	1,784,312	4,537,112	6,934,295	0,115,521
	1910	30,048,714	853,708	1,949,735	5,214,149	7,658,878	58,682,391
	1911	32,365,568	1,141,075	2,268,692	6,363,248	9,007,065	64,997,907
	1912	38,569,434	1,192,034	2,293,291	7,153,543	10,763,615	76,483,360

NOTE.—1905 figures were last shewn in No. 3, 1906 figures in No. 5, and 1907 figures in No. 6 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 557 *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 1908 to 1912.

Nature of Imports.	Year.	United Kingdom.	Belgium.	France.	Germany.	U.S.A.	All Countries
Foodstuffs of animal origin	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
	1912	25.92	0.08	0.37	0.94	32.34	100
Alcoholic liquors, etc. ...	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
	1912	65.42	0.06	14.64	7.79	1.07	100
Apparel (including boots), textiles, etc. ...	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
	1912	64.19	1.31	4.79	9.87	3.18	100
Metals unmanufactured or partly manufactured, excluding gold and silver bullion ...	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
	1912	68.38	8.11	0.05	14.14	4.15	100
Manufactures of metals ...	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
	1912	63.68	1.86	0.40	10.84	19.67	100
Paper and stationery ...	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	10.99	10.70	100
	1912	56.06	1.19	0.79	9.47	11.79	100
Jewellery, timepieces, and fancy goods ...	1908	37.95	4.48	11.59	19.12	7.91	100
	1909	40.09	3.19	8.97	18.32	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
	1912	33.35	1.87	8.74	15.71	12.51	100
Earthenware, cements, glass, etc. ...	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
	1912	42.73	14.69	2.38	28.61	4.93	100
Drugs, chemicals, and fertilisers ...	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
	1912	38.81	0.03	10.54	9.85	7.19	100
Leather and manufactures thereof and substitutes therefor, including india-rubber (excluding boots)	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
	1912	32.12	0.35	4.01	17.13	26.50	100
Total above-mentioned articles ...	1908	59.74	1.57	4.54	10.61	9.80	100
	1909	60.05	1.60	4.37	10.52	8.87	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
	1912	56.98	1.96	3.55	10.94	10.99	100
Total imports...	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
	1912	50.45	1.56	3.00	9.36	14.07	100

A comparison of the results given in the immediately preceding tables with those given on pages 548 and 549 discloses the value of the export trade of other countries which reaches the Commonwealth through the United Kingdom.

2. **Preferential Tariff.**—The Tariff Act of 1908, 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 shown 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 1912, distinguishing those affected—favourably or adversely—by the preferential provisions of the tariff, from those not affected:—

COMMONWEALTH IMPORTS, 1912, PREFERENTIAL AND NON-PREFERENTIAL.

Particulars.	Country of Origin.			
	United Kingdom.	British Possessions.	Foreign Countries.	Total.
Imports affected by preferential tariff	£	£	£	£
Free	7,585,466	—	—	7,585,466
Dutiable	17,718,085	432,978	14,412,279	32,563,342
Total	25,303,551	432,978	14,412,279	40,148,808
Impts. not affected by preferential tariff				
Free	9,400,476	4,054,931	8,310,768	21,766,175
Dutiable	3,885,407	3,041,626	7,641,344	14,568,377
Total	13,285,883	7,096,557	15,952,112	36,334,552
Total merchandise	38,589,434	7,529,535	30,364,391	76,483,360
Bullion and specie	535,395	1,123,238	16,607	1,675,240
Total imports	39,124,829	8,652,773	30,380,998	78,158,600

Of the total imports of merchandise (£76,483,360), £40,148,808, or 52.49 per cent., would be affected by the preferential tariff.

The imports during 1912 of United Kingdom origin, favoured by preference, amounted to £25,303,551, representing 65.57 per cent. of the total imports of merchandise from that country, against £21,118,057 (65.24 per cent.) during 1911. Under the preferential

tariff these imports would be subject to duty equivalent to an average *ad valorem* rate of 13.68 per cent., as compared with an average rate of 18.72 per cent. which the same goods would be required to pay under the general tariff rates—an advantage of £1,274,657 in the amount of duty. The actual amount of rebate allowed on United Kingdom goods entered for home consumption during 1912, under the varying rates of duty, was £1,265,684.

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.	
(A) Free	£ 7,585,466	£ ...	Rate % ...	£ 390,556	Rate % 5.15
(B) Dutiable	17,718,085	3,462,359	19.54	4,346,460	24.53
Total	25,303,551	3,462,359	13.68	4,737,016	18.72

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	£ 168,130	£ 8,406	Rate % 5.00	£ ...	Rate % ...
" " " B "	264,848	80,241	30.30	65,860	24.87
Total	432,978	88,647	20.48	65,860	15.21

FROM FOREIGN COUNTRIES.

Imports similar to group A above	£ 2,402,828	£ 121,176	Rate % 5.04	£ ...	Rate % ...
" " " B "	12,009,451	2,985,531	24.86	2,341,609	19.50
Total	14,412,279	3,106,707	21.56	2,341,609	16.25

The proportion of the imports from British Possessions adversely affected by the preference to the United Kingdom is relatively small, representing only 5.75 per cent. of the imports of merchandise from those countries. The surcharge of duty on imports from British Possessions during 1912 amounted to £22,787 as against £14,857, in 1911. The sum of £22,787 would, on the basis of the trade of 1912, 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 1912 would amount to £765,093, as against £642,038 during 1911.

3. 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 (showing 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 1912.

Year.	Preferential Imports.		Non-Preferential 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	6,321,000	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
1912	25,304,000	63.02	12,963,000	50.27	38,267,000	58.04

* See note (*) to second 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, and 1912, however, shew a very pronounced decline in the preferential group, as com-

pared with the immediately preceding years, while in the non-preferential group a very substantial improvement is apparent.

