

## SECTION XV.

## COMMERCE.

## § 1. Introductory.

NOTE.—From the 1st July, 1914, the Trade Year, which was formerly the Calendar Year, was altered to coincide with the Fiscal Year (July to June).

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 oversea trade and commerce will be found on page 15 (sub-section 51 (i)) and pp. 21 and 22 (sub-sections 86 to 95) of this volume.

## § 2. Commonwealth Legislation affecting Foreign Trade.

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 did 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 [Repealed by the Customs Tariff Act 1908 (No. 7 of 1908).]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 1904 (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 Commissions 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, from 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.

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 producers, workers, or consumers," or any person or corporation monopolising<sup>c</sup> 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 by Acts No. 5 of 1908, No. 26 of 1909, and No. 29 of 1910.)

7. Customs Tariff 1906 (No. 14 of 1906).—"An Act relating to Duties of Customs" amended the Customs Tariff of 1902 in relation to the duties on harvesters and agricultural implements and machinery and prescribed the prices which were not to be exceeded 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."—(Repealed by Act No. 25 of 1921.)

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.—(Repealed by Act No. 25 of 1921.)

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*. It 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. (Repealed by Act No. 25 of 1921.)

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. (Repealed by Act No. 25 of 1921.)

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 23 *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.

19. Trading with the Enemy Act 1914 (No. 9 of 1914).—"An Act relating to the control of trade during the war with Germany and Austria-Hungary." This Act was amended by Act No. 17 of 1914, and by Act No. 23 of 1921.

20. Customs Act 1914 (No. 19 of 1914).—Amends the Customs Act 1901-10 by extending the powers of the Governor-General to prohibit the exportation of goods in time of war.

21. The Income Tax Assessment Act 1915 (No. 34 of 1915) and Amendment thereto (No. 47 of 1915).—Provide that "In the case of a person selling goods in Australia on account of a person not resident in Australia, or on account of a company not registered in Australia, the principal shall be deemed to have derived from such sale a taxable income equal to five pounds per cent. upon the price at which the goods were sold. The person selling the goods shall be assessable on the taxable income as the agent for the principal, and shall be personally liable for the payment of the tax to the extent of the tax payable on goods sold by him after the 30th June, 1915. Goods shall be deemed to be sold in Australia on account of a person not resident in Australia, if any person in Australia receives a commission in respect of the sale of the goods or is paid a salary for obtaining orders for or for influencing the sale of the goods."

22. Customs Tariff Validation Act 1917 (No. 6 of 1917).—"An Act to provide for the validation of—(1) Collections of Customs duties under tariff proposals introduced into the House of Representatives on the 3rd December, 1914; (2) the remission of Customs duty on wheat as from the 12th December, 1914; (3) the remission of Customs duty on oats as from the 27th February, 1915; and (4) the restoration of the Customs duties on wheat and oats from the 12th November, 1915."

23. Apple Bounty Act (No. 21 of 1918).—This Act appropriates from the Consolidated Revenue Fund the sum of £12,000, for the payment, to the grower, of a bounty of 70d. per pound upon the export of apples grown and evaporated in Australia under certain prescribed conditions, and sold to the Imperial Government for delivery between the 1st April and 31st August, 1918.

24. Customs Tariff Validation Act 1919 (No. 17 of 1919).—Provides for the validation of collections of Duties of Customs under Tariff proposals introduced into the House of Representatives on the following dates, namely:—10th August, 1917; 26th September, 1917; and 25th September, 1918.

25. Customs Act of 1920 (No. 41 of 1920).—"An Act to amend the Customs Act 1901-16," assented to 10th November, 1920. This Act indicates the rates of exchange, which shall be used under various circumstances in computing the value for duty of imported goods.

26. **Customs Tariff 1921 (No. 25 of 1921).**—The Tariff Schedule which was submitted to Parliament on the 24th March, 1920, provides a British Preferential Tariff, an Intermediate Tariff, and a General Tariff. The Tariff Act provides that the Preferential Tariff or the Intermediate Tariff may, under reciprocal arrangements, be extended to other British Dominions, and that the Intermediate Tariff may in certain circumstances apply to foreign countries.

27. **Tariff Board Act of 1921.**—Assented to 15th December, 1921. The Bill provides that—(1) The Minister shall refer to the Board for inquiry and report the following matters :—(a) the classification of goods under all Tariff Items which provide for classification under by-laws ; (b) the determination of the value of goods for duty under section 160 of the *Customs Act 1901-1920* ; (c) any dispute arising out of the interpretation of any Customs Tariff or Excise Tariff, or the classification of articles in any Tariff, in which an appeal is made to the Minister from the decision of the Comptroller-General ; (d) the necessity for new, increased, or reduced duties, and the deferment of existing or proposed deferred duties ; (e) the necessity for granting bounties for the encouragement of any primary or secondary industry in Australia ; (f) the effect of existing bounties or bounties subsequently granted ; (g) any proposal for the application of the British Preferential Tariff or the Intermediate Tariff to any part of the British Dominions or any foreign country, together with any requests received from Australian producers or exporters in relation to the export of their goods to any such part or country ; (h) any complaint that a manufacturer is taking undue advantage of the protection afforded him by the Tariff, and in particular in regard to his (i) charging unnecessarily high prices for his goods ; or (ii) acting in restraint of trade to the detriment of the public ; or (iii) acting in a manner which results in unnecessarily high prices being charged to the consumer for his goods, and shall not take any action in respect of any of those matters until he has received the report of the Board. (2) The Minister may refer to the Board for their inquiry and report the following matters :—(a) the general effect of the working of the Customs Tariff and the Excise Tariff, in relation to the primary and secondary industries of the Commonwealth ; (b) the fiscal and industrial effects of the Customs laws of the Commonwealth ; (c) the incidence between the rates of duty on raw materials and on finished or partly finished products ; and (d) any other matter in any way affecting the encouragement of primary or secondary industries in relation to the Tariff. (3) If the Board finds on inquiry that any complaint referred to it under paragraph (h) of sub-section (1) of this section is justified, it may recommend—(a) that the amount of duty payable on the goods the subject of the complaint be reduced or abolished ; or (b) that such other action as the Board thinks desirable be taken—but shall, before it makes any such recommendation, consider carefully the conditions obtaining in the industry as a whole.

28. **Customs Tariff (New Zealand Preference) Act of 1921 (No. 27 of 1921).**—“An Act relating to Preferential Duties of Customs on certain Goods the produce or manufacture of the Dominion of New Zealand,” assented to 16th December, 1921, provides that the British Preferential Tariff rates may be applied to the produce of New Zealand.

29. **Customs Tariff (Industries Preservation) Act—(Anti-dumping) 1921 (No. 28 of 1921).**—On the 6th July, 1921, the Minister for Trade and Customs moved a resolution that after inquiry and report by the Tariff Board, special duties should be collected in the following cases, when the importation of the goods referred to might be detrimental to an Australian industry : In the case of goods sold for export to Australia at a price less than the fair market price for home consumption or at a price which is less than a reasonable price a special dumping duty shall be collected equal to the difference between the price at which the goods were sold and a fair market price. Similar provision is made for goods consigned to Australia for sale. With regard to goods exported to Australia at rates of freight less than the rates prevailing at the time of shipment, there shall be collected a dumping freight duty equal to 5 per cent. of the fair market value of the goods at the time of shipment. Special duties are also proposed in the case of goods imported from countries whose currency is depreciated. Provision is also made for the protection of the trade of the United Kingdom in the Australian market from depreciated foreign currency.

30. Customs Tariff (New Zealand Preference) Act 1922 (No. 3 of 1922).—"An Act relating to Preferential Duties of Customs on Goods the produce or manufacture of New Zealand," ratifies a reciprocal Tariff agreement with New Zealand.

31. Meat Export Bounties Act 1922.—Provides for the payment of a bounty of  $\frac{1}{4}$ d. per lb. on beef slaughtered on or after the 5th April, 1922, which is placed in cool store on or before the 31st October, 1922, and exported on or before the 31st December, 1922; in the case of exports to certain prescribed eastern ports, the time for export is extended to the 31st March, 1923. A bounty is provided on canned beef equal to  $\frac{1}{4}$ d. per lb. of the fresh beef from which the canned beef is produced, provided that the whole beast was bought for canning. A bounty of 10s. per head is provided on live cattle exported for slaughter on or after the 5th April, 1922, and on or before the 31st December, 1922.

### § 3. Commonwealth Trade Commissioners.

The first permanent Trade Commissioner appointed to represent the Commonwealth of Australia in a foreign country was Mr. (now Sir) Henry Yule Braddon, who was appointed in September, 1918, to represent Australia in the United States of America. In July, 1919, Mr. Braddon was succeeded by Mr. Mark Sheldon. At present Mr. D. B. Edward, the Official Secretary to the Commonwealth in New York, is acting in the capacity of Trade Commissioner. The Commissioner's office is at 61 Broadway, New York.

Early in 1921, Mr. Edward S. Little was appointed as Commonwealth Trade Commissioner in China, with offices at Shanghai and Hong Kong. On the 18th January, 1922, Mr. E. T. Sheaf was appointed Australian Trade Representative in the East, with head-quarters at Singapore.

### § 4. 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 their fair market value in the principal markets of the country whence the goods were exported, the increase being intended to represent roughly the insurance, freight and other charges to the place of landing. Section 157 of the Customs Act provides that when the invoice value of imported goods is shewn in any currency other than British currency, the equivalent value in British currency shall be ascertained according to a fair rate of exchange. Under this section it was the practice of the Department of Trade and Customs, until the 8th December, 1920, to convert on the basis of the mint par of exchange. Since the date mentioned, in consequence of a ruling of the High Court, all conversions have been based on the commercial rates of exchange. As the values for statistical purposes, as well as those for duty purposes, were based on the mint par, it follows that the recorded values of imports from countries such as France and Italy, where the pound sterling has been at a premium, were, for some time prior to December, 1920, in excess of their commercial value, whereas imports from Japan, the United States of America and other countries where sterling was at a discount, were not given their full commercial value.

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. Some modification of this practice has, however, been necessary during recent years in respect of products affected by the policy of price-fixing arising from the war.

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 estimate accurately, 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.

Prior to 1905 the value of ships imported or exported was not included in the returns of trade.

4. **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 these stores shipped each year, distinguishing bunker coal, is shewn below :—

#### VALUE OF STORES SHIPPED IN AUSTRALIAN PORTS BY OVERSEA VESSELS.

Period.	Bunker Coal.	All Stores (including Coal).	Period.	Bunker Coal.	All Stores (including Coal).
	£	£		£	£
1906 .. ..	575,471	875,966	1914 (1st six months)	533,288	771,581
1907 .. ..	663,724	998,897	1914-15 ..	829,875	1,587,757
1908 .. ..	867,707	1,196,106	1915-16 ..	719,510	1,544,872
1909 .. ..	781,113	1,071,677	1916-17 ..	748,852	1,676,116
1910 .. ..	740,567	1,080,133	1917-18 ..	632,910	1,389,291
1911 .. ..	858,783	1,238,446	1918-19 ..	857,507	1,765,367
1912 .. ..	1,008,259	1,431,985	1919-20 ..	1,487,872	2,688,371
1913 .. ..	1,018,595	1,458,702	1920-21 ..	2,027,133	3,560,648

### § 5. 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 was 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 to 1872 shewed 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 thenceforward adhered to in Victoria, was assented to.

\* The figures given for the years 1826 to 1900 represent the annual averages for the quinquennial periods. The trade of the individual years will be found in the Official Year Book No. 7 and earlier issues.

## OVERSEA TRADE OF THE COMMONWEALTH, 1826 TO 1921-22.

Period.	Recorded Value.			Value per Inhabitant. <sup>(a)</sup>			Percentage of Exports on Imports.
	Imports.	Exports.	Total.	Imports.	Exports.	Total.	
	£1,000.	£1,000.	£1,000.	£ s. d.	£ s. d.	£ s. d.	%
1826-30 ..	638	153	791	10 12 5	2 10 11	13 3 4	23.9
1831-35 ..	1,144	613	1,757	11 19 10	6 8 6	18 8 4	53.6
1836-40 ..	2,283	1,112	3,395	14 15 9	7 4 1	21 19 10	48.7
1841-45 ..	1,906	1,378	3,284	9 0 5	6 10 5	15 10 10	72.3
1846-50 ..	2,370	2,264	4,634	6 18 10	6 12 2	13 11 0	95.2
1851-55 ..	11,931	11,414	23,345	19 12 5	18 15 4	38 7 9	95.7
1856-60 ..	18,816	16,019	34,835	18 6 1	15 11 8	33 17 9	85.1
1861-65 ..	20,132	18,699	38,831	15 17 1	14 14 9	30 11 10	93.0
1866-70 ..	18,691	19,417	38,108	12 7 4	12 16 11	25 4 3	103.9
1871-75 ..	21,982	24,247	46,229	12 7 2	13 13 6	26 0 8	110.3
1876-80 ..	24,622	23,772	48,394	11 19 7	11 10 9	23 10 4	96.6
1881-85 ..	34,895	28,055	62,950	14 4 3	11 9 5	25 13 8	80.4
1886-90 ..	34,675	26,579	61,254	11 16 11	9 1 0	20 17 11	76.6
1891-95 ..	27,335	33,683	61,018	8 5 2	10 2 5	18 7 7	123.2
1896-1900 ..	33,763	41,094	74,857	9 5 4	11 5 6	20 10 10	121.7
1901 ..	42,434	49,696	92,130	11 3 11	13 2 2	24 6 1	117.1
1902 ..	40,676	43,915	84,591	10 11 4	11 8 3	21 19 7	108.0
1903 ..	37,811	48,250	86,061	9 14 3	12 7 10	22 2 1	127.6
1904 ..	37,021	57,486	94,507	9 7 9	14 11 7	23 19 4	155.3
1905 ..	38,347	56,841	95,188	9 11 9	14 4 1	23 15 10	148.2
1906 ..	44,745	69,738	114,483	11 0 4	17 3 6	28 3 10	155.9
1907 ..	51,809	72,824	124,633	12 11 3	17 13 2	30 4 5	140.6
1908 ..	49,799	64,311	114,110	11 17 5	15 6 8	27 4 1	129.1
1909 ..	51,172	65,319	116,491	11 19 5	15 5 7	27 5 0	127.6
1910 ..	60,014	74,491	134,505	13 14 8	17 0 10	30 15 6	124.1
1911 ..	66,968	79,482	146,450	14 18 3	17 14 0	32 12 3	118.7
1912 ..	78,159	79,096	157,255	16 16 7	17 0 7	33 17 2	101.2
1913 ..	79,749	78,572	158,321	16 12 0	16 7 2	32 19 2	98.5
First six months 1914	39,777	37,930	77,707	8 2 7	7 15 0	15 17 7	95.4
1914-15 ..	64,432	60,593	125,025	13 0 10	12 5 3	25 6 1	94.0
1915-16 ..	77,745	74,778	152,523	15 15 3	15 3 3	30 18 6	92.3
1916-17 ..	76,229	97,955	174,184	15 12 7	20 1 10	35 14 5	128.5
1917-18 ..	62,335	81,429	143,764	12 12 7	16 10 0	29 2 7	130.6
1918-19 ..	102,335	113,964	216,299	20 6 10	22 13 1	42 19 11	111.4
1919-20 ..	98,974	149,824	248,798	18 17 3	28 11 1	47 8 4	151.4
1920-21 ..	163,802	132,159	295,961	30 12 9	24 14 5	55 7 2	80.7
1921-22(b)	101,064	127,923	228,987	18 6 9	23 4 4	41 11 1	126.6

(a) Reckoned on mean population for the year. (b) Preliminary figures subject to alteration.