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" (see page 520) has had the apparent effect of reducing the value of United Kingdom goods and correspondingly increasing those of other countries.

The following comparative tables show the proportion of imports—preferential and non-preferential, respectively—recorded in the Commonwealth as of United Kingdom origin during the years 1905-1912:—

PREFERENTIAL IMPORTS, 1905 to 1912.

Year.	Country of Origin.							
	United Kingdom.		British Possessions.		Foreign Countries.		Total.	
	£	%	£	%	£	%	£	%
1905*	13,268,596	69.56	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	8,599,885	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	21,116,057	63.58	265,511	0.81	11,925,559	35.61	33,212,227	100
1912	25,303,551	63.02	432,978	1.08	14,412,279	35.90	40,148,808	100

* See modified figures in the preceding table.

COMMONWEALTH NON-PREFERENTIAL IMPORTS,* 1905 to 1912.

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	2,017,296	12.89	5,680,078	36.30	15,649,413	100
1907	9,223,549	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	8,025,977	35.87	22,373,179	100
1911	10,956,913	46.81	2,808,406	12.00	9,639,534	41.19	23,404,853	100
1912	12,962,599	50.27	2,919,446	11.33	9,899,679	38.40	25,782,024	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 1912 was only 3.06 per cent.

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

The pronounced recovery of the United Kingdom, in the non-preferential group, in 1912 has been largely due to the larger imports of mercantile ships. In 1912 the imports of ships of United Kingdom origin were valued at £1,146,922 representing 92.59 per cent. of the total of such imports. If these ships be entirely omitted the share of the United Kingdom would be 46.45 per cent. in 1911, and 48.14 per cent. in 1912, instead of 46.81 per cent. and 50.27 per cent. respectively.

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 65 per cent. of all imports affected by the preferential tariff during 1912, the former class representing 40 per cent. and the latter 25 per cent. The following analysis gives the particulars of the imports of these groups, as recorded, for the past eight years:—

COMMONWEALTH IMPORTS OF APPAREL, TEXTILES AND MANUFACTURED FIBRES, 1905 to 1912.

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
1912 ...	11,052,015	69.11	85,524	0.54	4,853,825	30.35	15,991,364	100

NON-PREFERENTIAL.

1905* ...	903,653*	42.28*	971,931	45.47	261,815	12.25	2,137,399	100
1906* ...	1,045,608*	39.73*	1,251,056	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	1,798,805	45.99	727,053	18.59	3,911,200	100
1911 ...	1,440,129	40.73	1,330,974	37.65	764,386	21.62	3,535,489	100
1912 ...	1,462,271	41.72	1,242,937	35.47	799,190	22.81	3,504,398	100

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

The large proportion of the trade in non-preferential textiles supplied by British Possessions is almost entirely composed of jute goods from India.

If the figures for 1905 and 1906 be ignored (on account of their doubtful accuracy) it will be seen from the above table, referring to preferential imports, that there has been little variation in the distribution of the textile trade as between the United Kingdom and foreign countries, and the same stability is maintained throughout the several lines shewn in the following detailed table.

The increasing share of this trade supplied by foreign countries is largely due to the increased imports of the following items:—Minor articles for apparel from Austria-Hungary and Germany; furs from Germany and Russia; cotton socks and stockings from Germany; canvas and duck from United States of America.

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 1912 69.11 per cent. was supplied 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 and 1909-1912.**

Items.	1907.		1909.		1910.		1911.		1912.	
	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.
	£	%	£	%	£	%	£	%	£	%
Apparel—										
Boots and shoes ...	195,426	66.28	187,690	68.22	238,597	67.23	264,713	71.17	364,426	68.82
Gloves ...	48,168	17.07	49,148	16.75	31,659	10.78	29,133	8.31	41,653	9.63
Hats, caps, & bonnets ...	260,853	63.87	176,998	66.36	209,443	67.31	222,486	67.34	296,862	65.29
Socks and stockings of wool, &c. ...	348,307	97.23	367,669	95.73	412,359	95.47	490,318	95.35	509,427	92.05
Trimmings & Ornaments ...	86,317	25.73	49,130	31.30	46,547	25.85	53,762	11.58	80,091	13.41
Other apparel ...	1,040,855	67.28	906,615	66.90	1,044,336	66.08	1,158,403	64.21	1,573,017	65.58
Textiles, etc.—Piece goods—Cotton and linen, n.e.i. ...	3,266,665	89.90	3,208,581	88.71	3,936,739	88.36	3,925,997	86.66	4,016,831	86.30
Woolen or containing wool ...	1,849,153	80.62	1,595,809	81.18	1,815,245	84.57	1,960,760	85.68	2,053,861	85.32
Silk or containing silk (not containing wool) ...	106,008	11.73	89,534	10.31	115,003	12.19	142,257	13.81	128,100	12.74
Velvets, velveteens, plushes, ribbons, lace, etc. ...	235,214	27.67	278,786	25.48	274,450	22.52	300,520	13.69	363,003	13.45
Flannelettes ...	228,240	81.85	127,466	81.40	138,098	82.50	136,564	84.48	116,553	85.50
Other textiles & manufactured fibres ...	1,060,702	85.23	1,001,346	85.35	1,248,550	86.38	1,407,885	85.81	1,508,191	84.93
Total apparel & textiles	3,725,908	70.20	3,038,772	69.26	9,511,026	70.31	10,022,798	70.06	11,052,015	69.11

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

**COMMONWEALTH IMPORTS OF NON-PREFERENTIAL ITEMS OF APPAREL AND
TEXTILES RECORDED AS OF UNITED KINGDOM ORIGIN, 1907 and 1909-1912.**

Items.	1907.		1909.		1910.		1911.		1912.	
	Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.
	£		£		£		£		£	
Apparel—Socks & stockings of cotton ...	43,207	29.66	40,639	25.06	48,697	27.37	45,576	23.51	40,019	20.06
Other ...	97,228	76.00	56,474	48.50	57,612	47.71	76,671	48.27	45,109	39.93
Minor Articles for—										
Boots and shoes ...	33,340	56.73	31,735	60.87	35,044	51.80	34,875	53.82	33,776	49.45
Hats and caps ...	42,937	29.78	58,236	30.70	59,695	25.54	58,317	31.15	49,899	27.88
Umbrellas ...	20,902	96.26	32,456	96.24	40,211	93.87	32,969	91.97	29,420	95.70
Other apparel ...	153,600	65.83	156,040	48.38	171,461	44.55	178,218	43.25	172,945	40.90
Piece goods—Canvas & duck ...	107,792	89.05	164,095	90.97	212,779	89.62	237,353	89.42	277,182	86.99
Hessians ...	47,840	19.14	51,593	24.65	50,268	21.44	28,185	13.73	39,793	15.55
Other ...	69,551	79.28	84,222	74.92	114,352	69.18	115,434	68.04	122,353	66.62
Sewing silks, threads, etc	317,519	87.76	312,217	89.88	360,900	91.90	402,051	91.86	389,129	91.56
Tents and flags ...	4,147	91.49	3,816	96.58	12,734	98.30	10,608	95.28	2,091	46.96
Cordage and twine ...	200,030	90.03	196,241	84.43	215,371	90.81	208,690	85.37	256,896	87.18
Bags and sacks ...	10,573	0.95	5,432	0.45	6,218	0.39	11,182	0.97	3,659	0.36
Total ...	1,153,666	39.66	1,193,196	37.77	1,385,342	35.42	1,440,129	40.73	1,462,271	41.72

**COMMONWEALTH IMPORTS OF METALS AND MANUFACTURES OF METALS,
(INCLUDING MACHINERY), 1905 to 1912.**

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	1,733,351	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
1912 ...	7,549,230	73.35	24,696	0.24	2,718,015	26.41	10,291,941	100

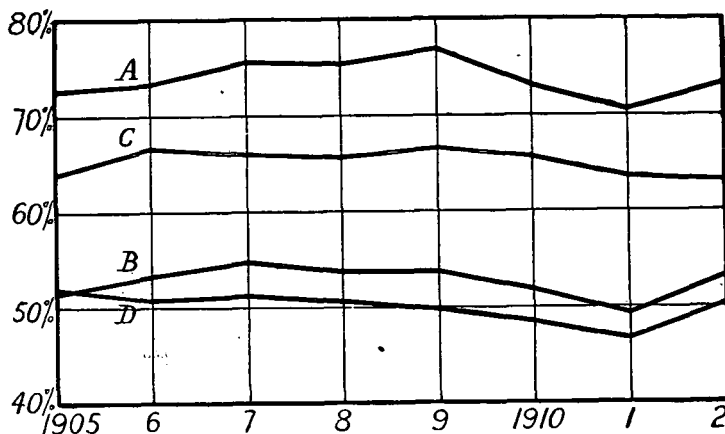
NON-PREFERENTIAL.

	£	%	£	%	£	%	£	%
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	363,234	4.83	3,500,862	45.90	7,625,489	100
1912 ...	4,479,489	53.24	342,190	4.07	3,592,577	42.69	8,414,256	100

In the metal trade, the position of the United Kingdom in both the preferential and non-preferential divisions, has been much improved as compared with 1911, when an unusually large proportion of this trade was supplied by Germany and the United States. It is probable, however, that the pronounced movements—in opposite directions—during the years 1911 and 1912 were, to some extent, a consequence of the dockers' strike in England, causing goods which should have been shipped in the earlier year to be held over till 1912.

The imports of metals and manufactures of metals afford the most satisfactory data available by which to measure the effects of preference, for the reasons that—(i.) the value of the trade is evenly divided between the preferential and non-preferential divisions, and (ii.) the goods in both groups are similar in character, and are, consequently, manufactured and distributed under similar conditions. It is, therefore, interesting to observe the general similarity between the variations of the proportions of the trade supplied by the United Kingdom in each of the two divisions of this group. It will be noticed that in each year the direction of the movement has been identical, and, although the degree of variation has not been the same year by year, the proportions supplied by the United Kingdom in 1912 were in both divisions identical with those of 1906, the figures being:—Preferential, 73.35, 73.35; non-preferential, 53.22, 53.24. These results are illustrated by the diagram.

PERCENTAGE PROPORTION OF IMPORTS SUPPLIED BY THE UNITED KINGDOM. 1/



(A) Metal manufactures—preferential. (B) Metal manufactures—non-preferential.
(C) Total—preferential imports. (D) Total—non-preferential imports.

It is thus evident that the influences responsible for the fluctuations in the distribution of the trade have been common to both the preferential and non-preferential divisions, preferential tariff having had no differential effect in this important branch of trade.

COMMONWEALTH IMPORTS OF PRINCIPAL ITEMS OF METALS, Etc., INCLUDING MACHINERY, RECORDED AS OF UNITED KINGDOM ORIGIN, 1907 and 1909-1912.

PREFERENTIAL.

Items.	1907.		1909.		1910.		1911.		1912.	
	Amount.	%	Amount.	%	Amount.	%	Amount.	%	Amount.	%
	£		£		£		£		£	
Iron & steel girders, beams, etc. ...	64,366	68.88	77,648	82.61	138,588	82.92	182,685	72.16	226,190	79.35
Plate & sheet (corrugated or galvd.)	1,279,440	94.36	1,375,433	95.36	1,590,746	92.37	1,677,259	94.16	1,905,802	92.79
Rails, fishplts., etc.	562,610	89.46	436,872	54.40	393,547	43.69	499,629	46.27	844,733	64.98
Tinned plates	247,650	99.55	284,446	99.91	355,395	99.99	486,311	100.00	504,257	97.94
	2,154,066	92.57	2,174,399	82.86	2,484,276	81.04	2,845,884	79.04	3,480,962	83.80
Machinery ...	775,673	62.15	1,015,163	77.06	691,224	63.46	946,182	64.42	1,579,833	65.03
Other manufactures of metals ...	1,471,792	65.80	1,328,432	69.02	1,658,792	67.53	1,882,957	63.71	2,468,415	67.10
	2,247,465	64.50	2,343,595	72.18	2,350,017	66.28	2,829,139	63.94	4,068,248	66.28
Total ...	4,401,531	75.73	4,517,994	76.95	4,834,293	73.13	5,675,023	70.72	7,549,230	73.35

COMMONWEALTH IMPORTS OF PRINCIPAL ITEMS OF METALS, ETC.,
INCLUDING MACHINERY, RECORDED AS OF UNITED KINGDOM
ORIGIN, 1907 AND 1909-1912.—Continued.