The graphs illustrating the movement of the oversea trade of Australia (see pages 473 and 474) 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 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 total 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. 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. Compared with 1907, the trade of 1908 shews a decline of £10,523,000, 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 in 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 on page 465.

The trade of 1914–15, and subsequent years, was seriously disturbed by conditions arising from the war such as the dislocation of shipping and increased prices. The shortage of shipping was particularly marked in 1917–18, when, in order to conserve space for more essential requirements, the importation of goods which were considered to be in the nature of luxuries was prohibited or restricted.

The effect of prices on the value of exports is shewn in the “Price Levels” given above. On the basis of uniform prices the exports during the years 1914–15 to 1918–19 were less than for the years immediately preceding the war, and notwithstanding that they include accumulations of wool and wheat which could not be shipped earlier, the exports of 1919–20 were, on the basis of quantities only 11 per cent. greater than the exports during 1913, though the recorded values were 91 per cent. higher. From the figures given in the table referred to it may be seen that on a quantitative basis—i.e., eliminating the effects of varying prices—the exports during 1921–22 were greater than in any previous year though per head of population they were less than in 1911.

The value of the exports during 1919–20 was sufficient to establish a very substantial balance in favour of the Commonwealth, though this balance was not actually so large as the official records would make it appear to be. This is due to the understatement of the value of imports as a result of the conversion of values on the par of exchange, whereas, their commercial values, i.e., the value of exports which would be required to effect a settlement of exchange would be determined by the current commercial rates. The net result of converting values on the par of exchange is that the value of imports during 1919–20 is understated by about 7 per cent. The figures for 1920–21 are similarly defective, though in a lesser degree, as from the 8th December, 1920, values have been converted on the basis of the current rates of exchange.

During the year 1920–21, the value of imports increased in a very marked degree. This was due, in a large measure, to the fulfilment of long standing orders which it had been impossible to execute earlier. In their anxiety to replenish stocks which had become depleted during the war, and to take advantage of the free spending of soldiers' gratuities and repatriation moneys, Australian importers ordered freely, in the belief that their orders could not be satisfied immediately, but hoping to get a percentage thereof. The



trade depression in Great Britain and the cancellation of foreign orders, however, enabled manufacturers there to devote their attention to Australian orders, with the result that shipments, which it had been expected would be spread over a long period were received in quick succession. The rapidity with which the goods arrived created some difficulty in providing exchange, and the banks found it necessary to restrict credit for import business.

The decline in the value of exports during 1920-21, as compared with 1919-20 was mainly due to reduced exports of wool, at lower prices, and to smaller exports of meats, flour, hides and skins, tallow, copper, and lead. As a set-off against these items there was an increase in the exports of wheat of nearly £12,000,000, and in butter of nearly £8,000,000.

During 1921-22 the trade position was very much improved by a reduction of 38 per cent. in the value of imports accompanied by a fall in the value of exports of only 3.2 per cent as compared with the previous year.

The variations in the composition of the trade will be seen from the tables in § 8 following.

2. **Alteration of Trade Year.**—The desirability had long been felt of bringing the trade year into conformity with the seasons for the export of agricultural and pastoral products, but a disinclination to break the continuity of records had, hitherto, prevented the change. As it was obvious that trade itself, and not merely the records, would be seriously disturbed by the war, the time appeared to be peculiarly opportune for making the alteration. The trade returns were, therefore, closed as on the 30th June, 1914, and the new year started from the 1st July. The year 1914-15 thus includes nearly eleven months under war conditions.

3. **Ratio between Exports and Imports.**—The foregoing table shows 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 position was reversed. 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. As the introduction of new capital and the payments for interest on existing investments and for shipping and other services are continually operating in opposite directions at the same time in the statistics of trade, it follows that it is the balance only of these transactions which is reflected in the excess of imports or exports.

The marked diminution of the excess of exports is a striking feature of the trade returns for 1912. The decline in the ratio of exports to imports was due, mainly, to loans 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 at this time, also, to some extent affected the balance of trade by the introduction of capital. The following table presents the balance of trade of the Commonwealth as shewn by the records of imports and exports for each year from 1902, and, also, the modification of these figures as affected by loans raised abroad by the Governments of the States and the Commonwealth. Owing to the circumstances of the case, the figures given must be taken as only broadly approximate to the truth.

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\* For individual years 1826 to 1900 see Official Year Book, No. 7, and previous issues.

### EFFECT OF LOANS ON THE RECORDED BALANCE OF COMMONWEALTH TRADE, 1902 TO 1921-22.

Year.	Excess of Exports as Recorded.		Net Amount of Debt Raised or Redeemed (—) Abroad.(b)	Excess of Exports Modified by Elimination of Loans to Commonwealth and States' Governments.	
	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 .. .. .	12,514	386	3,123	15,637	189
1912 .. .. .	937	29	12,205	13,142	159
1913 .. .. .	1,178	36	19,666	18,488	225
1914 (January to June)	1,847	a	a	1,847	a
1914-15 .. .. .	3,839	119	5,151	1,312	16
1915-16 .. .. .	2,966	91	2,827	139	2
1916-17 .. .. .	21,726	670	11,695	33,421	405
1917-18 .. .. .	19,095	590	17,373	36,468	442
1918-19 .. .. .	11,629	359	2,908	8,721	106
1919-20 .. .. .	50,849	1,570	5,212	c56,061	679
1920-21 .. .. .	31,643	977	5,574	26,069	316
1921-22d .. .. .	26,859	829	38,500	65,359	792

(a) Prior to June, 1914, the figures relating to debt were six months in advance of the trade figures ; since that date the periods to which the figures relate are identical. (b) See note to the following table. (c) This amount should be reduced on account of conversion methods to about £49,000,000, and the corresponding percentage to about 590. (d) Preliminary figures subject to amendment.

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, however, not available.

Since the outbreak of war the trade balances for single years have been completely upset by the difficulties of transport. Consequently, it is necessary for proper observation to take the total transactions during the seven years from the 1st July, 1914, to the 30th June, 1921.

The figures for the decade before the war shew that an annual excess of exports of about £16,000,000 was required to meet the obligations of this community on account of interest and for shipping and other services performed for it by persons outside the Commonwealth. Loans since raised in London by the States, and the loans and advances made by the Imperial Government to the Commonwealth Government, have increased this annual liability by about eight millions sterling in 1921-22; the average increase on account of each of the seven years ending June, 1921, being about £5,000,000 over the pre-war liability, which added to the pre-war liability, represents an annual liability throughout the period mentioned of about £21,000,000. Up to the end of the year 1919-20 all claims had been fully met and there was at that time some accumulation of Australian funds in London. The excessive imports during 1920-21, after allowing for new loans, left an adverse balance on the trade of that year, of £26,069,000, whereas the liabilities for the year required an excess of exports of over £22,000,000; consequently the value of exports for the year was about £48,000,000 short of the amount required to pay for the imports and to meet the standing obligations on account of interest, etc. The position with regard to exchange arising from this adverse balance of trade is indicated by the selling price of "On demand" drafts

on London, which from December, 1920, was 37s. 6d. per £100. At no time since the establishment of the Commonwealth in 1901 had the price for similar drafts been so high. In 1916, as a result of drought, and the general dislocation due to the war, the price for some months was 25s. From 1905 to the outbreak of war the price never exceeded 15s. for more than a very brief period.

The action of the banks in restricting credit for importing purposes was so effective that the imports during 1921-22 were very substantially less than in the previous year with the result that the trade of 1921-22 closed with recorded excess of exports of £26,859,000. If to this recorded excess the sum of £38,500,000—representing an approximation of new external debt—be added there will be an actual excess of exports amounting to approximately £65,359,000 which combined with the shortage of the previous year gives an average excess for the two years of £19,145,000 per year, which would appear to be somewhat short of requirements. As already stated, however, the figures given in the accompanying tables relating to new debt are restricted to the transactions of the Governments of the Commonwealth and of the States, and so do not embrace all imports of capital. During the two years referred to there were an increasing number of immigrants who were not without capital. That the Commonwealth has, now, no unsatisfied foreign obligations, is shewn by the announcement of the associated banks that after the 8th September the selling price of "On demand" drafts on London will be reduced to a premium of 2s. 6d. per £100.

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

#### COMMONWEALTH BALANCE OF TRADE AND PUBLIC DEBT, 1867 TO 1922.

Period.	Annual Average.					
	Imports.	Exports.	Recorded Excess of		New Debt. (a)	Excess of Exports modified by elimination of Loans.
			Imports.	Exports.		
	Mill. £.	Mill. £.	Mill. £.	Mill. £.	Mill. £.	Mill. £.
1867-1871 .. ..	17.8	20.0	..	2.2	1.7	3.9
1872-1876 .. ..	23.4	24.6	..	1.2	2.6	3.8
1877-1881 .. ..	25.6	24.6	1.0	..	5.2	4.2
1882-1886 .. ..	35.8	26.8	9.0	..	10.6	1.6
1887-1891 .. ..	35.4	29.4	6.0	..	7.4	1.4
1892-1896 .. ..	25.6	33.0	..	7.4	3.8	11.2
1897-1901 .. ..	36.2	44.4	..	8.2	3.2	11.4
1902-1906 .. ..	39.6	55.2	..	15.6	0.8	16.4
1907-1911 .. ..	56.0	71.2	..	15.2	1.3	16.5
1912-1915-16 (4½ years) ..	75.5	73.5	2.0	..	10.0	8.0
1916-17-1920-21 (5 years) ..	100.7	115.0	..	14.3	7.4	21.7(b)
1921-22 .. ..	101.1	127.9	..	26.8	38.5	65.3

(a) 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 1892-6 is somewhat overstated. Loans raised by Local Government Bodies are not included. Loans for redemption purposes are not included, nor are loans from the Imperial Government for war purposes, the proceeds of which were spent abroad, and consequently did not affect Australian imports.

(b) Adjusted to eliminate defects of conversion of import values this figure would be 20.3.

### § 6. Direction of Trade.

1. Imports according to Country of Shipment.—In previous issues of this work it has been customary to give particulars of the value of imports according to countries whence the goods were shipped to Australia and, also, according to the countries where the goods were produced or manufactured. The records according to countries of shipment have been discontinued, and, in future the country of origin, only, will be shewn.

2. Imports according to Country of Origin.—The following table shews the value of the imports stated to be the produce or manufacture of the countries named. From

the accompanying table of percentages the relative proportions of the import trade of the Commonwealth, which have been supplied by the various countries, may be readily seen, together with the proportions furnished by the British Empire and by foreign countries respectively.

**IMPORTS INTO THE COMMONWEALTH FROM VARIOUS COUNTRIES,  
1909 TO 1920-21.**

Country of Origin.	Yearly Average for Quinquennial Periods.		1919-20.	1920-21.
	1909-1913.	1914-5/1918-9.		
	£	£	£	£
United Kingdom .. ..	33,894,332	32,110,652	38,516,436	76,849,934
British Possessions—				
Canada .. .. .	853,754	1,736,337	2,640,280	4,425,262
Ceylon .. .. .	805,892	1,218,002	1,675,443	838,340
India .. .. .	2,467,513	4,645,394	4,777,905	7,312,832
New Zealand .. ..	2,436,934	2,068,993	1,930,049	1,995,897
Pacific Islands—				
Fiji .. .. .	352,673	576,286	285,456	204,775
Territory of New Guinea	2,239	135,413	626,151	635,370
Other Islands .. ..	253,508	525,248	750,309	988,085
Papua .. .. .	78,676	119,064	218,006	325,773
South African Union ..	266,332	1,691,729	964,195	534,118
Straits Settlements ..	189,172	294,388	354,179	284,886
Other British Possessions ..	268,250	360,187	1,011,737	891,150
Total British Possessions	7,974,943	13,371,041	15,233,710	18,436,488
Total British Countries ..	41,869,275	45,481,693	53,750,146	95,286,422
Foreign Countries—				
Belgium .. .. .	1,000,134	97,849	276,940	1,929,647
China .. .. .	410,975	656,990	1,094,427	1,034,306
France .. .. .	2,104,773	1,582,135	2,422,304	3,597,811
Germany .. .. .	6,061,999	449,836	13,474	56,944
Italy .. .. .	530,130	632,095	581,038	828,217
Japan .. .. .	835,694	4,286,960	4,222,511	5,230,039
Netherlands .. .. .	401,569	310,881	196,712	613,926
Netherlands East Indies ..	1,102,679	1,963,900	8,313,874	8,798,957
Norway .. .. .	714,407	732,851	831,909	1,920,997
Pacific Islands .. ..	274,299	163,786	262,377	152,938
Philippine Islands .. ..	118,960	163,736	204,958	209,170
Sweden .. .. .	623,274	581,994	793,945	2,751,827
Switzerland .. .. .	1,078,555	1,226,345	959,826	2,016,156
United States of America ..	8,855,091	17,050,323	23,826,313	36,113,477
Other Foreign Countries ..	1,230,584	1,233,564	1,223,538	3,260,992
Total Foreign Countries ..	25,343,123	31,133,245	45,224,146	68,515,404
Total .. .. .	67,212,398	76,614,938	98,974,292	163,801,826

NOTE.—From the 30th June, 1914, the Trade Year was changed from the Calendar Year to agree with the Financial Year, consequently, there is a hiatus of six months between the two quinquennial periods shewn in the table.

3. Imports from the more Important Countries.—In the following paragraphs the imports from the more important countries are briefly reviewed. Space will not permit of any fuller treatment of the subject in this Year Book, but, all available information may be found in the annual publication relating to Trade and Customs and Excise Revenue of the Commonwealth, issued by the Bureau of Census and Statistics.