NON-PREFERENTIAL.

Items.	1907.		1909.		1910.		1911.		1912.	
	Amount.	%	Amount.	%	Amount.	%	Amount.	%	Amount.	%
Iron and steel—										
Pig ...	162,815	90.16	129,212	92.68	105,596	77.10	132,857	66.24	193,486	83.89
Bar, rod, angle, and tee ...	475,748	79.31	393,939	70.88	552,788	70.37	572,569	68.50	787,646	71.07
Hoop ...	42,513	62.40	25,248	41.35	27,604	41.03	33,036	40.14	26,781	36.10
Ingots, blooms & slabs ...	10,470	26.23	7,556	23.69	9,910	19.30	18,220	26.69	23,302	35.80
Plate and sheet— plain ...	179,928	62.98	148,537	59.46	201,788	61.03	217,401	55.63	245,989	53.96
Scrap ...	44,982	88.64	37,125	93.17	48,118	98.91	68,816	97.26	74,277	97.28
	916,463	74.83	741,617	68.80	945,804	66.63	1,042,899	63.26	1,351,381	67.23
Machinery—										
Agricultural, dairying, etc. ...	53,491	10.32	81,458	17.10	96,029	13.63	74,601	10.52	80,779	13.75
Engines—										
Gas and oil ...	113,035	73.70	103,554	74.66	124,732	73.59	114,224	67.71	127,213	72.76
Sewing machines	12,789	6.76	86,038	45.70	106,849	42.17	91,328	32.00	111,968	36.58
Other machinery and mach. tools	324,889	50.55	472,127	52.61	620,046	53.55	656,451	48.58	610,259	47.91
Tools of trade ...	219,907	45.98	216,568	52.42	287,341	52.48	320,339	48.88	350,705	48.45
Wire—Iron & steel	52,365	9.67	75,435	13.64	115,555	16.51	111,267	14.92	113,316	15.65
Other	96,335	72.82	49,348	48.86	104,039	65.82	107,677	62.13	164,137	73.44
Wire netting ...	400,708	68.90	216,186	58.85	159,291	55.42	179,649	54.30	229,575	56.36
Other metals and man'fact. thereof	990,823	74.44	891,770	72.21	918,746	70.42	1,057,958	67.95	1,340,152	67.58
	2,264,342	49.55	2,192,484	50.22	2,532,628	47.94	2,713,494	45.40	3,128,104	48.85
Total ...	3,180,805	54.90	2,934,101	53.91	3,478,432	51.90	3,756,393	49.27	4,479,489	53.24

The relatively small proportion of the non-preferential division of metal trade is due chiefly to the following items:—Agricultural implements and machinery, mainly supplied by Canada and the United States; sewing machines, largely supplied by the United States and Germany; iron and steel wire, mainly supplied by the United States and Germany; iron hoop, largely supplied by Germany, the United States, and Belgium; and iron ingots, blooms, etc., which in 1912 were supplied in almost equal proportions by the United Kingdom, Belgium, and Germany.

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 AND 1909 TO 1912.

Country of Origin.	1907.		1909.		1910.		1911.		1912.	
	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.
	£		£		£		£		£	
United Kingdom	562,610	89.46	436,872	54.39	399,547	48.69	499,629	46.27	844,733	64.98
Canada	—	—	132,963	16.55	8	—	—	—	—	—
Belgium	19,599	3.12	21,693	2.70	14,806	1.80	43,014	3.98	125,038	9.62
Germany	37,969	6.04	70,201	8.74	33,864	4.13	210,757	19.51	89,739	6.90
Russia	—	—	—	—	—	—	—	—	—	—
Utd. States of America	7,705	1.22	140,300	17.47	371,561	45.27	309,578	28.67	214,852	16.53
Other Countries	1,048	0.16	1,131	0.15	891	0.11	16,955	1.57	25,728	1.97
Total	628,931	100.00	803,160	100.00	820,677	100.00	1,079,928	100.00	1,300,085	100.00

The imports of steel rails indicate that there are influences, outweighing the effect of tariff preference, affecting the distribution of the trade, for, notwithstanding that the preference has been in operation throughout the whole of the period, the proportion supplied by the United Kingdom fell from 89.46 per cent. in 1907 to 46.27 per cent. in 1911, rising again to 64.98 per cent. in 1912.

Other classes of goods which furnish useful data for measuring the effects of the preferential tariff are paints and paper. The share of the United Kingdom in the supply of these goods to the Commonwealth during the years 1907 and 1909 to 1912 is given below:—

IMPORTS OF PAINTS OF UNITED KINGDOM ORIGIN, 1907 and 1909 to 1912.

	1907.		1909.		1910.		1911.		1912.	
	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.
Preferential	£ 65,278	68.22	£ 71,413	73.02	£ 88,246	71.84	£ 107,660	68.06	£ 135,187	71.02
Non-preferential	232,623	85.88	207,909	85.27	223,395	85.52	205,309	86.60	321,516	87.78

It will be seen from the above figures that although the gain of the United Kingdom, between the first and last years of the period under review, is somewhat greater in the preferential than in the non-preferential division, there is nothing to indicate an advantage accruing from a constant cause such as tariff preference, for on the 1911 figures the non-preferential division shewed a gain and the preferential division a loss to the United Kingdom.

IMPORTS OF PAPER OF UNITED KINGDOM ORIGIN, 1907 and 1909 to 1912.

	1907.		1909.		1910.		1911.		1912.	
	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.
Preferential—										
Paperhangings	£ 38,415	77.78	£ 42,396	84.12	£ 52,396	84.93	£ 52,045	82.67	£ 49,440	81.06
Other	242,421	49.75	239,579	54.42	280,671	53.62	309,349	50.41	357,529	50.82
Total	280,836	52.33	281,975	57.46	333,067	56.92	361,394	53.42	406,969	53.23
Non-Preferential—										
Printing	167,889	32.98	233,990	39.70	303,541	41.51	306,630	42.23	329,908	36.40
Other	87,349	46.49	71,461	40.42	82,002	39.54	110,388	37.46	97,554	34.60
Total	255,238	36.63	305,451	39.86	385,543	41.08	417,018	40.86	427,462	35.97

With regard to the paper trade also, there is an absence of satisfactory evidence of benefit from the preferential tariff, inasmuch as there is no greater regularity of movement or greater stability in the share of the United Kingdom in the preferential than in the non-preferential division. It will be observed that the United Kingdom attained its highest position in the preferential division in 1909, and in the non-preferential division in 1910, but has since lost ground in both. It will be noticed, further, that until 1912, when her position was lost largely through failure to maintain her share in the larger imports of printing paper, the United Kingdom had made greater gain in the non-preferential division. The imports of printing paper during 1912 were valued at £906,431, as compared with £726,415 during 1911. Of the increase Sweden supplied 29 per cent., Canada 26 per cent., the United States of America 25 per cent., and the United Kingdom only 13 per cent. To maintain the position as in 1911 the United Kingdom should have supplied 42.23 per cent. The import of Swedish printing paper into the Commonwealth have increased from £7,743 in 1907 to £104,931 in 1912.

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

PRINCIPAL OTHER PREFERENTIAL IMPORTS, 1907 and 1909 to 1912.

Article.	1907.		1909.		1910.		1911.		1912.	
	Amount	Per cent.	Amount	Per cent.	Amount	Per cent.	Amount	Per cent.	Amount	Per cent.
	£		£		£		£		£	
Milk—Preserved, concentrated, etc. ...	13,727	8.05	135,240	92.64	124,116	91.72	63,162	84.93	11,495	44.30
Confectionery, cocoa, chocolate, etc. ...	270,311	67.59	295,721	70.24	345,733	70.40	417,887	62.85	490,936	56.09
Gelatine, glue, cements	19,115	33.14	21,367	47.72	25,576	44.92	27,186	45.69	33,748	49.23
Yarns ...	128,166	78.42	112,409	80.34	142,014	84.38	249,543	90.06	309,713	93.00
Oils ...	25,226	11.69	24,928	9.39	33,976	9.29	32,633	6.48	37,647	4.61
Varnishes ...	66,387	83.83	63,487	84.83	81,357	83.58	69,410	77.14	91,945	76.45
Slates—roofing ...	26,615	62.65	20,444	73.26	23,515	71.59	24,834	54.66	48,075	70.85
Leather ...	60,550	83.02	51,889	84.62	69,259	84.32	77,386	85.59	150,180	80.61
Rubber, m'factures of Furniture, etc. ...	136,643	58.82	130,118	38.94	182,157	46.34	199,231	37.94	210,654	31.37
Wood manufactures ...	69,200	27.09	63,786	37.10	63,093	31.98	80,252	30.47	118,502	33.83
China & earthenware	40,229	26.97	35,601	31.95	37,761	29.60	40,219	26.28	50,958	26.03
Glass and glassware	216,869	64.38	172,382	66.28	217,193	65.50	269,360	63.20	278,763	67.42
Cement (Portland) ...	90,609	27.02	68,925	25.28	84,006	26.46	95,931	25.73	110,868	25.39
Tiles—roofing ...	23,638	46.33	45,153	58.14	79,032	56.96	62,708	41.44	69,599	26.60
Stationery ...	17,766	46.22	20,851	57.63	23,498	50.99	25,503	55.24	38,163	64.29
Timepieces, jewellery, and fancy goods ...	194,555	64.70	163,980	63.85	186,897	64.54	205,216	61.54	245,003	66.03
Arms ...	483,120	46.58	427,331	6.97	473,518	46.00	535,884	43.85	567,541	42.96
Percussion caps, cartridges, etc. ...	28,392	35.34	39,356	6.01	39,599	45.05	45,687	41.28	44,864	36.62
Detonators and fuse ...	82,999	54.72	74,823	54.33	69,439	53.32	84,544	57.33	124,495	64.43
Dynamite, gunpowder	42,994	98.06	45,950	97.94	40,087	97.12	43,359	98.55	48,729	98.11
Bags, baskets, etc. ...	277,394	82.39	324,699	76.02	307,130	70.86	289,351	71.99	371,787	81.17
Brushware ...	42,038	33.59	47,026	31.42	54,706	29.79	74,361	27.78	97,379	30.82
Blackings, etc. ...	89,025	53.58	56,981	56.23	73,194	55.41	80,859	51.51	84,996	51.84
Electrical articles and materials ...	55,502	66.39	23,359	68.17	12,444	48.01	10,292	39.21	11,124	38.01
Matches ...	293,439	68.72	164,446	74.16	277,105	77.49	430,016	75.10	586,559	86.59
Pianos and parts ...	44,848	28.74	57,716	37.03	59,043	39.89	107,305	57.04	131,246	65.42
Oilmen's stores ...	43,663	13.94	34,549	13.16	46,067	13.58	73,374	15.80	65,254	12.23
Vehicles, bicycles, tricycles, etc. ...	57,124	63.63	63,427	68.22	78,803	71.04	82,631	71.19	112,423	72.86
	418,019	65.32	490,957	61.56	669,993	56.30	775,699	48.05	1,061,433	44.96

PRINCIPAL NON-PREFERENTIAL IMPORTS, 1907 and 1909 to 1912.