**COMMONWEALTH IMPORTS.—PERCENTAGES OF IMPORTS FROM EACH COUNTRY ON THE TOTAL IMPORTS, 1909 TO 1920-21.**

Country of Origin.	Yearly Average for Quinquennial Periods.		1919-20.	1920-21.
	1909-1913.	1914-5/1918-9.		
	per cent.	per cent.	per cent.	per cent.
United Kingdom .. ..	50.42	41.91	38.91	46.92
British Possessions—				
Canada .. ..	1.27	2.27	2.67	2.70
Ceylon .. ..	1.20	1.59	1.69	0.51
India .. ..	3.67	6.06	4.83	4.46
New Zealand .. ..	3.63	2.71	1.95	1.22
Pacific Islands—				
Fiji .. ..	0.52	0.75	0.29	0.12
Territory of New Guinea	0.00	0.18	0.63	0.39
Other Islands .. ..	0.38	0.68	0.76	0.60
Papua .. ..	0.12	0.15	0.22	0.21
South African Union .. ..	0.40	2.21	0.97	0.33
Straits Settlements .. ..	0.28	0.38	0.36	0.17
Other British Possessions ..	0.40	0.47	1.02	0.54
Total British Possessions	11.87	17.45	15.39	11.25
Total British Countries ..	62.29	59.36	54.30	58.17
Foreign Countries—				
Belgium .. ..	1.49	0.13	0.28	1.18
China .. ..	0.61	0.86	1.11	0.63
France .. ..	3.13	2.06	2.45	2.26
Germany .. ..	9.02	0.59	0.01	0.04
Italy .. ..	0.79	0.82	0.59	0.51
Japan .. ..	1.24	5.60	4.27	3.19
Netherlands .. ..	0.60	0.41	0.20	0.37
Netherlands East Indies ..	1.64	2.56	8.40	5.37
Norway .. ..	1.06	0.96	0.84	1.17
Pacific Islands .. ..	0.41	0.21	0.26	0.69
Philippine Islands .. ..	0.18	0.21	0.21	0.13
Sweden .. ..	0.93	0.76	0.80	1.68
Switzerland .. ..	1.60	1.60	0.97	1.23
United States of America ..	13.18	22.26	24.07	22.05
Other Foreign Countries ..	1.83	1.61	1.24	1.99
Total Foreign Countries ..	37.71	40.64	45.70	41.83
Total .. ..	100	100	100	100

**4. Imports of United Kingdom Origin.**—Although, mainly as the result of increased prices, the value of imports from the United Kingdom has increased, from an annual average of £33,894,332 for the quinquennium immediately preceding the war to £76,849,934 during the year 1920-21 or by 126 per cent., the share of the United Kingdom in the total import trade of the Commonwealth has fallen, during the same period, from 50.42 per cent. to 46.92 per cent. The results for the latest year, however, shew a very substantial recovery of the position which was lost through the war. A fuller reference to the positions of the United Kingdom and of the principal competing countries will be found in § 12 of this section. The values of the principal imports of United Kingdom origin are as follows:—

Ale and beer £155,775; apparel and textiles—apparel—blouses skirts etc. £159,318, boots and shoes, £126,399, corsets, £326,019, gloves, £220,969, hats and caps, £115,518, shirts, collars, etc., £250,431, socks and stockings, £1,277,047, trimmings, £300,446, other apparel, £1,210,484, textiles—piece goods—canvas and duck, £1,388,790, cotton—grey, unbleached, £764,096, white, bleached, £3,871,669, dyed or printed n.e.i., £3,530,697,

lace for attire, £539,220, linen n.e.i., £314,794, silk, £355,748, velvets, £227,143, woollens, £5,702,073, other piece goods, £1,832,726, sewing and embroidery silks, £1,364,666, other textiles, £2,872,167; arms, ammunition, and explosives, £1,633,444; bags, baskets, etc., £108,836; books and periodicals, £859,391; brushware, £200,289; cocoa and chocolate, £51,993; cordage, £247,695; drugs and chemicals—alkalis (soda), £512,933, cyanide of potassium, £83,086, dyes, £333,618, insecticides, etc., £48,853, medicines, £169,475, other drugs, etc., £1,265,640, earthenware, £674,585, electrical materials, £1,390,309; fancy goods, £380,615; fish, fresh and preserved, £351,197; glass, etc., £374,957; glue, gelatine, £15,185; indiarubber and manufactures, £677,556; instruments—musical, £81,476; surgical and dental, £94,190; jewellery and precious stones, £350,775; leather and manufactures, £268,779; machines and machinery—electrical, £1,087,416, machine tools, £849,189, motive power, £668,166, other, £2,141,230; metals, manufactures of—cutlery, £633,996, electrical and gas appliances, £689,384, iron and steel—pig iron, £15,077, bar, hoop, ingot, etc., £782,786, girders, beams, etc., £163,256, plate and sheet—corrugated, galvanized, £1,997,179, not corrugated, galvanized, £818,921, plain, not galvanized, £1,179,224, pipes and tubes, £1,613,732, rails, fishplates, etc., £6,466, tinned plates, plain, £3,394,911, tools of trade, £672,828, wire, £447,600, wire rope, hawsers, etc., £579,741, vehicles—bicycles, £216,634, motors, £995,920, other vehicles, £714,089, other metal manufactures, £3,866,718; mustard, £115,619; oils (not essential), £218,521, paints and varnishes, £396,645; paper, £2,168,439; photographic materials, £39,288; pickles, sauces, etc., £99,232; pipes, smoking, £219,622; soap, £33,679; spirits, £1,272,195; stationery, £505,198; tobacco, £117,370; wax matches, £73,251; yarns, £2,120,327. Total imports of United Kingdom origin, £76,849,934.

**5. Imports from British Possessions.**—The smaller proportion of the imports which were drawn from British Possessions during 1920–21, as compared with the immediately preceding years, was not due to any actual diminution in the value of the imports from those countries, but, was merely the result of the abnormal imports of manufactured goods of a kind which could be furnished, only, by the more highly industrial countries. In its contribution to Australian imports the most important of the British Possessions is India, and by far the most important item in the trade is jute bags. The imports from Canada shew a gradually increasing proportion and consist for the most part of highly manufactured goods of various kinds. The unusually large imports from South Africa during the quinquennium 1914–5 to 1918–9 was due to a large shipment of gold on account of the Imperial Government.

#### 6. Principal Imports, the Produce of British Possessions, 1920–21.—

(i) *Canada.* Apparel and textiles—corsets, £182,909; boots and shoes of rubber, £112,907, other, £171,511; carbide of calcium, £2,448; cutlery, £4,247; fish, £162,249; indiarubber and manufactures (excluding boots and shoes), £251,144; iron and steel—bar, rod, etc., £13,530; agricultural implements and machinery, £425,435; other machines and machinery, £82,510; metal manufactures, £185,814; musical instruments, £41,356; paints and varnishes, £16,081; paper—printing, £980,582; wrapping, £223,089; other paper, £157,915; pipes and tubes, wrought, £149,524; timber, £285,138; motor chassis, £595,180; other vehicles, £60,069; whisky, £16,637; wire, £31,821; wood and wicker manufactures, £26,118. Total imports of Canadian origin, £4,425,262.

(ii) *Ceylon.* Cocoa and chocolate, £31,550; coir fibre, £8,128; nuts, £49,834; rubber and manufactures, £56,122; tea, £635,625. Total imports of Cingalese origin, £838,340.

For some years past the greater part of the tea imported into Australia was from Ceylon, except during 1919–20, when Java was the principal source of supply.

(iii) *Egypt.* Cigarettes, £4,335; fruits, dried, £429; gums and resins, £29,114; Total imports of Egyptian origin, £37,528.

(iv) *Fiji.* Bananas, £84,649; copra, £436; fancy goods, £1,288; hides—cattle and horse, £8,060; nuts, £5,975; sugar—produce of cane, £79,244; molasses, £18,403. Total imports of Fijian origin, £204,775.

(v) *Hong Kong.* Ginger, £1,414; oils (in bulk), £1,930; ships, £25,000. Total imports of Hong Kong origin, £43,915.

(vi) *India.* Bags and sacks, £5,198,126; hessians, £437,237; precious stones, unset, £57,539; carpets, mats, etc., £81,732; coffee and chicory, £49,783; cordage and twine, £2,465; cotton, raw, £10,133; jute, £14,438; other unmanufactured fibres, £10,747;

gums and resins, £56,132; grain—beans and peas, £4,334; linseed, £517,528; oils—castor, £7,762; linseed, £8,918; other seeds, £14,596; rice, £166,946; rubber, £12,486; skins and hides, £70,473; spices, £22,118; tea, £230,873; timber, £62,094; wax, paraffin, £103,451; yarns, £52,498. Total imports of Indian origin, £7,312,832.

(vii) *New Zealand*. Apparel and textiles, £7,214; animals—cattle, £5,717, horses, £18,985, sheep, £8,583; beans and peas, £26,775; coal, £12,241; cordage and twine, £15,690; flax and hemp fibre, £242,186; fish, £42,291; gold bullion, matte, and ore, £3,027; hops, £18,085; implements and machinery (agricultural), £3,547; other machines and machinery, £9,098; linseed, £27,192; other seeds, £55,432; meats, £17,205; milk and cream, £2,433; oakum and tow, £37,477; oats, £603; oils, etc., £25,788; skins and hides, £421,806; timber, £879,981; vegetables, £1,829. Total imports of New Zealand origin, £1,995,897.

(viii) *Papua*. Copra, £265,936; curios, etc., £4,838; gold bullion, £361; fibres, flax and hemp, £8,475; copper ore, £603; silver, £5,732; rubber, £34,367. Total imports of Papuan origin, £325,773.

(ix) *South African Union*. Bark, tanning, £18,723; explosives, £213,203; feathers, £11,857; fibres, £38,763; hides and skins, £29,803; maize, £26,783; precious stones, £155,014. Total imports of South African origin, £534,118.

(x) *Straits Settlements*. Bamboo, clouded, £12,090; pitch and tar, £89; rubber and rubber manufactures, £120,079; spices, £37,530; sago and tapioca, £54,469; timber, £5,936. Total imports of Straits Settlements origin, £284,886.

(xi) *Territory of New Guinea*. Cocoa beans, £5,507; copra, £611,101; curios, fancy goods, etc., £13,245; rubber, £3,716. Total imports being the produce of the Territory of New Guinea, £635,370.

**7. Imports from Foreign Countries.**—The most striking features regarding the proportion of imports furnished by foreign countries are the elimination of German goods and the increases from the Netherlands East Indies, from Japan, and from the United States of America. The disappearance of German trade was due, of course, to war regulations. The higher proportion from the Netherlands East Indies was mainly due to heavy imports of sugar and tea. The increased trade of Japan and of the United States is referred to in § 12.

**8. Principal Imports, the Produce of Foreign Countries, 1920–21.**—(i) *Austria*. Trade with Austria was suspended on the outbreak of war, and the prohibition of imports was not removed until the 1st August, 1922.

(ii) *Belgium*. Apparel, £41,076; textiles, £325,458; arms, £22,481; precious stones, £90,991; drugs and chemicals, £207; glass and glassware, £84,118; machinery, £11,220; metal manufacturers—iron and steel—bar, rod, etc., £157,564; hoop, £10,696; plate and sheet, £57,836; wire, plain, £116,042; wire, barbed, £11,234; chassis for motor cars, £19,557; rails, fishplates, £15,154; wheels for railways and tramways, £12,418; other metal manufactures, £48,828; paper, £100,312; yarns, £12,022. Total imports of Belgian origin, £1,929,647.

(iii) *Brazil*. Cocoa beans, £3,515; india-rubber, £160,443; nuts, £10,332; waxes £9,490. Total imports of Brazilian origin, £195,450.

(iv) *Chile*. Soda nitrate, £82,573. Total imports of Chilean origin, £85,500.

(v) *China*. Alcoholic liquors, £11,236; apparel and textiles, £396,152; bamboo, cane, etc., £20,690; cotton, raw, £11,717; drugs and chemicals, £22,395; fireworks, £9,746; fish, £17,374; fruit, £13,104; ginger, £33,185; grass straw for hats, £30,911; rice, £141,272; nuts, £46,975; oils, £49,189; tea, £40,316; tobacco, £38,979. Total imports of Chinese origin, £1,034,306.

(vi) *Czecho-Slovakia*. Buttons, buckles, etc., £4,175; fancy goods, £12,270; glassware, £7,549; hops, £16,161; iron and steel, £39,391; jewellery, £8,277; musical instruments, £3,570; silk piece goods, £4,625. Total imports of Czecho-Slovakian origin, £110,047.

(vii) *Denmark*. Ale, beer, and spirits, £5,214; cement (Portland), £43,299; rennet, £11,424; whiting, £1,670. Total imports of Danish origin, £91,125.

(viii) *France*. Apparel and textiles, £1,806,666; brushware, £24,483; cream of tartar, £217,339; tartaric acid, £1,408; fancy goods, £76,176; iron and steel ingots, etc., £10,010; jewellery, £22,210; liquorice, £10,095; musical instruments, £20,323;

oils, essential, £26,178; olive oil, £58,193; pipes, smoking, etc., £100,424; paper and stationery, £109,027; perfumery, £14,542; perfumed spirits and bay rum, £43,679; rubber tyres, £130,963; toilet preparations, £83,051; leather, £36,947; machinery, £27,857; metal manufactures, £50,064; motor cars and parts, £138,210; seeds, £10,131; spirits, £199,118; wine, £146,836. Total imports of French origin, £3,597,811.

(ix) *Germany*. The trade with Germany was suspended on the outbreak of war and importation of German goods, except by permits granted by the Minister for Trade and Customs, was not again permitted until the 1st August, 1922. Since that date German pianos, toys, cotton gloves, and some other goods have been brought under the operation of the Customs Tariff (Industries Preservation) Act 1921 (see page 460 *ante*), because it was considered that the goods concerned were being sold at a price detrimental to Australian industries, or, to the trade of the United Kingdom.

(x) *Italy*. Apparel and textiles—buttons, buckles, etc., £39,367, gloves, £38,899, hats and caps, £83,300, piece goods—silk, £63,370, other, £20,586, other apparel and textiles, £10,518; chassis for motor cars, £115,362; flax and hemp, £49,195; grass straw for hats, £11,956; liquorice, £16,397; marble and stone, £69,748; millet straw £12,694; nuts—almonds, £21,920, other, £15,565; oils—essential, £43,779; olive oil, £9,542; rubber tyres, £23,279; cream of tartar, £29,622; tartaric acid, £21,934; wines, £5,238. Total imports of Italian origin, £828,217.

(xi) *Japan*. Apparel—buttons, buckles, etc., £85,045, hats and caps, £22,418, gloves, £3,803, hosiery and knitted articles, £47,686, socks and stockings, £101,136, shirts, collars, £95,715, other, £85,902; textiles—carpets, matting, £84,859; piece goods—canvas and duck, £48,491, cotton and linen, £892,963, silk, £1,581,739, quilts, etc., £15,104, other textiles, £128,139; bags, baskets, etc., £22,360; brushware, £35,417; cable and wire, covered, £7,444; carbide of calcium, £13; cement (Portland), £81,581; chinaware, £229,956; earthenware, £32,033; fancy goods, £137,608; fibres—cotton waste, £24,077; fish, £2,362; furniture, £3,788; timber, £239,094; wicker, bamboo and cane, £7,588; wood manufactures, £6,332; glass and glassware, £285,238; grass straw for hats, £42,652; instruments, musical, £27,482; metal manufactures—cutlery, £3,811, iron and steel, £7,928, electrical appliances, £103,871, enamelled ware, £4,460, wire—iron and steel, £5,985, wire—other, £1,344, lamps and lampware, £66,881, incandescent mantles, £1,936, leaf and foil of any metal, £6,932, locks, £20,908, nails, £4,457; tinned plates and sheets, £2,354, other, £39,810; matches, £12,954; nuts, £8,721; oils and waxes, £119,996; paper, £82,616; pipes, smoking, £10,253; seeds, £7,411; stationery, £24,033; rice, £4,185; spices, £5,172; sulphur, £12,034; tea, £6,680; yarns, £5,379; vegetables, £652. Total imports of Japanese origin, £5,230,039.

Further reference is made on a later page to the imports from Japan.

(xii) *Netherlands*. Cocoa and chocolate, £16,202; piece goods—cotton and linen, £29,616, woollen, £35,124, other, £6,990; precious stones, £77,846; drugs and chemicals, £14,824; electrical appliances, £100,525; spirits, £89,723; paper—printing, £123,976, strawboard, £22,296, other paper, £7,948. Total imports of Netherlands origin, £613,926.

(xiii) *Netherlands East Indies*. Bananas, £14,146; coffee and chicory, £31,400; drugs and chemicals, £15,367; fibres—kapok, £204,890, other, £32,012; hides, cattle, £13,125; nuts, £6,242; oils—kerosene, £262,002, lubricating mineral, £11,267, petroleum spirit, £2,316,517, residual oil, £377,151, turpentine substitutes, £78,167, other oils, £3,712, waxes, £10,629; rubber, crude, £105,854; sago and tapioca, £21,208; seeds, £9,058; tobacco, £104,514; tea, £563,343; sugar, £4,516,374; spices, unground, £26,785; timber, £28,454. Total imports of Netherlands East Indies origin, £8,798,957.

(xiv) *New Caledonia*. Copra, £14,697; maize, £1,802; manganese ore, £8,906; skins, £46,910; tallow, £6,354; timber, £8,687. Total imports of New Caledonian origin, £97,684.

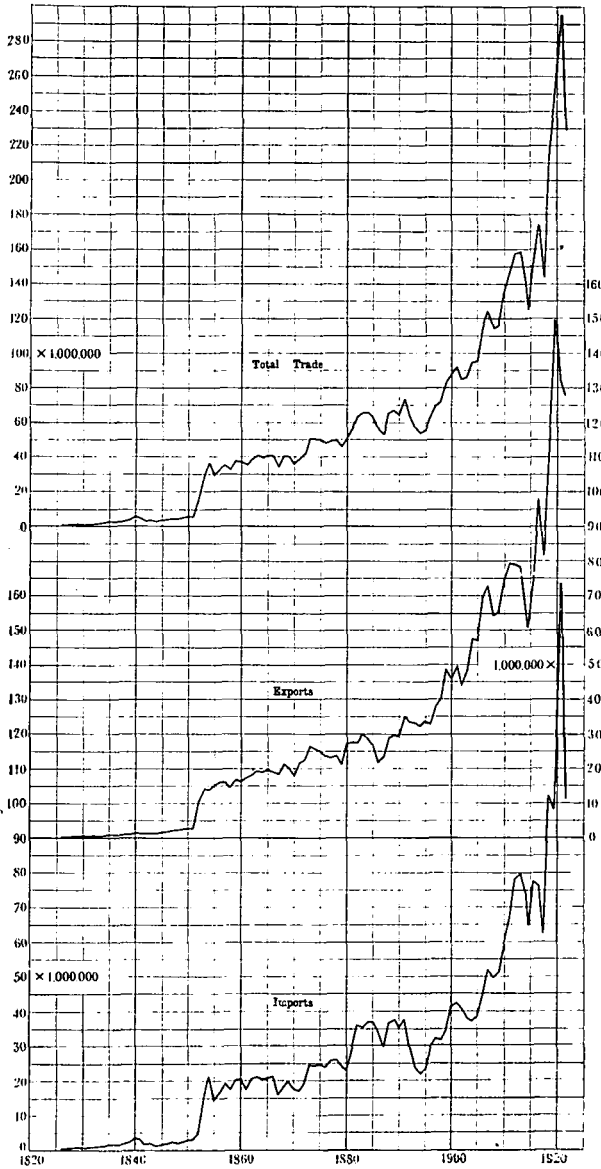
(xv) *Norway*. Drugs and chemicals, £41,977; fish, £192,894; machinery and manufactures of metals, £8,322; matches, £12,473; paper, £814,886; timber, £811,828; wood pulp, £16,369; ferrous alloys, etc., £6,639. Total imports of Norwegian origin, £1,920,997.

(xvi) *Peru*. Sugar, £315,800. Total imports of Peruvian origin, £316,312.

(xvii) *Philippine Islands*. Flax and hemp, £140,795; cigars, £29,471; tobacco, unmanufactured, £13,221; timber, £23,941. Total imports of Philippine Islands origin, £209,170.



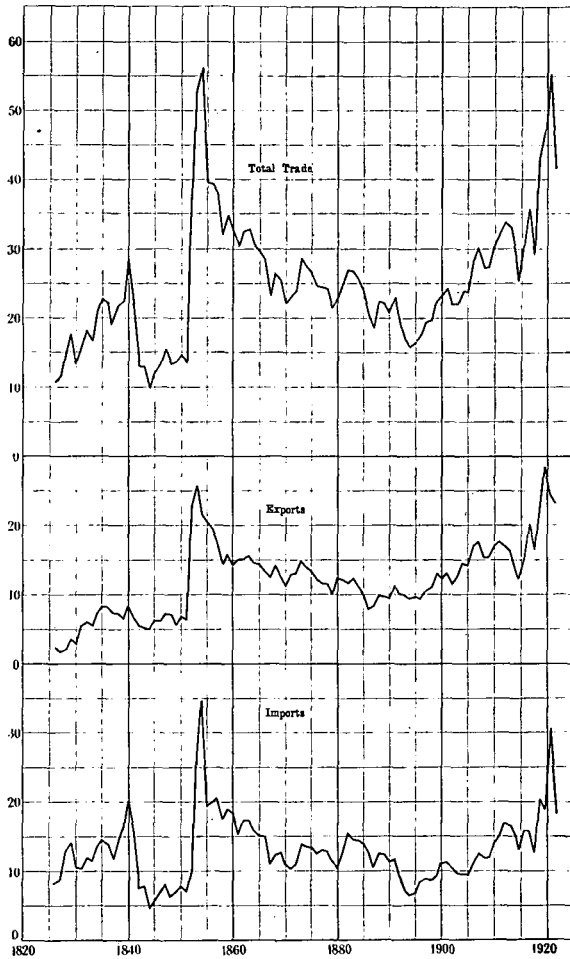
GRAPHS SHEWING VALUES OF TOTAL TRADE EXPORTS AND IMPORTS OF  
COMMONWEALTH. 1826 TO 1920-21.



(See page 463.)

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

GRAPHS SHEWING THE VALUES PER HEAD OF POPULATION OF TOTAL TRADE, EXPORTS AND IMPORTS OF COMMONWEALTH, 1826 TO 1920-21.



((See page 463.))

EXPLANATION OF GRAPHS.—The base of each square represents an interval of five years, and the vertical height £5 per head of the population.

(xviii) *Russia*. Brushware, £2,161; drugs and chemicals, £3,023; furs, £4,157; paper, £1,149; timber, £6,173. Total imports of Russian origin, £29,905.

(xix) *Spain*. Brandy, £29,219; cream of tartar, £15,139; corks, etc., £67,466; liquorice, £26,209; nuts, £13,561; olive oil, £6,897; gums, £13,739; quicksilver, £7,703; wine, £13,955. Total imports of Spanish origin, £218,142.

(xx) *Sweden*. Earthenware, glassware, etc., £9,670; calcium carbide, £3,941; cream separators, £216,712; other machines and machinery, £104,548; horseshoe nails, £30,059; primus stoves, £16,512; telephones, £27,123; tools of trade, £15,956; manufactures of metals, £269,930; Portland cement, £21,126; matches and vestas, £262,370; timber, £394,827; paper, £1,353,596; wood manufactures, £32,453; wood pulp, £184,809. Total imports of Swedish origin, £2,751,827.

(xxi) *Switzerland*. Apparel and textiles—trimmings, £538,396, piece goods—silk, £374,447, lace for attire, £180,951, other, £296,373; dyes—synthetic, £75,277; other drugs and chemicals, £16,707; electrical articles, £40,560; grass straw for hats, £53,669; machinery and metal manufactures, £87,241; surgical instruments, £6,721; talking machines, £17,581; watches, £292,156. Total imports of Swiss origin, £2,016,156.

(xxii) *United States of America*. Apparel—boots, shoes, etc., £50,339, corsets, £119,477, furs, dressed, £42,554, gloves, £249,558, hats and caps, £82,070, hosiery and knitted articles, £219,911, shirts, collars, etc., £71,028, socks and stockings, £1,162,497, trimmings, £33,101, other apparel, £218,764; textiles—floor coverings, £87,044, piece goods—canvas and duck, £348,346, cotton and linen, £945,683, other, £210,525, sewing silks, £118,196, other textiles, £74,223; arms, £109,172; ammunition and explosives, £177,688; bags, baskets, etc., £66,251; brushware, £72,886; cameras, £68,682; caramel, £37,355; clocks and watches, £176,950; cocoa and chocolate, £1,877; drugs and chemicals—cream of tartar, £52,854, drugs and medicinal preparations, £110,835, dyes, £41,738, medicines, £179,052, other, £856,591; electrical materials—accumulators, £57,768, arc lamps and carbons, £78,074, cable and wire, covered, £37,183; fancy goods, £108,325; fish, £82,249; fruit, £71,525; furniture, £61,545; glass and glassware, £249,435; hops, £180,755; rubber manufactures, £768,575; jewellery and precious stones, £42,670; kinematograph films, £205,851; leather, £545,833; meats, £211,606; milk, £15,187; machines and machinery—agricultural, £379,709, cream separators, £26,406, engines, £415,221, electrical, £777,014, machine tools, £534,016, sewing, £401,782, typewriters, £158,986, other, £1,571,649; metals and manufactures—bolts, nuts, £139,738, copper, plate and sheet, etc., £10,044, cutlery, £60,886, iron and steel—bars, ingots, hoops, etc., £183,854, girders, beams, £114,375, plate and sheet—corrugated, galvanized, £46,724, not corrugated, galvanized, £55,524, plain, not galvanized, £801,595, lampware, £171,186, nails, £55,816, pipes and tubes, £558,249, telephones, £162,356, tools of trade, £617,293, wire, £1,006,027; other, £5,086,309; musical instruments, £681,162; oils, fats, and waxes—benzine and gasoline, £1,669,764, kerosene, £1,270,909, lubricating oils and greases, £1,246,966, waxes, £29,261, turpentine, £332,317; paints and varnishes, £184,698; paper—printing, £333,783, wrapping, £37,361, writing and typewriting, £110,407, other, £459,766; perfumery and toilet preparations, £119,885; resin, £176,506; seeds, £31,616; soap, £63,607; soda—carbonate, £461, caustic, £56,407; stationery, £384,661; surgical and dental instruments, £121,451; talking machines, £104,528; timber, £2,196,341; tobacco, cigars, etc., £3,362,399; vehicles—motors and parts, £2,651,257; other vehicles and parts, £443,981; wood and wicker manufactures, £376,362; yarns, £55,853. Total imports of United States origin, £36,113,477.

The imports from America are again referred to on a later page.

9. *Direction of Exports*.—The following tables shew that, prior to the war, a constantly decreasing proportion of Australian exports was being consigned to the United Kingdom. This was not entirely due to the relatively smaller purchases of Australian produce by the United Kingdom, but was in some measure the effect of an increasing tendency towards direct shipment of wool, skins, etc., to the consuming countries—notably to Belgium, France, and Germany—instead of distributing the trade through London as formerly. The figures given below, however, do not, even for the later pre-war years, denote the total purchases by European countries of Australian produce, as large quantities were still distributed from London. The reservation to the United Kingdom of the first call on our primary products increased the proportion of our

exports which was shipped to that country during the war period, and, to a greater extent, the proportion shipped to other parts of the Empire, notably to Egypt and to India. Large shipments of wheat to Belgium and to France during 1920-21 have caused the proportion of exports to move somewhat towards the pre-war distribution.

### TRADE OF THE COMMONWEALTH WITH VARIOUS COUNTRIES, 1899 TO 1920-21.

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

Country.	Yearly Average for Quinquennial Periods.				Year 1920-21.
	1899-1903.	1904-8.	1909-13.	1914-5/1918-9.	
	£	£	£	£	£
United Kingdom ..	23,432,513	30,114,565	34,028,258	45,839,346	67,519,740
British Possessions—					
Canada .. ..	67,776	201,832	125,942	1,835,850	154,899
Ceylon .. ..	2,223,487	4,050,826	3,194,757	330,221	299,131
Egypt .. ..	..	..	..	3,019,571	6,607,172
Fiji .. ..	205,731	284,636	402,877	442,794	732,251
Hong Kong ..	403,776	747,025	741,365	654,371	866,839
India .. ..	2,348,420	2,828,280	2,231,306	4,492,414	2,193,006
Mauritius ..	40,425	46,378	32,424	16,650	117,554
New Zealand ..	1,432,227	2,060,900	2,385,078	3,525,124	7,780,763
Papua .. ..	48,720	50,174	120,401	165,559	292,851
South African Union	4,276,976	2,065,014	1,799,435	1,995,940	3,049,507
Straits Settlements	105,824	391,409	834,156	853,765	2,121,090
Other British Possessions	41,941	70,843	75,913	331,435	1,701,305
Total British Possessions	11,195,303	12,797,317	11,943,654	17,663,694	25,916,368
Total British Countries	34,627,816	42,911,882	45,971,912	63,503,040	93,436,108
Foreign Countries—					
Argentine Republic ..	25,398	40,094	126,142	22,491	7,484
Belgium .. ..	1,667,396	3,930,612	6,172,958	182,053	6,845,925
Chile and Peru .. ..	299,097	624,168	616,704	241,512	227,037
China .. ..	237,376	340,726	161,527	180,913	328,087
France .. ..	2,754,889	5,686,867	8,183,825	2,159,912	6,409,862
Germany .. ..	2,549,266	5,140,556	6,938,358	96,001	1,457,119
Italy .. ..	159,017	207,218	525,903	2,321,900	2,547,810
Japan .. ..	198,434	869,350	1,194,271	3,262,745	3,117,572
Netherlands .. ..	107,914	299,231	298,879	8,274	1,264,530
Netherlands East Indies	164,356	233,171	562,014	1,138,946	2,568,619
Norway .. ..	61,192	4,624	2,039	163,702	170,532
Pacific Islands .. ..	789,966	442,050	631,465	778,687	757,541
Philippine Islands ..	229,414	463,283	525,443	453,967	420,870
Spain .. ..	15,383	59,264	23,540	91,232	287,669
Sweden .. ..	b	4,219	4,888	146,595	136,500
United States of America	3,270,940	2,483,637	2,067,313	9,807,368	9,965,575
Other Foreign Countries..	183,210	499,050	1,375,239	1,184,577	2,210,072
Total Foreign Countries	12,653,248	21,328,120	29,410,508	22,240,875	38,722,804
Total .. ..	47,281,064	64,240,002	75,382,420	85,743,915	132,158,912

(a) In previous years included with "Other Foreign Countries." The amounts were—1899-1903, £51,501; 1904-8, £136,496; 1909-13, £203,073. (b) Norway and Sweden combined for these years.

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, 1899 TO 1920-21.**

Country.	Yearly Average for Quinquennial Periods.				1920-21.
	1899-1903.	1904-8.	1909-13.	1914-5/1918-9.	
United Kingdom ..	per cent. 49.56	per cent. 46.88	per cent. 45.14	per cent. 53.46	per cent. 51.10
British Possessions—					
Canada .. ..	0.14	0.31	0.17	2.14	0.12
Ceylon .. ..	4.70	6.32	4.24	0.38	0.22
Egypt .. ..	..	..	..	(a)3.52	5.01
Fiji .. ..	0.44	0.44	0.53	0.52	0.53
Hong Kong ..	0.85	1.16	0.98	0.76	0.65
India .. ..	4.97	4.40	2.96	5.24	1.66
Mauritius ..	0.09	0.07	0.04	0.02	0.09
New Zealand ..	3.03	3.21	3.16	4.11	5.90
Papua .. ..	0.10	0.08	0.16	0.19	0.22
South African Union ..	9.05	3.21	2.39	2.33	2.31
Straits Settlements ..	0.22	0.61	1.11	1.00	1.61
Other British Possessions	0.09	0.11	0.10	0.39	1.29
Total British Possessions	23.68	19.92	15.84	20.60	19.61
Total British Countries	73.24	66.80	60.98	74.06	70.71
Foreign Countries—					
Argentine Republic ..	0.05	0.06	0.17	0.03	0.00
Belgium .. ..	3.53	6.12	8.19	0.21	5.18
Chile and Peru ..	0.63	0.97	0.82	0.28	0.17
China .. ..	0.50	0.53	0.20	0.21	0.25
France .. ..	5.83	8.85	10.86	2.52	4.86
Germany .. ..	5.39	8.00	9.21	0.11	1.10
Italy .. ..	0.34	0.32	0.70	2.70	1.93
Japan .. ..	0.42	1.35	1.58	3.81	2.36
Netherlands ..	0.23	0.47	0.40	0.01	0.96
Netherlands East Indies	0.35	0.36	0.74	1.33	1.94
Norway .. ..	0.00(b)	0.01	0.60	0.19	0.12
Pacific Islands ..	1.67	0.69	0.84	0.91	0.57
Philippine Islands ..	0.49	0.72	0.70	0.53	0.32
Spain .. ..	0.03	0.09	0.03	0.11	0.21
Sweden .. ..	(b)	0.01	0.01	0.17	0.10
United States of America	6.92	3.87	2.74	11.44	7.55
Other Foreign Countries..	0.38	0.78	1.82	1.38	1.67
Total Foreign Countries	26.76	33.20	39.02	25.94	29.29
Total .. ..	100	100	100	100	100

(a) See note to preceding table.