Article.	1907.		1909.		1910.		1911.		1912.	
	Amount	Per cent.	Amount	Per cent.	Amount	Per cent.	Amount	Per cent.	Amount	Per cent.
	£		£		£		£		£	
Fish ...	135,420	35.13	143,694	31.13	147,793	26.50	158,201	27.95	201,364	25.97
Meats ...	23,271	49.65	24,901	46.85	34,260	51.44	34,508	52.75	46,540	51.45
Grain, prepared (malt, oatmeal, etc.) ...	61,412	76.81	37,867	68.84	36,825	67.94	34,360	65.18	44,822	62.49
Hops ...	7,604	15.30	6,430	16.95	9,097	15.12	9,516	19.37	17,415	19.35
Oilmen's stores (free)	48,994	82.27	72,125	80.88	88,500	82.73	89,911	80.47	109,827	79.06
Mustard ...	45,956	98.07	46,074	99.18	48,625	98.80	47,532	97.97	53,243	98.30
Tobacco, mfd. (cigars, cigarettes, etc.) ...	35,238	10.76	37,850	13.12	44,122	13.63	57,366	14.69	70,672	16.32
Oils and greases ...	138,834	29.17	177,523	40.20	231,648	37.89	315,347	39.37	330,025	44.90
Marble and stone ...	14,071	26.91	16,222	29.86	13,445	25.04	18,383	27.41	5,172	13.37
India-rubber manufs. of	41,132	22.10	44,726	26.21	50,642	17.50	49,362	12.20	50,260	15.55
Leather, manufs. of	114,009	25.44	88,655	19.99	95,494	21.58	107,325	23.84	61,049	12.18
Harness—minor articles for ...	62,148	94.73	68,542	97.12	92,602	96.39	111,279	95.86	102,182	96.55
Furniture—minor articles for ...	34,801	74.10	50,931	76.10	52,033	77.52	60,763	78.63	77,692	82.10
Earth-ware, Bricks, etc.	19,321	82.02	30,564	69.26	37,289	66.19	51,235	61.01	24,364	67.88
Glass and Glassware ...	28,247	48.15	39,039	44.04	50,439	50.30	47,739	38.31	65,584	45.25
Books, printed ...	424,045	92.02	465,719	90.34	501,495	88.83	616,657	89.24	613,976	89.54
Stationery ...	44,449	62.48	33,041	47.64	41,936	52.91	51,430	46.42	54,928	51.42
Instruments, scientific do., surgical & dental	13,803	66.35	17,709	67.09	22,707	69.60	27,897	67.89	36,841	71.42
Drugs and chemicals—Insecticides, disinfectants, etc. ...	40,136	46.12	41,412	44.69	45,338	42.56	63,062	44.11	57,510	42.73
Medicines ...	35,070	67.72	30,337	69.97	33,927	63.08	41,811	75.42	48,021	75.90
Essential oils ...	146,689	62.63	123,428	58.13	157,712	61.95	157,316	58.92	181,778	59.52
Acids ...	19,092	42.87	8,067	24.93	11,517	27.01	11,839	23.07	16,934	24.33
Cyanide of potassium	11,361	23.08	20,518	44.04	24,047	40.48	17,279	35.94	38,440	43.71
Sodas (exclud. soda nitrate) ...	174,571	84.94	196,548	83.63	233,110	88.74	196,198	87.52	184,134	85.28
Fertilisers ...	82,699	94.80	79,095	92.03	117,228	94.42	125,301	95.43	142,569	96.40
Other drugs ...	100,331	25.79	74,014	20.52	124,468	18.58	90,163	17.57	52,756	9.33
Musical instruments (not pianos) & parts	200,009	81.73	135,879	23.13	138,943	25.79	161,237	23.08	164,196	22.46
Soup ...	29,952	26.74	19,958	23.63	26,854	24.09	28,431	21.76	37,078	26.11
Ships ...	47,692	46.12	34,994	46.44	45,853	43.69	44,314	41.40	53,001	39.61
	655,760	96.34	749,950	99.05	687,500	96.58	241,245	70.94	1,146,922	92.59

4. **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 1912, distinguishing those which would be affected by an application of the preferential provisions of the "Tariff Act 1907":—

NEW ZEALAND—IMPORTS, 1912, PREFERENTIAL AND NON-PREFERENTIAL.

Particulars.	From United Kingdom and British Possessions.	From Foreign Countries.	Total.
Imports affected by preferential tariff—	£	£	£
Free	2,026,054	—	2,026,054
Dutiable	3,743,483	1,337,182	5,080,665
Total	5,769,537	1,337,182	7,106,719
Imports not affected by preferential tariff—			
Free	6,522,888	2,100,859	8,623,747
Dutiable	4,205,166	640,947	4,846,113
Total	10,728,054	2,741,806	13,469,860
Total merchandise	16,497,591	4,078,988	20,576,579
Bullion and specie	399,995	—	399,995
Total	16,897,586	4,078,988	20,976,574

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, 1912.

FROM UNITED KINGDOM AND BRITISH POSSESSIONS.

Particulars.	Imports.	Duty which would be payable under—			
		Preferential Tariff.		General Tariff.	
		£	Rate %	£	Rate %
(A) Free	2,026,054	—	...	358,252	17.68
(B) Dutiable	3,743,483	750,897	20.06	1,107,895	29.60
Total	5,769,537	750,897	13.01	1,466,147	25.41

NEW ZEALAND—IMPORTS AFFECTED BY PREFERENTIAL TARIFF RATES,
1912—Continued.