(b) Norway and Sweden combined for these years.

10. Exports to the United Kingdom.—The principal exports to the United Kingdom during the year 1920-21 were as follows :—Butter, £10,285,213 ; cheese, £476,978 ; coconut oil, £90,384 ; copra, £212,176 ; eggs, £48,328 ; eucalyptus oil, £67,793 ; fruits—apples, £365,128, other fresh, £42,817, dried, £528,540, preserved in liquid and pulped, £166,659 ; grain and pulse—beans and peas, £29,212, wheat, £16,614,972, flour, £1,375,649 ;

hair, £26,572; honey, £333; jams and jellies, £235,650; jewellery and precious stones, £80,832; lard, etc., £75,495; leather, £485,606; meat—frozen beef, £3,302,283, mutton, £595,309, lamb, £797,870; rabbits and hares, £422,969, other frozen meat, £163,660, potted meat, £56,051, meat, preserved in tins, £280,297; milk, £240,569; minerals and metals—copper—ingots, £1,999,586, ore, £13,978, lead, £571,992, tin—ingots, £339,260, zinc—concentrates, £81,734, bars, blocks, etc., £112,343, antimony, £6,565, cobalt, £20,210, molybdenite, £40,940, wolfram, £2,927; pearl shell, £218,134; silver, £22,650; silver—lead, ores and concentrates, £13,449; skins—cattle, hides, £149,861, rabbit and hare, £499,680, sheep, £1,005,711, other skins, £291,454; spirits, £137,704; stearine, £41,964; tallow, £730,127; timber, £181,521; vessels, £390,675; wine, £188,159; wool—greasy £17,253,513, scoured, £4,444,445. tops, £191,480. Total exports of Commonwealth produce to the United Kingdom, £66,507,778.

11. **Principal Exports to British Possessions, 1920–21.**—(i) *Canada.* Dried fruits £3,550; hides and skins—sheep, £17,826, other, £14,158; jams and jellies, £2,433; meats—sausage casings, £1,905, other, £1,180; wool, including tops, £79,588. Total exports of Commonwealth produce to Canada, £139,068.

(ii) *Ceylon.* Butter, £29,829; coal, £22,312; flour, £11,691; jams and jellies, £11,258; lard, £10,641; meats, £52,482; milk, £2,078; precious stones, £8,603; timber, £3,685; gold specie, £99,063. Total export of Commonwealth produce to Ceylon, £290,598.

(iii) *Egypt.* Butter, £42,667; coal, £107,430; flour, £1,572,243; fruits preserved in liquid, £1,455; jams and jellies, £2,952; leather, £4,116; meats—frozen—beef, £207,643, mutton, £61,797, other, £7,444; milk, £28,374; timber—undressed, £55,800; wheat, £4,460,287. Total exports of Commonwealth produce to Egypt, £6,606,601.

(iv) *Fiji.* Apparel and textiles—apparel, £42,695, textiles, £54,858; bags, sacks, and cordage, £13,104; beverages—non-alcoholic, £11,001; biscuits, £43,206; coal, £39,686; drugs and chemicals—fertilizers, £22,186, other, £12,954; grain, prepared—bran and pollard, £42,570, flour, £30,974; machines and machinery, £45,506; metal manufactures, £62,313; oils, fats, and waxes, £15,344; silver specie, £6,500; spirits and alcoholic liquors, £40,408; soap, £5,276; timber, undressed, £17,232; tobacco, £25,775; vehicles, £4,638; vessels, £36,750. Total exports of Commonwealth produce to Fiji, £491,019.

(v) *Hong Kong.* Butter, £62,127; coal, £13,758; precious stones, £9,621; fish, £83,941; flour, £9,364; gold specie, £198,126; leather, £59,258; meats, £54,681; milk and cream, £26,454; sandalwood, £111,730; soap, £6,861; vessels, £165,955. Total exports of Commonwealth produce to Hong Kong, £690,603.

(vi) *India.* Biscuits, £3,295; butter and cheese, £16,051; boots and shoes, £3,140; precious stones, £12,343; coal, £82,676; copper ingots, £195,510; fruits, fresh and preserved, £19,579; gold, £1,163,822; horses, £127,891; hay and chaff, £7,793; grain and pulse—wheat, £10,165; jams and jellies, £83,639; leather, £14,962; meats, £33,252; milk, £29,790; tallow, £73,687; timber, £88,650; wool, greasy, £30,064, scoured, £15,134. Total exports of Australian produce to India, £2,164,605.

(vii) *New Zealand.* Apparel and textiles, etc.—boots and shoes, £483,328, other apparel, £298,747, textiles, £208,015, bags and sacks, £11,951; bags, baskets, £38,204; cordage, £11,934; armas, ammunition, etc., £36,195; bark, tanning, £39,356; biscuits, £11,260; books and periodicals, £77,190; cameras, cinematographs and films, talking machines, etc., £47,307; photographic goods, £30,851; coal, £759,809; confectionery, £102,955; drugs and chemicals—fertilizers, £251,238, medicines, £70,295, other drugs, etc., £201,813; electrical materials, £76,157; fibres, £13,777; fodders, £5,504; fruit—fresh, £84,059, dried, £129,539, preserved in liquid, £37,357; furniture, £19,084; glass and glassware, £122,168; grain—barley, £26,849, flour, £2,519, maize, £26,740, oats, £10,878, rice, £50,386, wheat, £174,413; hides and skins, £10,654; horses, £15,289; india-rubber manufactures, £532,019; iron, bar, £166,128; jewellery, £35,858; precious stones, £83,639; lead, pig, £33,631; leather and leather manufactures, £178,710;

matches, £23,323; agricultural implements and machinery, £20,105; other machines and machinery, £253,079; other manufactures of metals, £550,075; vehicles and parts, £54,660; milk, £16,518; oils, etc., £153,215; onions, £20,748; paints, varnishes, £152,432; plants, trees and bulbs, £6,422; paper, £58,787; peel, £14,643; seeds, £19,873; sheep, £10,934; soap, £35,232; specie, silver, £3,380; spirits, £99,977; stationery, £128,019; sugar, £124,612; tea, £45,016; timber, £510,530; tin, ingots, £39,250; tobacco, £314,474; wine, £91,804; wood and wicker articles, £60,674. Total exports of Australian produce to New Zealand, £6,271,739.

(viii) *Papua*. Apparel and textiles, £25,936; beans and peas, £10,933; biscuits, £4,328; butter, £4,983; coal, £1,915; fish, £3,314; flour, £12,269; machinery and manufactures of metal, £58,180; meats, £12,747; oils, etc., £18,587; rice, £8,333; sugar, £8,176; timber, £14,261; tobacco, £24,504. Total exports of Australian produce to Papua, £163,449.

(ix) *South African Union*. Animals—sheep, breeding, £119,557; bags, baskets, £10,057; butter, £1,517; cheese, £616; boots and shoes, £102,917; apparel, other, £21,460; cordage and twine, reaper and binder, £946; other, 33,664; fruits—dried, £12,118; grain—wheat, £593,432, flour, £999,340; infant's food, £33,378; jams and jellies, £10,108; lard, £9,204; leather, £77,494; machinery and manufactures of metal, £67,275; malt, £36,916; meats, preserved, in tins, £12,254; milk and cream, £248,555; rails, fishplates, etc., £27,013; seeds, £3,155; soap, £29,297; tallow, unrefined, £98,973; timber, £357,261. Total exports of Commonwealth produce to South African Union, £3,025,402.

(x) *Straits Settlements*. Biscuits, £17,728; butter, £78,856; cheese, £9,074; confectionery, £10,118; coal, £192,328; fruits, fresh and preserved, £14,838; gold, specie, £264,166; grain, flour, £186,268; infants and invalids' foods, £8,066; iron and steel, bar, etc., £1,314; jams and jellies, £7,890; leather, £38,616; living animals, £18,795; machines and machinery—mining, £23,419, other, £142,489; meats, £182,945; milk and cream, £669,134; rails, fishplates, £63,985; sandalwood, £35,191; soap, £14,869. Total exports of Commonwealth produce to Straits Settlements, £2,057,033.

(xi) *Territory of New Guinea*. Ale, beer, £50,029; apparel, £31,703; biscuits, £4,698; textiles, £69,573; fibres, £759; fish, £10,767; machinery and manufactures of metals, £72,756; meats, £25,919; oils, £37,609; rice, £45,896; silver, specie, £29,720; tobacco, £44,837. Total exports of Commonwealth origin to Territory of New Guinea, £268,747.

## 12. Principal Exports to Foreign Countries, 1920–21 :—

(i) *Argentine Republic*. Agricultural implements and machinery, £4,654; seeds, £458; wood manufactures, £1,016. Total exports of Commonwealth produce to Argentine Republic, £7,462.

(ii) *Austria*. The Proclamation prohibiting exports to Austria during the war was revoked on the 2nd December, 1920. During 1920–21 wool valued at £178,552 was exported to Austria.

(iii) *Belgium*. Copra, £25,980; grain—barley, £171,846; wheat, £3,221,609; flour, £23,393; hides and skins, £60,178; silver and silver lead ore, £31,324; tallow, £84,944; wool—greasy, £1,289,729; scoured, £1,090,790; zinc—blocks, etc., £18,800, concentrates, £142,762. Total exports of Commonwealth produce to Belgium, £6,805,840.

(iv) *Chile*. Coal, £196,741; coke, £9,181. Total exports of Commonwealth produce to Chile, £206,852.

(v) *China*. Butter, £91,173; coal, £10,251; copper ingots, £16,954; flour, £1,440; jams and jellies, £23,306; leather, £28,261; bacon and hams, £15,837; other meats, £16,115; sandalwood, £39,798; tallow, £3,706; timber, £39,682; tin—ingots, £2,538. Total exports of Australian produce to China, £316,831.

(vi) *France*. Precious stones, £67,153; barley, £74,189; copra, £29,634; copper—ingots, £5,000, ores, £47,924; meats, £15,503; hides and skins, £128,078; tallow, unrefined, £3,775; wheat, £4,650,639; wool, £1,357,358. Total exports of Commonwealth produce to France, £6,374,554.

(vii) *Germany*. The Proclamation prohibiting exports to Germany during the war was revoked on the 2nd December, 1920. During 1920–21 Australian produce was exported to Germany, the principal items being—wheat, £1,450,102; wool, £364,196; hides, £21,312.

(viii) *Italy*. Copra, £20,437; hides and skins, £63,418; fur, hatters, £21,507; tallow, £98,281; meats, £71,852; wheat, £1,081,671; wool, £1,164,280. Total exports of Commonwealth produce to Italy, £2,508,446.

(ix) *Japan*. Bark, tanning, £6,439; bones, £22,110; butter, £12,204; infants' and invalids' food, £53,499; iron and steel girders, £33,455; hoofs and horns, £12,024; glue pieces and sinews, £2,255; grain—malt, £22,318, flour, £8,603, wheat, £3,376; hides and skins, cattle, £6,405, rabbit and hare, £55,069; fur, hatters', £6,438, other skins, £144; lead, pig, £32,200; manures, £20,908; milk and cream, £14,193; pearl shell, £940; trochus shell, £41,606; specie, gold, £264,166; tallow, £247,453; wool and tops, £2,107,473. Total exports of Commonwealth produce to Japan, £3,072,668.

(x) *Netherlands*. Copra, £205,742; wheat, £930,936. Total exports of Commonwealth produce to the Netherlands, £1,056,209.

(xi) *Netherlands East Indies*. Ale and beer, £39,772; apparel, textiles, etc., £42,947; bacon and hams, £98,084, other meats, £23,698; butter, £374,628; biscuits, £89,591; cattle, £22,334; coal, £422,213; coke, £10,116; confectionery, £12,340; grain; etc.—barley, £624, flour, £344,480, oats, £33,518, other, £31,237; fertilizers, ammonium sulphate, £98,809; fruits, fresh, £18,076, fruit juices, £9,245; gold, specie, £203,371; lard, £14,148; horses, £15,375; jams and jellies, £17,140; leather and manufactures, £126,710; milk and cream, £198,104; machinery, mining, £857, other, £20,400, metal manufactures, iron—bar and ingots, £49,468; nails, £9,749, rails, fishplates, £2,480, vehicles, £3,331, other, £73,050; soap, £28,126; wine, £3,207. Total exports of Commonwealth produce to Netherlands East Indies, £2,529,310.

(xii) *New Caledonia*. Apparel, £17,456; textiles, £18,705; coal, £29,630; coke, £78,101; drugs and chemicals, £11,846; flour, £77,665; leather, £4,052; machinery and manufactures of metal, £31,600; oils, greases, etc., £16,440; potatoes, £5,916; sugar, £42,277; wine, £2,354; tobacco, £16,712. Total exports of Commonwealth produce to New Caledonia, £295,128.

(xiii) *Norway*. Coal, £30,707; wheat, £129,905. Total exports of Commonwealth produce to Norway, £169,464.

(xiv) *Peru*. Coal, £17,190; coke, £2,981. Total exports of Commonwealth produce to Peru, £20,174.

(xv) *Philippine Islands*. Butter, £45,002; coal, £111,488; flour, £65,270; fodder, £5,933; jams and jellies, £2,545; leather, £10,483; meats—bacon and hams, £47,936, beef, £56,032, other meats, £18,600; vegetables, £9,190. Total exports of Commonwealth produce to Philippine Islands, £419,544.

(xvi) *Sweden*. Coal, £90,512; mutton, £29,805; wool, £6,325. Total exports of Commonwealth produce to Sweden, £135,183.

(xvii) *United States of America*. Coal, £29,865; copra, £357,610, copper—ingots and matte, £202,166; eggs in shell, £21,958; fruits, dried, £100,055; hides, £97,811; iron and steel, pig, £10,526; jams and jellies, £113,242; lead, pig, £66,391; leather, £13,748; platinum, crude, £63,866; sausage casings, £133,195; oil, eucalyptus, £22,792; pearlshell, £100,087; skins—rabbit and hare, £397,297; opossum, £356,063, other, £225,479; tallow, £6,981; timber, £17,473; tin—ingots, £114,596; vessels, £98,287; wool and tops, £3,836,937; gold, specie, £3,183,340. Total exports of Commonwealth produce to United States of America, £9,284,515.



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

1. Trade with Eastern Countries.—The following tables shew the expansion in the value of exports from the Commonwealth to Eastern countries since the inception of the Commonwealth in 1901. The principal countries concerned in this trade are China, India, Ceylon, Japan, East Indies, 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 1920-21.

Article.	1901.	1909-1913.	1914-15- 1918-19.*	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
Antimony .. .. .	..	100	5,665	1,313	1,099	160
Biscuits .. .. .	5,980	20,611	118,949	208,495	165,584	127,573
Butter .. .. .	64,838	200,107	370,979	659,743	1,066,694	700,283
Cheese .. .. .	4,662	2,229	29,224	41,706	61,862	30,104
Coal .. .. .	155,120	275,430	108,264	85,792	247,147	863,165
Concentrates—						
Silver and silver-lead .. .. .	..	..	22,679	..	..	..
Zinc .. .. .	..	180	200,201	158,557	37,310	..
Copper .. .. .	39,375	54,994	302,967	280,598	729,041	212,646
Grain and Pulse—						
Wheat .. .. .	46,685	74,181	460,176	1,997,299	2,389,191	13,881
Flour .. .. .	135,092	609,065	823,631	1,811,476	4,057,560	628,274
Other (prepared and unprepared) .. .. .	4,806	18,216	90,237	289,854	210,079	109,465
Hay, chaff, and compressed fodder .. .. .	13,081	41,871	29,657	19,542	36,190	24,659
Horses .. .. .	101,866	177,774	326,824	176,249	121,857	154,235
Iron and steel (unmanufactured) .. .. .	74	2,111	82,391	314,776	301,612	67,961
Jams and jellies .. .. .	5,708	6,620	163,932	155,377	128,688	158,092
Lead, Pig .. .. .	10,454	308,492	544,817	681,473	580,724	32,701
Leather .. .. .	13,197	41,757	130,847	229,695	346,510	282,738
Meats .. .. .	194,071	273,962	850,168	1,531,192	526,277	587,907
Milk and cream .. .. .	5,627	12,327	283,492	697,311	901,343	944,021
Pearl shell and trochus shell .. .. .	20,440	410	39,634	70,007	209,657	43,880
Sandalwood .. .. .	77,237	59,473	98,071	138,468	266,945	194,591
Skins, hoofs, horns, bones, sinews, tallow .. .. .	16,419	79,023	220,918	464,544	947,271	430,270
Sulphate of ammonia .. .. .	..	19,780	146,425	325,793	204,759	126,639
Tin ore .. .. .	4,096	298,723	134,038	..	..	2,735
Timber, undressed .. .. .	79,915	319,924	39,541	5,258	29,834	151,059
Wool .. .. .	56,618	539,003	2,011,103	1,481,315	2,014,820	2,161,707
Other merchandise .. .. .	170,872	346,635	998,566	2,235,562	1,755,816	1,672,387
Total merchandise .. .. .	1,226,213	3,783,045	8,633,446	14,111,385	17,337,870	9,730,133
Specie and gold and silver bullion .. .. .	3,339,953	5,665,514	2,739,969	4,854,609	6,252,767	2,192,714
Total exports .. .. .	4,566,166	9,448,562	11,373,415	18,965,994	23,570,637	11,922,847

The following tables shew the value of the principal articles exported to each of the undermentioned Eastern countries during the year 1901 and from 1909 to 1920-21 :—

VALUE OF COMMONWEALTH EXPORTS OF MERCHANDISE TO PRINCIPAL  
EASTERN COUNTRIES, 1901 TO 1920-21.

Country.	1901.	1909-1913.	1914-15- 1918-19.*	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
China .. .. .	33,906	131,318	177,433	313,908	406,850	328,087
East Indies .. .. .	204,315	552,935	1,143,488	2,045,840	2,878,615	2,372,881
Hong Kong .. .. .	31,853	737,595	401,463	685,256	1,406,924	668,713
India and Ceylon .. .. .	417,291	904,270	2,379,594	4,452,771	1,571,885	1,229,252
Japan .. .. .	123,355	525,443	3,233,735	3,846,901	7,229,424	2,853,406
Philippine Islands .. .. .	302,086	688,278	453,938	653,653	1,061,360	420,870
Straits Settlements .. .. .	113,407	243,209	843,765	1,513,036	2,782,812	1,856,924
Total .. .. .	1,226,213	3,783,048	8,633,446	14,111,385	17,337,870	9,730,133

\* Annual average for the quinquennial period.

## BUTTER.

Country.	1901.	1909-1913.	1914-15- 1918-19.*	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
China .. ..	1,987	23,175	43,174	56,271	89,217	91,173
East Indies ..	12,172	75,813	218,508	424,458	564,585	374,999
Hong Kong ..	8,555	22,010	23,674	28,618	66,197	62,127
India and Ceylon	9,696	10,353	10,136	10,168	38,485	35,922
Japan .. ..	1,504	5,680	1,758	1,170	55,126	12,204
Philippine Islands	21,061	34,581	23,596	48,658	91,040	45,002
Straits Settlements	9,863	28,495	50,133	90,400	162,044	78,856
Total ..	64,838	200,107	370,979	659,743	1,066,694	700,283

The exports of butter given above for the year 1920-21 were shipped from the several States as follows:—New South Wales, £178,568; Victoria, £452,034; Queensland, £69,649; Western Australia, £32.

## COAL.

Country.	1901.	1909-1913.	1914-15- 1918-19.*	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
China .. ..	..	2,573	..	..	..	10,251
East Indies ..	43,280	80,119	39,440	31,533	73,303	422,213
Hong Kong ..	7,653	4,684	1,343	6,079	2	13,758
India and Ceylon	17,639	37,120	26,810	14,438	15,258	105,488
Japan .. ..	1	12	..	..	3,473	7,639
Philippine Islands	59,936	78,130	14,318	8,568	56,743	111,488
Straits Settlements	26,611	72,842	26,352	25,174	98,368	192,328
Total ..	155,120	275,480	108,263	85,792	247,147	863,165

These exports of coal are chiefly from New South Wales.

## COPPER.

Country.	1901.	1909-1913.	1914-15- 1918-19.*	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
China .. ..	..	19,260	375	1,876	59,981	16,954
East Indies ..	..	64	..	..	1,848	2
Hong Kong ..	..	5,796	2,959	..	..	..
India and Ceylon	39,375	26,512	298,027	270,695	276,840	195,510
Japan .. ..	..	2,378	1,606	8,027	390,372	..
Philippine Islands	..	106	..	..	..	..
Straits Settlements	..	878	..	..	..	..
Total ..	39,375	54,994	302,967	280,598	729,041	212,466

The copper exported to the East during 1920-21 was shipped from New South Wales, £212,464; and Queensland, £2.

\* Annual average for the quinquennial period.

## GRAIN AND PULSE.—WHEAT.

Country.	1901.	1909-1913.*	1914-15- 1918-19*.	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
China .. ..	..	6	..	..	..	..
East Indies .. ..	9	18	15	48	57,716	173
Hong Kong .. ..	..	3	..	..	6	..
India and Ceylon .. ..	35,660	4,687	325,755	1,573,608	402,662	10,306
Japan .. ..	11,016	62,683	133,820	422,028	1,924,723	3,376
Philippine Islands .. ..	..	6,776	24	71	..	26
Straits Settlements .. ..	..	8	566	1,544	4,084	..
Total .. ..	46,685	74,181	460,180	1,997,299	2,389,191	13,881

The exports of wheat given for the year 1920-21 were shipped from the following States :—New South Wales, £52 ; Victoria, £13,711 ; South Australia, £118.

## GRAIN AND PULSE.—FLOUR.

Country.	1901.	1909-1913.*	1914-15- 1918-19*.	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
China .. ..	1,147	11,416	8,507	13,873	20,183	1,440
East Indies .. ..	82,566	275,516	265,084	508,071	802,968	345,561
Hong Kong .. ..	4,489	22,793	60,591	226,971	591,734	9,364
India and Ceylon .. ..	22,275	34,367	56,761	256,337	174,562	11,768
Japan .. ..	7,206	4,387	14,043	18,743	464,922	8,603
Philippine Islands .. ..	4,046	124,960	227,201	412,642	683,698	65,270
Straits Settlements .. ..	13,363	135,626	191,496	374,839	1,319,493	186,268
Total .. ..	135,092	609,065	823,683	1,811,476	4,057,560	628,274

The flour exported during 1920-21, as above, was shipped from the several States as follows :—New South Wales, £213,313 ; Victoria, £219,842 ; Queensland, £51 ; South Australia, £36,344 ; Western Australia, £158,724.

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

Country.	1901.	1909-1913.*	1914-15- 1918-19*.	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
China .. ..	43	477	1,690	5,028	474	3,365
East Indies .. ..	..	1,738	10,133	41,378	67,689	65,209
Hong Kong .. ..	777	76	1,515	5,663	6,760	5,426
India and Ceylon .. ..	3,033	8,708	18,759	25,532	17,222	6,804
Japan .. ..	7	58	47,854	191,767	106,499	22,346
Philippine Islands .. ..	946	6,151	5,317	7,518	2,326	2,454
Straits Settlements .. ..	..	1,008	4,969	12,968	9,109	3,861
Total .. ..	4,806	18,216	90,237	289,854	210,079	109,465

The exports given above for 1920-21 were shipped from the following States :—New South Wales, £6,660 ; Victoria, £70,626 ; Queensland, £1 ; South Australia, £593 ; Western Australia, £31,585.

\* Annual average for the quinquennial period.

## HAY AND CHAFF, AND COMPRESSED FODDER.

Country.	1901.	1909-1913.*	1914-15- 1918-19.*	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
China .. ..	2,934	174	..	..	..	65
East Indies ..	14	1,285	843	1,655	3,420	2,413
Hong Kong ..	28	556	691	1,596	1,191	1,783
India and Ceylon ..	5,848	13,463	18,633	4,874	13,881	10,547
Japan .. ..	57	150	51	135	67	540
Philippine Islands ..	2,582	21,774	7,339	8,168	12,601	5,983
Straits Settlements ..	1,618	4,469	2,137	3,114	5,030	3,328
Total .. ..	13,081	41,871	29,694	19,542	36,190	24,659

The exports given above for the year 1920-21 were shipped from the several States as follows:—New South Wales, £177; Victoria, £20,843; Queensland, £200; South Australia, £14; Western Australia, £3,425.

## HORSES.

Country.	1901.	1909-1913.*	1914-15- 1918-19.*	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
China .. ..	4,460	274	..	..	250	140
East Indies ..	2,105	16,845	5,750	18,336	14,464	15,375
Hong Kong ..	775	345	16	80	50	..
India and Ceylon ..	78,723	137,810	315,351	146,758	86,801	128,611
Japan .. ..	100	1,904	1,145	1,350	1,770	3,025
Philippine Islands ..	190	7,116	1,052	3,800	3,330	678
Straits Settlements ..	15,513	13,480	3,510	5,915	15,192	6,406
Total .. ..	101,866	177,774	326,824	176,239	121,857	154,235

The horses exported to the above countries during 1920-21 were shipped from the following States:—New South Wales, £31,109; Victoria, £35,809; Queensland, £76,266; South Australia, £8,096; Western Australia, £2,955.

## LEAD, PIG.

Country.	1901.	1909-1913.*	1914-15- 1918-19.*	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
China .. ..	6,102	35,269	25,488	30,672	30,698	..
East Indies ..	18	363	818	2,945	463	128
Hong Kong ..	1,257	69,159	94,128	77,426	120,427	347
India and Ceylon ..	315	41,574	45,618	7,145	..	..
Japan .. ..	2,750	159,462	378,260	563,035	428,796	32,200
Philippine Islands ..	12	2,289	88	..	340	..
Straits Settlements ..	..	376	417	250	..	26
Total .. ..	10,454	308,492	544,817	681,473	580,724	32,701

The exports of pig lead in 1920-21 were shipped from New South Wales, £32,200; Victoria, £80; Western Australia, £421.

\* Annual average for the quinquennial period.

## MEATS.—PRESERVED BY COLD PROCESS.

Country.	1901.	1909-1913.*	1914-15— 1918-19.*	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
China .. ..	..	220	72	..	..	..
East Indies .. ..	98	2,507	1,809	21	1,637	7,600
Hong Kong .. ..	3,195	8,687	7,333	7,465	21,213	31,599
India and Ceylon .. ..	5,907	5,626	10,024	7,696	25,066	34,747
Japan .. ..	19	634	2	..	1,019	1,303
Philippine Islands .. ..	153,250	160,003	74,690	56,617	88,431	73,691
Straits Settlements .. ..	..	34,812	61,088	62,374	104,633	130,963
Total .. ..	162,469	212,489	155,018	134,173	242,049	279,903

The exports to the above-mentioned Eastern countries during 1920-21 of meats preserved by cold process were shipped from the following States :—New South Wales, £117,003; Victoria, £2,440; Queensland, £160,392; Western Australia, £68.

## MEATS.—OTHER THAN MEATS PRESERVED BY COLD PROCESS.

Country.	1901.	1909-1913.*	1914-15— 1918-19.*	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
China .. ..	491	5,523	5,809	14,124	14,972	16,115
East Indies .. ..	15,035	14,130	24,632	52,567	73,454	114,501
Hong Kong .. ..	571	3,039	7,711	14,608	28,763	23,082
India and Ceylon .. ..	11,464	11,008	614,997	1,289,847	48,450	50,987
Japan .. ..	893	1,394	1,031	2,335	3,312	2,460
Philippine Islands .. ..	2,617	19,475	16,970	23,644	33,589	48,877
Straits Settlements .. ..	531	6,904	23,999	49,894	81,698	51,982
Total .. ..	31,602	61,473	695,149	1,447,019	284,228	308,004

The exports given above for the year 1920-21 were shipped from the following States :—New South Wales, £89,058; Victoria, £59,734; Queensland, £156,080; South Australia, £345; Western Australia, £2,787.

## SANDALWOOD.

Country.	1901.	1909-1913.*	1914-15— 1918-19.*	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
China .. ..	7,905	8,814	14,208	18,767	18,307	39,798
East Indies .. ..	..	..	406	2,032	115	96
Hong Kong .. ..	53,991	42,566	67,899	92,518	174,659	111,730
India and Ceylon .. ..	..	3,836	3,664	1,588	1,860	7,736
Japan .. ..	..	..	480	1,500	482	40
Straits Settlements .. ..	15,341	4,257	11,414	22,063	71,522	35,191
Total .. ..	77,237	59,473	98,071	138,468	266,945	194,591

The exports of sandalwood in 1920-21 were shipped from New South Wales, £5,655; Queensland, £13,785; Western Australia, £175,151.

\* Annual average for the quinquennial period.

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

Country.	1901.	1909-1913.*	1914-15— 1918-19.*	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
China .. ..	..	336	30	20	1,742	5,268
East Indies .. ..	..	1,013	475	..	..	821
Hong Kong .. ..	1,234	409	603	1,247	4,633	11,728
India and Ceylon .. ..	2,761	9,477	8,510	11,719	167,579	75,167
Japan .. ..	11,829	66,755	209,924	447,454	772,881	345,460
Philippine Islands .. ..	165	510	281	18	290	117
Straits Settlements .. ..	430	523	1,095	4,086	146	709
Total .. ..	16,419	79,023	220,918	464,544	947,271	439,270

The above exports of skins, etc., in 1920-21 were shipped from the several States as follows:—New South Wales, £243,302; Victoria, £109,981; Queensland, £81,546; South Australia, £4,397; Western Australia, £44.

## TIN ORE.

Country.	1901.	1909-1913.*	1914-15— 1918-19.*	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
Japan .. ..	..	..	21	..	..	..
Straits Settlements .. ..	4,096	298,723	134,017	..	..	2,735
Total .. ..	4,096	298,723	134,038	..	..	2,735

The export of tin ore to the Straits Settlements—the centre of the world's tin production—was for the purpose of treatment, and was shipped during 1920-21 from the Northern Territory. Almost all Australian tin ore is now treated in the Commonwealth.

## TIMBER, UNDRESSED.

Country.	1901.	1909-1913.*	1914-15— 1918-19.*	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
China .. ..	4,090	8,712	3,574	..	5,996	39,682
East Indies .. ..	22	708	74	..	..	3,674
Hong Kong .. ..	..	10,562	469	2,197	2,969	4,954
India and Ceylon .. ..	61,246	288,442	32,123	650	13,948	91,966
Japan .. ..	418	897	3,041	2,276	6,921	8,380
Philippine Islands .. ..	9,278	8,997	..	..	..	2,403
Straits Settlements .. ..	4,861	1,606	260	135	..	..
Total .. ..	79,915	319,924	39,541	5,258	29,834	151,059

The above exports of timber during 1920-21 from the several States were shipped as follows:—New South Wales, £14,712; Victoria, £152; Queensland, £217; Western Australia, £135,978.

\* Annual average for the quinquennial period.