FROM FOREIGN COUNTRIES.

Particulars.	Imports.	Duty which would be payable under—			
		General Tariff.		Preferential Tariff.	
		£	Rate %	£	Rate %
Imports similar to group A above	123,195	18,007	14.62	...	...
" " " B "	1,213,987	358,938	29.57	246,519	20.32
Total	1,337,182	376,945	28.19	246,519	18.44

5. **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, 1912, PREFERENTIAL AND NON-PREFERENTIAL.

Particulars.	From United Kingdom and Reciprocating Countries.	From other Countries.	Total.
Imports affected by preferential tariff—	£	£	£
Free... ..	5,147,782	...	5,147,782
Dutiable	16,281,736	10,041,515	26,323,251
Total	21,429,518	10,041,515	31,471,033
Imports not affected by preferential tariff—			
Free... ..	3,229,836	1,721,586	4,951,422
Dutiable	805,970	2,419,520	3,225,490
Total	4,035,806	4,141,106	8,176,912
Total merchandise	25,465,324	14,182,621	39,647,945
Bullion and specie	286,966	751,958	1,038,924
Total	25,752,290	14,934,579	40,686,869

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, 1912.
FROM UNITED KINGDOM AND RECIPROCATING BRITISH POSSESSIONS.

Particulars.	Imports.	Duty which would be payable under—			
		Preferential Tariff.		General Tariff.	
		£	Rate %	£	Rate %
(A) Free	5,147,782	...	...	154,433	3.00
(B) Dutiable	16,281,736	2,277,708	14.00	2,776,141	17.05
Total	21,429,518	2,277,708	10.63	2,930,574	13.68

FROM FOREIGN COUNTRIES.

Particulars.	Imports.	Duty which would be payable under—			
		General Tariff.		Preferential Tariff.	
		£	Rate %	£	Rate %
Imports similar to group (A) above	3,962,517	118,876	3.00	...	...
" " (B) "	6,078,998	1,250,757	20.57	1,046,173	17.21
Total	10,041,515	1,369,633	13.69	1,046,173	10.46

6. **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.

7. **Preferential Tariff Comparisons.**—The following table presents a comparative statement of the imports into the Commonwealth, New Zealand, and South Africa during 1912, the imports of each country having been analysed according to the application of its own tariff :—

APPLICATION OF PREFERENTIAL TARIFFS.—COMPARATIVE STATEMENT, 1912.

Particulars.	C'wealth of Australia.	Dominion of New Zealand.	Customs Union of South Africa.
1. Total imports of merchandise ...	£ 76,483,360	20,576,579	39,647,945
2. " " " from favoured countries	£ 38,589,434	16,497,591*	25,465,324
3. Imports from favoured countries, p.c. to item 1	50.45	83.00	64.22
4. Imports affected (favourably or adversely) by preferential rates	£ 40,148,808	7,106,719	31,471,033
5. Imports affected (favourably or adversely) by preferential rates, per cent. to total item 1...	52.49	37.84	79.39
6. Imports favoured by preferential rates	£ 25,303,551	5,769,537*	21,429,518
7. " " " " p.c. to item 1	33.08	30.72	54.05
8. " " " " " "	2	65.25	34.97
9. Amount of rebate	£ 1,274,657	715,250	652,866
10. Rate of rebate per cent. <i>ad val.</i>	5.04	12.40	3.05

* See note to table on page 563.

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 1912 the average margin of preference was 12.40 per cent. of the value of the goods, while in the Commonwealth the similar margin was 5.04 per cent., and in South Africa 3.05 per cent. The average rate of duty charged in New Zealand on British goods, subject to preferential rates, was 13.01 per cent., while the same goods if of foreign origin would have had to pay 25.41 per cent. In the Commonwealth the collateral rates were 13.68 per cent. and 18.72 per cent. respectively, and in South Africa 10.63 per cent. and 13.68 per cent.

8. Comparative Results of Preferential Tariffs of Australia, New Zealand, and South Africa.—The following table shews the apparent aggregate results of the preferential tariffs of the Commonwealth of Australia, the Dominion of New Zealand, and the Union of South Africa. The figures show the value of preferential and non-preferential imports from favoured countries, and the percentage proportion of such imports in relation to the total imports of similar goods:—

IMPORTS FAVOURED BY PREFERENTIAL TARIFFS, 1908 to 1912.

Year.	South Africa. Preference, 3%.		Commonwealth. Preference 5%.		New Zealand. Preference, 12%.	
	Value.	Per cent.	Value.	Per cent.	Value.	Per cent.
1908	£ 14,785,678	71.60	£ 15,895,721	65.70	£ 4,999,604	79.94
1909	16,823,568	72.49	16,482,032	66.80	3,791,061	81.81
1910	21,746,920	70.88	19,049,506	65.88	4,268,597	81.02
1911	22,000,161	69.76	21,118,057	63.58	5,712,161	83.10
1912	21,429,518	68.08	25,303,551	63.02	5,769,537	81.18

IMPORTS UNAFFECTED BY PREFERENTIAL TARIFFS, 1908 to 1912.

1908	1,826,774	39.60	9,006,821	50.70	9,805,369	84.40
1909	2,075,982	40.77	9,137,146	49.94	8,681,006	85.25
1910	*3,697,588	*51.17	10,820,679	48.37	9,627,786	83.86
1911	3,138,193	46.20	10,956,913	46.81	9,876,257	82.92
1912	4,035,806	49.35	12,962,899	50.27	10,728,054	79.66

* The large increase and improvement in the relative position of favoured countries in this group is due to the large increase in the imports of "Government stores," of which 87 per cent. in 1910 was from favoured countries, principally from the United Kingdom.