## WOOL.

Country.	1901.	1909-1913. <i>a</i>	1914-15— 1918-19. <i>a</i>	1918-19.	1919-20.	1920-21.
	£	£	£	£	£	£
China .. ..	..	162	..	..	..	..
East Indies .. ..	112	..	..	..	..	..
Hong Kong .. ..	..	5	..	..	..	..
India and Ceylon .. ..	7,853	22,308	59,231	78,336	..	45,198
Japan .. ..	48,653	516,528	1,951,273	1,400,192	2,010,732	2,107,473
Philippine Islands .. ..	..	..	599	2,787	4,088	9,036
Total .. ..	56,618	539,003	2,011,103	1,481,315	2,014,820	2,161,707

(a) Annual average for the quinquennial period.

The wool exported to the East by the several States during 1920-21 was shipped as follows:—New South Wales, £1,458,859; Victoria, £483,806; Queensland, £212,617; South Australia, £6,425.

## § 9. Trade of Commonwealth since Federation.

1. Classified Summary of Australian Trade.—The following tables present the trade of the Commonwealth arranged in classes according to the nature of the goods since the inauguration of the Commonwealth:—

## STATISTICAL CLASSIFICATION OF IMPORTS AND EXPORTS.

Class.	Articles.
I.	FOODSTUFFS of animal origin but excluding living animals.
II.	FOODSTUFFS of vegetable origin.
III.	BEVERAGES (non-alcoholic), and substances used in making.
IV.	SPIRITUOUS AND ALCOHOLIC LIQUORS.
V.	TOBACCO, and preparations thereof.
VI.	LIVE ANIMALS.
VII.	ANIMAL SUBSTANCES (mainly unmanufactured), not foodstuffs.
VIII.	VEGETABLE SUBSTANCES and fibres.
IX.	(a) APPAREL; (b) TEXTILES; AND (c) MANUFACTURED FIBRES.
X.	OILS, FATS, AND WAXES.
XI.	PAINTS AND VARNISHES.
XII.	STONES AND MINERALS, used industrially.
XIII.	ORES AND METALS, unmanufactured or partly manufactured.
XIV.	(a) MACHINES AND MACHINERY; (b) OTHER MANUFACTURES OF METAL.
XV.	(a) INDIARUBBER AND INDIARUBBER MANUFACTURES; (b) LEATHER AND MANUFACTURES OF LEATHER, and substitutes therefor.
XVI.	WOOD AND WICKER, raw and manufactured.
XVII.	EARTHENWARE, CEMENTS, CHINA, GLASS, AND STONWARE.
XVIII.	(a) PAPER; (b) STATIONERY.
XIX.	JEWELLERY, TIMEPIECES, AND FANCY GOODS.
XX.	OPTICAL, SURGICAL, AND SCIENTIFIC INSTRUMENTS.
XXI.	DRUGS, CHEMICALS, AND FERTILIZERS.
XXII.	MISCELLANEOUS.
XXIII.	GOLD AND SILVER; and BRONZE SPECIE.

## COMMONWEALTH IMPORTS ARRANGED IN CLASSES, 1901 TO 1920-21.

Classes.	Annual Average.				1920-1921.
	1901-1903.	1904-1908.	1909-1913.	1914-1918-19.	
I. Animal foodstuffs, &c. ..	£ 968,856	£ 712,311	£ 885,409	£ 1,177,020	£ 1,224,099
II. Vegetable foodstuffs, &c. ..	3,769,481	1,702,919	2,925,919	4,022,721	8,735,897
III. Beverages (non-alcoholic), &c. ..	973,568	1,249,103	1,685,232	2,170,138	1,997,213
IV. Alcoholic liquors, &c. ..	1,481,061	1,318,719	1,712,009	1,493,960	2,000,248
V. Tobacco, &c. ..	647,073	646,062	889,118	1,099,573	3,841,548
VI. Live animals ..	75,051	99,131	247,027	100,742	76,382
VII. Animal substances, &c. ..	189,529	404,924	354,867	826,099	2,324,742
VIII. Vegetable substances, &c. ..	537,574	744,791	1,281,460	2,553,477	4,251,172
IX. Apparel, &c. ..	11,002,146	13,170,748	17,730,327	24,114,559	49,877,538
X. Oils, &c. ..	1,032,453	1,041,449	1,771,160	3,018,753	8,428,750
XI. Paints, &c. ..	325,583	378,840	533,954	570,006	627,333
XII. Stones, &c. ..	106,862	101,046	245,370	160,612	209,147
XIII. Ores and Metals, unmanufactured ..	1,145,808	878,026	1,493,406	1,123,048	1,509,914
XIV. Machinery and Metals, manufactured ..	7,576,311	8,931,724	15,854,262	14,199,421	39,148,721
XV. Rubber, Leather, &c. ..	530,645	840,740	1,501,435	1,802,306	3,277,489
XVI. Wood, &c. ..	1,558,010	1,849,229	3,028,794	2,075,254	5,948,837
XVII. Earthenware, &c. ..	747,604	719,529	1,202,949	1,181,223	3,185,152
XVIII. Paper, &c. ..	1,587,568	1,918,023	2,727,725	3,743,319	8,978,897
XIX. Jewellery, &c. ..	959,417	1,048,601	1,534,322	1,204,037	2,538,269
XX. Instruments, &c. ..	190,979	285,014	526,916	663,680	1,125,158
XXI. Drugs, &c. ..	1,548,739	1,831,693	2,377,190	3,378,957	5,587,575
XXII. Miscellaneous ..	2,292,798	2,849,614	5,185,447	3,726,612	8,881,935
XXIII. Gold and silver; and bronze specie ..	1,060,736	1,621,922	1,518,100	2,209,711	25,810
Grand Total .. ..	40,307,852	44,344,158	67,212,398	76,614,938	163,801,826

The exports are shewn according to the same classification, and the usual distinction is made between exports of Australian produce and re-exports.

## COMMONWEALTH EXPORTS ARRANGED IN CLASSES, AND DISTINGUISHING AUSTRALIAN PRODUCE AND THE PRODUCE OF OTHER COUNTRIES, 1901 TO 1920-21.

Classes.	Annual Average.				1920-1921.
	1901-1903.	1904-1908.	1909-1913.	1914-15-1918-19.	

**AUSTRALIAN PRODUCE.**

I. Animal foodstuffs, &c. ..	£ 3,321,043	£ 5,014,822	£ 8,546,155	£ 12,816,939	£ 20,980,389
II. Vegetable foodstuffs, &c. ..	2,671,745	6,211,212	10,312,256	13,406,386	43,553,525
III. Beverages (non-alcoholic), &c. ..	2,827	3,099	5,176	31,128	58,651
IV. Alcoholic liquors, &c. ..	133,487	117,871	136,031	200,269	611,300
V. Tobacco, &c. ..	6,347	51,568	72,826	145,997	369,157
VI. Live animals ..	317,775	320,374	287,447	405,887	386,296
VII. Animal substances, &c. ..	15,973,950	24,837,934	31,085,926	32,404,434	37,743,146
VIII. Vegetable substances, &c. ..	138,341	247,020	222,629	224,600	356,886
IX. Apparel, &c. ..	33,772	57,736	75,536	431,860	1,165,237
X. Oils, &c. ..	712,683	1,006,387	2,029,913	1,654,822	1,731,162
XI. Paints, &c. ..	1,434	3,167	6,023	39,581	179,834
XII. Stones, &c. ..	999,282	1,057,163	1,000,080	503,403	2,364,101
XIII. Ores and metals, unmanufactured ..	3,557,990	6,819,097	8,243,943	8,524,490	4,665,082
XVI. Machinery and metals, manufactured ..	121,519	163,301	285,674	495,278	1,303,103
XV. Rubber, Leather, &c. ..	630,388	542,834	617,904	1,413,123	1,605,043
XVI. Wood, &c. ..	695,301	944,402	1,011,771	408,936	1,471,550
XVII. Earthenware, &c. ..	11,178	24,125	14,620	46,095	224,615
XVIII. Paper, &c. ..	27,273	47,103	64,917	70,096	194,732
XIX. Jewellery, &c. ..	71,865	134,888	155,936	75,987	259,395
XX. Instruments, &c. ..	1,123	2,764	6,337	24,137	67,564
XXI. Drugs, &c. ..	125,531	198,157	282,923	657,154	914,950
XXII. Miscellaneous ..	85,545	112,846	191,061	449,540	760,025
X XIII. Gold and silver; and bronze specie ..	15,249,414	13,574,770	7,741,881	7,456,014	5,464,938
Grand Total .. ..	44,889,813	61,492,640	72,396,965	81,886,156	126,430,681



**COMMONWEALTH EXPORTS ARRANGED IN CLASSES, AND DISTINGUISHING  
AUSTRALIAN PRODUCE AND THE PRODUCE OF OTHER COUNTRIES,  
1901 TO 1920-21—continued.**

Classes.	Annual Average.				1920-1921.
	1901-1903.	1904-1908.	1909-1913.	1914-15- 1918-19.	
OTHER PRODUCE.					
I. Animal foodstuffs, &c. . .	£ 83,729	£ 27,859	£ 22,818	£ 94,614	£ 71,200
II. Vegetable foodstuffs, &c. . .	100,548	223,539	186,289	279,724	393,973
III. Beverages (non-alcoholic), &c. . .	52,423	63,514	80,534	151,476	80,310
IV. Alcoholic liquors, &c. . .	44,650	31,120	32,420	69,833	155,548
V. Tobacco, &c. . .	51,175	38,604	54,075	82,756	117,506
VI. Live animals . . .	1,355	3,943	5,305	4,311	3,793
VII. Animal substances, &c. . .	18,258	11,172	6,356	143,866	24,466
VIII. Vegetable substances, &c. . .	21,602	15,939	32,169	199,802	1,081,602
IX. Apparel, &c. . .	192,777	199,583	198,951	414,000	803,047
X. Oils, &c. . .	44,587	49,450	47,616	92,068	272,633
XI. Paints, &c. . .	10,635	8,394	7,617	8,675	8,102
XII. Stones, &c. . .	1,821	2,229	2,102	1,433	4,912
XIII. Ores and metals, unmanufactured . . .	20,854	48,963	38,225	25,044	32,084
XIV. Machinery and metals, manufactured . . .	215,794	214,577	282,981	297,817	622,630
XV. Rubber, Leather, &c. . .	16,439	29,602	60,754	62,769	107,904
XVI. Wood, &c. . .	28,970	32,999	34,057	26,199	106,821
XVII. Earthenware, &c. . .	19,636	19,751	15,390	17,070	30,354
XVIII. Paper, &c. . .	52,357	56,031	81,368	70,712	114,537
XIX. Jewellery, &c. . .	63,433	54,727	107,295	35,732	173,277
XX. Instruments, &c. . .	11,369	26,223	67,011	74,459	126,795
XXI. Drugs, &c. . .	47,866	48,706	59,322	117,152	129,406
XXII. Miscellaneous . . .	96,667	149,545	230,039	264,856	1,252,056
XXIII. Gold and silver; and bronze specie . . .	1,196,856	1,390,893	1,342,361	1,323,300	15,275
Grand Total . . .	2,393,801	2,747,363	2,995,055	3,857,758	5,728,231

**TOTAL EXPORTS.**

I. Animal foodstuffs, &c. . .	£ 3,404,772	£ 5,042,681	£ 8,568,973	£ 12,911,553	£ 21,051,589
II. Vegetable foodstuffs, &c. . .	2,772,293	6,434,751	10,498,545	13,086,110	43,947,498
III. Beverages (non-alcoholic), &c. . .	55,250	66,613	85,710	182,604	138,961
IV. Alcoholic liquors, &c. . .	178,137	148,991	168,451	270,102	766,848
V. Tobacco, &c. . .	57,522	90,172	126,901	228,753	486,663
VI. Live animals . . .	319,130	324,317	292,752	410,198	390,089
VII. Animal substances, &c. . .	15,992,208	24,849,106	31,092,282	32,548,300	37,767,612
VIII. Vegetable substances, &c. . .	159,943	262,959	254,798	424,402	1,438,488
IX. Apparel, &c. . .	226,549	257,319	274,487	845,860	1,968,284
X. Oils, &c. . .	757,270	1,055,837	2,077,529	1,746,890	2,003,795
XI. Paints, &c. . .	12,069	11,561	13,640	48,256	187,936
XII. Stones, &c. . .	1,001,103	1,059,392	1,002,182	504,836	2,369,013
XIII. Ores and metals, unmanufactured . . .	3,578,844	6,868,060	8,282,168	8,549,534	4,697,166
XIV. Machinery and metals, manufactured . . .	337,313	377,878	568,655	793,095	1,925,733
XV. Rubber, Leather, &c. . .	646,827	572,436	678,658	1,475,892	1,712,947
XVI. Wood, &c. . .	724,271	977,401	1,045,828	435,135	1,578,371
XVII. Earthenware, &c. . .	30,814	43,876	30,010	63,165	254,969
XVIII. Paper, &c. . .	79,630	103,134	146,285	140,808	309,269
XIX. Jewellery, &c. . .	135,298	189,615	263,231	111,719	432,672
XX. Instruments, &c. . .	12,492	28,987	73,348	98,586	194,359
XXI. Drugs, &c. . .	173,397	246,863	342,245	774,306	1,044,356
XXII. Miscellaneous . . .	182,212	262,391	421,100	714,396	2,012,081
XXIII. Gold and silver; and bronze specie . . .	16,446,270	14,965,663	9,084,242	8,779,404	5,480,213
<b>Grand Total</b> . . .	<b>47,283,614</b>	<b>64,240,003</b>	<b>75,392,020</b>	<b>85,743,914</b>	<b>132,168,912</b>

### § 10. Exports according to Industries.

1. **Classification of Produce.**—The following table presents an analysis of the exports of Commonwealth produce, according to the main classes of industry by which the goods were produced. In some cases in which the produce has been subjected to some initial process of manufacture, opinions may differ in regard to its classification. In preparing the following table the method adopted generally has been to credit to the primary industry those products in which the value of the primary element is appreciably the greater. Thus such commodities as flour, jams and preserved fruits, chaff and prepared fodders, etc., have been treated as the produce of agriculture; butter, cheese, preserved milk, and bacon and hams have been credited to the dairying industry; canned meats, tallow, and fellmongered skins have been credited to the pastoral industry, but leather has been classed as a product of a manufacture; minerals and metals which have been smelted or otherwise refined, but not further manufactured, have been included as the produce of mining; and sawn timber as the produce of forestry.