From the above table it will be seen that, in regard to the Commonwealth, the proportion of the trade supplied by the United Kingdom has fallen in both the preferential and non-preferential divisions, the decline being greater in the former division. In South Africa the proportion of the trade in the preferential division supplied by favoured countries has also fallen, while, on the other hand, the proportion supplied in the non-preferential division has largely increased. In New Zealand, where the preference amounts to about 12 per cent. on the value of the goods, against 5 per cent. in Australia, and 3 per cent. in South Africa, the position of the favoured countries has been well maintained in the preferential, though it has declined materially in the non-preferential division.

The quinquennial average effect (1908-12), corresponding to the preference of 3, 5, and 12 per cent., appears to be to reduce the proportional decrease of trade in the ratios respectively of 1.17, 0.89, and 0.41.

9. 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 1912, affected by the above-mentioned Act were as follows:—

IMPORTS INTO THE COMMONWEALTH DURING 1912 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.	62,004	3,278	64 12
Grain—				
Maize cental	6d. per cntl.	460,721	162,635	11,518 0
Oats cental	4½d. per cntl.	44,031	15,329	825 11
Feathers—				
Undressed	5 per cent.	—	5,820	291 0
Dressed	10 per cent.	—	323	32 6
Tobacco manufactured—				
Cut lbs.	1/3 per lb.	22,418	3,179	1,401 2
N.E.I. lbs.	1/- per lb.	1,365	190	68 5
Total	—	—	190,814	14,200 16

§ 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 1912, 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, 1912.

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)	919,904	101,030	1,020,934	159,181	17.35	15.59
II.	Foodstuffs of vegetable origin and salt ...	3,982,249	221,945	4,204,194	1,252,474	31.45	29.79
III.	Beverages (non-alcoholic) & substances used in making	495,256	1,272,514	1,767,770	99,239	20.03	5.61
IV.	Spirits & alcoholic liquors, including industrial spirits and pharmaceutical preparations dutiable as spirits ...	2,009,202	591	2,009,793	2,767,912	137.77	137.73
V.	Tobacco and preparations thereof ...	838,711	...	838,711	1,209,355	144.20	144.20
VI.	Live animals ...	41,449	134,957	176,406	286	0.69	0.16
VII.	Animal substances (mainly unmanufactured) not foodstuffs ...	104,423	232,228	336,651	17,808	17.05	5.29
VIII.	Vegetable substances and fibres ...	190,726	1,201,399	1,392,125	52,961	27.76	3.80
IX.	Apparel, textiles, and manufactured fibres ...	12,142,449	7,268,350	19,410,799	2,684,415	22.11	13.83
X.	Oils, fats, and waxes ...	1,410,041	780,181	2,190,222	225,554	16.00	10.27
XI.	Paints and varnishes ...	673,695	25,736	699,431	115,696	17.17	16.54
XII.	Stones and minerals used industrially ...	165,492	39,954	205,446	38,951	23.53	18.96
XIII.	Specie (omitted) ...	...	...	...	...	...	...
XIV.	Metals (unmanufactured) and ores, excluding gold and silver bullion ...	16,613	318,293	334,906	2,491	14.95	0.74
XV.	Metals partly manufactured ...	...	1,398,857	1,398,857	...	...	...
XVI.	Metals manufactured, including machinery ...	10,577,176	6,333,275	16,910,451	1,693,567	16.01	10.01
XVII.	Leather and manufactures of leather and substitutes therefor, also indiarubber and indiarubber manufactures ...	1,310,900	445,462	1,756,452	296,787	22.64	16.90
XVIII.	Wood and wicker, raw and manufactured ...	3,275,936	238,441	3,514,377	537,483	16.41	15.29
XIX.	Earthenware, cements, china, glass, & stoneware ...	1,351,099	95,956	1,447,055	387,895	28.71	26.80
XX.	Paper and stationery ...	947,743	2,056,311	3,004,054	244,845	25.84	8.15
XXI.	Jewellery, timepieces, and fancy goods ...	1,301,804	504,893	1,806,697	336,002	25.81	18.60
XXII.	Optical, surgical, & scientific instruments...	206,854	245,385	452,239	25,958	12.55	5.74
XXIII.	Drugs, chemicals, and fertilisers ...	525,662	1,847,004	2,372,666	105,579	20.03	4.49
XXIV.	Miscellaneous ...	3,898,094	3,794,550	7,692,644	881,295	22.60	11.46
	Total merchandise ...	46,385,568	28,557,312	74,942,880	13,135,734	28.32	17.53
	Merchandise, excluding stimulants and narcotics	43,537,655	28,556,721	72,094,376	9,158,467	21.03	12.71

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	31/12/12	31/3/12	31/12/12	30/6/12
Year ended					
Percentage of free merchandise ...	35.18	38.10	35.70	51.76	53.73
Equivalent <i>ad valorem</i> rates of duty on	%	%	%	%	%
Spirits, wines, and malt liquors	153.23	137.73	120.80	133.80	88.88
Tobacco, and preparations thereof	168.65	144.20	22.30*	130.60	78.76†
Other dutiable merchandise ...	17.04	21.03	23.86	22.03	37.02
Other merchandise dutiable & free	10.75	12.71	15.34	10.09	16.57
Total dutiable merchandise ...	27.14	28.32	26.12	33.67	40.16
Total merchandise dutiable & free	17.59	17.53	16.79	16.24	18.58
Customs duty per head	£ s. d. 1 15 10	£ s. d. 2 7 6	£ s. d. 2 5 0	£ s. d. 3 4 3‡	£ s. d. 0 13 1

* 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., but it has fallen to 38.10 per cent., in 1912. 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, and in 1912 it was 21.03 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 1912 the average rate of duty over the total imports of merchandise was 17.53 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 1912 was 1.00 per cent. *ad valorem* lower than in New Zealand, and about 2.83 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 equivalent *ad valorem* rates range from 16.24 per cent. in New Zealand to 18.58 per cent. in the United States. 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. About 80 per cent. of the value of tobacco imported into Canada is unmanufactured tobacco admitted free of duty, and subject only to excise on manufacture.