#### EXPORTS OF AUSTRALIAN PRODUCE CLASSIFIED ACCORDING TO ITS INDUSTRIAL ORIGIN.

Industrial Origin.	Yearly Average of Quinquennial Periods.					
	1906-10.		1911-1915-16.		1916-17-1920-21.	
	£	%	£	%	£	%
Agriculture .. ..	7,772,028	100	8,942,598	115	26,444,435	340
Pastoral .. ..	33,288,226	100	37,759,974	113	51,995,542	156
Dairy, Poultry and Bee-farming ..	3,048,923	100	3,249,961	107	7,751,122	254
Mines and Quarries .. ..	19,295,668	100	17,647,856	92	15,822,976	82
Fisheries .. ..	284,771	100	358,068	126	453,596	159
Forestry .. ..	1,154,638	100	941,595	82	713,787	62
Total Primary Produce .. ..	64,844,254	100	68,900,052	106	103,181,458	159
Manufacturing .. ..	1,738,783	100	2,543,958	146	6,921,681	398
Total .. ..	66,583,037	100	71,444,010	107	110,103,139	165

If the effects of price changes be eliminated from the above figures by the application of the export price index numbers, the relative quantitative results will be approximately as follows :—

Industrial Origin.	Yearly Average of Quinquennial Periods.					
	1906-10.		1911-1915-16.		1916-17-1920-21.	
	£	%	£	%	£	%
Agriculture .. ..	7,772,028	100	6,878,922	89	13,845,254	178
Pastoral .. ..	33,288,226	100	36,307,667	109	30,406,750	91
Dairy, Poultry and Bee-farming ..	3,048,923	100	2,826,053	93	4,079,538	134
Mines and Quarries .. ..	19,295,668	100	16,360,025	85	11,145,179	58
Fisheries .. ..	284,771	100	328,503	115	401,412	141
Forestry .. ..	1,154,638	100	855,995	74	440,610	38
Total Primary Produce .. ..	64,844,254	100	63,557,165	98	60,318,743	93
Manufacturing .. ..	1,738,783	100	2,312,690	133	3,605,042	207
Total .. ..	66,583,037	100	65,869,855	99	63,923,785	96

The increasing tendency to the establishment of factory processes in close proximity to the centres of primary production, in some instances by the co-operative association of the primary producers themselves, has the effect of merging closer the direct interests of primary and secondary production. Prominent cases of the kind referred to are the production of butter, preserved and dried milk, bacon and hams, canned and dehydrated fruit, jam, sugar, flax fibre. As, therefore, no sharp distinction can be made in such cases, between the primary and secondary industries, it follows that the values allocated to

these divisions, in the above table, must be taken as a general indication only of their relative importance in the export returns; for, while there is, in the primary products, some value due to factory processes, there is, on the other hand, in the manufactured products a considerable element of Australian primary produce in the raw materials from which these manufactured products were made. However, as the figures given are on the same basis throughout the period covered by the table, they indicate, with an acceptable degree of accuracy, the variations of the relative importance of the several industrial groups.

2. **Development of Industrial Groups in the Export Returns.**—From the figures given in the table it may be seen that, though relatively to the total of all exports, the produce of manufacturing is still small—representing about 6 per cent.—it has, without the influence of higher prices, slightly more than doubled during the period under review, while the exports of primary products have fallen by about 7 per cent. It may be noticed, too, that on a quantitative basis the exports of pastoral produce have declined by about 9 per cent. In connection with mines and forests the decline has been much greater, the exported produce of the former having fallen by 42 per cent. and of the latter by 62 per cent. In the pastoral group, the principal item is, of course, wool, and the decline in the exports of pastoral produce coincides with the reduction in the number of sheep in the Commonwealth. The decline in the exports of mining produce is more than accounted for by the smaller production of gold. Forestry products have never furnished a large proportion of the exports, and during the war years the exports of timber were exceptionally small, but shew a very marked increase during the years 1920–22. The exports of agricultural produce shew an increase in value of 240 per cent., and an increase in quantity of 78 per cent. Of this group wheat and flour represent about 90 per cent., and the increased volume (78 per cent.) in exports of agricultural produce was mainly due to the greater acreage under wheat together with an increased yield per acre. The exports during the latest quinquennium under review were, also, increased to some extent by the inclusion of wheat produced in the season 1915–16, which could not be exported immediately because of the shortage of shipping. The exported produce of fisheries is not an important element in the Commonwealth exports. It consists chiefly of pearl-shell, with some trochus-shell, shark fins, and sea-slug (*bêche-de-mer*), all of which are taken on the north and north-west coasts of Australia.

### § 11. 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 to 1920–21 :—

#### COMMONWEALTH IMPORTS AND EXPORTS OF SPECIE AND BULLION, 1901 TO 1920–21.

Items.	Annual Average.				1920-21.
	1901-1903.	1904-1908.	1909-1913.	1914-15- 1918-19.	
IMPORTS.					
Gold—Specie .. ..	£ 36,339	£ 26,515	£ 98,974	£ 52,042	£ 13
Bullion .. ..	1,080,679 <sup>a</sup>	1,412,807	1,166,709	1,875,287	6,736
Total .. ..	1,117,018	1,439,322	1,265,683	1,927,329	6,749
Silver—Specie .. ..	93,939	162,348	231,563	152,585	10,882
Bullion .. ..	52	9,757	4,567	34,688	2,502
Total .. ..	93,991	172,105	236,130	187,273	13,384
Bronze—Specie .. ..	6,982	10,495	15,527	14,225	11
GRAND TOTAL .. ..	1,217,991	1,621,922	1,517,340	2,128,827	20,144

(<sup>a</sup>) Includes gold contained in matte.

**COMMONWEALTH IMPORTS AND EXPORTS OF SPECIE AND BULLION,  
1901 TO 1921—continued.**

Items.	Annual Average.				1920-21.
	1901-1903.	1904-1908.	1909-1913.	1914-15- 1918-19.	

EXPORTS.

Gold—Specie .. ..	£ 10,657,061	£ 9,166,017	£ 5,977,965	£ 7,293,168	£ 5,303,423 <i>d</i>
Bullion .. ..	5,088,338 <i>a</i>	4,598,568 <i>b</i>	1,808,324	264,895	796
Total .. ..	15,745,399	13,764,585	7,786,289	7,558,063	5,304,219
Silver—Specie .. ..	28,905	26,409	48,580	66,206	66,687
Bullion .. ..	812,184 <i>c</i>	682,354	489,510	827,776	77,319
Total .. ..	841,089	708,763	538,090	893,982	144,006
Bronze—Specie .. ..	735	2,337	217	231	515
Total—					
Australian Produce ..	15,390,368	13,085,033	6,982,406	7,128,886	5,433,465
Other Produce .. ..	1,196,855	1,390,652	1,342,190	1,323,390	15,275
GRAND TOTAL .. ..	16,587,223	14,475,685	8,324,596	8,452,276	5,448,740

(a) Includes gold contained in matte.

(b) Includes gold contained in matte up to the year 1906. The value of gold contained in matte exported during 1907 was £350,601; 1908, £761,100; 1909-13, £477,906; 1914-15-1918-19, £112,850; and 1920-21, £9,862.

(c) Includes silver contained in matte. The value of silver contained in matte exported during 1904-1908 was £267,638; 1909-1913, £281,740; 1914-15-1918-19, £214,278; and 1920-21, £21,611.

(d) Includes premium on 4,015,212 sovereigns exported.

**COMMONWEALTH IMPORTS AND EXPORTS OF SPECIE AND GOLD AND SILVER  
BULLION FROM AND TO VARIOUS COUNTRIES, 1920 TO 1921.**

Country.	Imports.			Exports.		
	Specie.	Bullion.	Total.	Specie.	Bullion.	Total.
	£	£	£	£	£	£
United Kingdom ..	2,174	2,380	4,554	1,506	3,162	4,668
Canada .. ..	..	45	45	..	..	..
Ceylon .. ..	..	..	..	99,063	..	99,063
Hong Kong .. ..	..	..	..	198,126	..	198,126
India .. ..	..	..	..	1,089,685	74,137	1,163,822
New Zealand .. ..	..	355	355	3,880	87	3,967
Pacific Islands—						
Fiji .. ..	66	..	66	6,500	56	6,556
Gilbert and Ellice Islands Colony ..	..	..	..	5,300	..	5,300
Pleasant Island (Nauru) .. ..	..	..	..	2,240	..	2,240
Solomon Islands .. ..	..	..	..	8,942	..	8,942
Territory of New Guinea .. ..	4,991	200	5,191	29,730	..	29,730
Papua .. ..	..	2,951	2,951	1,000	..	1,000
South African Union .. ..	..	..	..	180	656	836
Straits Settlements ..	..	..	..	264,166	..	264,166
Total British Countries ..	7,231	5,931	13,162	1,710,318	78,098	1,788,416

COMMONWEALTH IMPORTS AND EXPORTS OF SPECIE AND GOLD AND SILVER BULLION FROM AND TO VARIOUS COUNTRIES 1920 TO 1921—*continued.*

Country.	Imports.			Exports.		
	Specie.	Bullion.	Total.	Specie.	Bullion.	Total.
Japan .. ..	..	..	..	264,166	..	264,166
Netherlands East Indies .. ..	3,675	..	3,675	203,371	..	203,371
Pacific Islands— New Caledonia ..	..	..	..	2,700	..	2,700
New Hebrides ..	..	..	..	6,730	..	6,730
United States of America ..	..	3,307	3,307	3,183,340	17	3,183,357
Total Foreign Countries ..	3,675	3,307	6,982	3,660,307	17	3,660,324
GRAND TOTAL	10,906	9,238	20,144	5,370,625	78,115	5,448,740

(a) Includes the premium on gold exported.

## § 12. 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 adopted has been to take an annual average, for an extended period, of the quantities of all such articles of export as are recorded by quantity, and to apply to the average quantities so obtained the average prices in each year. The quantities used to produce the following results are the averages for 19½ years, viz., from 1st January, 1897, to 30th June, 1916, which it is considered may be taken as representing the general quantitative composition or norm of the exports from the Commonwealth. The results published in issues of this work prior to No. 12, 1919, were ascertained by applying 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 advantage of the method now adopted is that the results are comparable throughout, whereas under the method previously followed each year was comparable with the basic year only.

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

This table obviously furnishes a measure of the influence of prices on the value of exports of each year since 1901. Column IV.—values computed on 1901 prices—represents the volume of exports (less specie and gold bullion), expressed in the common

denomination of value, and from the figures therein it will be seen that, had the prices of 1901 remained constant, the value of the exports of merchandise during the year 1921-22 for example, would have been £72,349,545 only, instead of £124,441,213—the value actually recorded. The difference between these amounts (£52,091,673) results from a rise of 72 per cent. (i.e., from 1,000 to 1,720) in the price of commodities for the period intervening between 1901 and 1921-22. A further increment to values has arisen from the premium on exported gold. During 1921-22 the premium on gold represented £521,634, or 17.6 per cent. on the standard price. Thus, on the basis of 1901 prices the total value of the exports during 1921-22 would have been £75,309,643 instead of £127,922,950 as recorded.

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 1921-22.

Year.	Exports of Specie and Gold Bullion.	Other Exports.		Total Exports (including Specie and Gold Bullion).		Price-Levels. <sup>(a)</sup> Year 1901 = 1,000.
		Values as Recorded.	Values Computed on Mass Prices of 1901.	Values as Recorded.	Values Computed on Mass Prices of 1901.	
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	26,948,068	43,915,087	41,516,708	1089
1903 ..	18,408,702	29,841,410	25,881,535	48,250,112	44,290,237	1153
1904 ..	16,914,691	40,571,224	35,620,038	57,485,915	52,534,729	1139
1905 ..	10,977,111	45,863,924	38,219,936	56,841,035	49,197,047	1200
1906 ..	16,895,059	52,842,704	42,005,330	69,737,763	58,900,389	1258
1907 ..	10,571,263	62,252,984	47,594,024	72,824,247	58,165,287	1308
1908 ..	13,608,531	50,702,527	42,607,165	64,311,058	56,215,696	1190
1909 ..	8,390,376	56,928,460	47,718,742	65,318,836	56,109,118	1193
1910 ..	4,178,097	70,313,053	57,351,593	74,491,150	61,529,690	1226
1911 ..	11,561,639	67,920,619	58,501,825	79,482,258	70,063,464	1161
1912 ..	11,881,216	67,214,874	53,218,427	79,096,090	65,099,643	1263
1913 ..	3,164,105	75,407,664	58,455,553	78,571,769	61,619,658	1290
1914-15 ..	2,474,197	58,118,379	44,740,861	60,592,576	47,215,058	1299
1915-16 ..	10,391,019	64,387,302	40,469,705	74,778,321	50,860,724	1591
1916-17 ..	11,521,815	86,433,667	43,985,398	97,955,482	55,507,213	1965
1917-18 ..	6,483,265	74,945,956	35,962,551	81,429,221	42,445,816	2084
1918-19 ..	7,252,202	106,711,774	52,489,805	113,963,976	59,742,007	2033
1919-20 ..	5,654,909 <sup>b</sup>	144,168,600	64,103,424	149,823,509	68,516,379	2249
1920-21 ..	5,371,421 <sup>b</sup>	126,787,491	56,249,996	132,158,912	60,330,722	2254
1921-22 <sup>c</sup> ..	3,481,732 <sup>b</sup>	124,441,218	72,349,545	127,922,950	75,309,643	1720

(a) These are index-numbers for the total group of exports, excluding specie and gold bullion.

(b) Including premium on gold exported 1919-20, £1,241,954, or 28.8 per cent. on standard price; 1920-21, £1,290,695, or 32.1 per cent.; 1921-22, £521,634, or 17.6 per cent.

(c) Preliminary figures, subject to alteration.

The following table of index-numbers shews the variations in price of the different classes of goods exported, grouped according to their industrial origin :—

PRICE-LEVELS OF COMMONWEALTH EXPORTS, 1901 TO 1922.

Year.	Agricultural Produce.	Pastoral Produce.	Dairy Produce.	Mineral Produce.(a)	Miscellaneous.	All Classes.(a)
1901 .. ..	1,000	1,000	1,000	1,000	1,000	1,000
1902 .. ..	1,161	1,117	1,165	842	1,108	1,089
1903 .. ..	1,201	1,200	944	819	1,167	1,153
1904 .. ..	1,127	1,232	906	851	946	1,139
1905 .. ..	1,193	1,291	995	920	920	1,200
1906 .. ..	1,155	1,344	1,021	1,113	991	1,258
1907 .. ..	1,184	1,403	1,044	1,148	1,035	1,308
1908 .. ..	1,445	1,212	1,115	896	1,002	1,190
1909 .. ..	1,461	1,219	1,031	891	1,079	1,193
1910 .. ..	1,436	1,266	1,072	900	1,195	1,226
1911 .. ..	1,243	1,193	1,085	944	1,227	1,161
1912 .. ..	1,388	1,268	1,198	1,133	1,254	1,263
1913 .. ..	1,324	1,334	1,124	1,114	1,329	1,290
1914-15 ..	1,480	1,323	1,176	1,066	1,221	1,299
1915-16 ..	1,927	1,589	1,488	1,393	1,106	1,591
1916-17 ..	1,726	2,131	1,690	1,650	1,357	1,965
1917-18 ..	1,954	2,250	1,624	1,760	1,401	2,084
1918-19 ..	1,864	2,166	1,855	1,692	1,775	2,033
1919-20 ..	2,145	2,393	2,023	1,787	2,150	2,249
1920-21 ..	3,177	2,093	2,854	1,813	2,179	2,254
1921-22 ..	2,093	1,717	1,508	1,428	1,885	1,720

(a) Excluding gold which, since February, 1919, has been exported at a premium. During the year 1919-20 the premium realized was 28.8 per cent., during 1920-21, 32.1 per cent., and during 1921-22, 17.6 per cent.

The high index-numbers for mineral produce during 1906 and 1907 reflect the world's prices for that period, when prices registered for all the principal industrial metals touched a point higher than any previously recorded for many years.

The lower index for agricultural produce exported during 1916-17 is due to the lower price registered for wheat, viz., 4s. 10d. per bushel as against 5s. 6d. per bushel for 1915-16.

Although the fall in prices which occurred during 1921-22 was general throughout all the main groups of exported commodities, it was most pronounced in the dairy produce group, the average price registered for butter in the export returns having fallen from 2s. 4½d. per lb. in 1920-21 to 1s. 3d. per lb. in 1921-22. At the same time the price of wheat fell from 9s. to 5s. 9d. per bushel.

### § 13. 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. In later years, too, a very substantial difference in the value of imports would arise from the different methods of converting the moneys of foreign countries, i.e., from the application of current rates of exchange or of the mint par. 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, represented, prior to the war, 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, normally, about 4 per cent., and in New Zealand even less.

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

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

Country.	Year ended	Trade.			Trade per Inhabitant.		
		Imports.	Exports.	Total.	Imports.	Exports.	Total.
		£1,000	£1,000	£1,000	£ s. d.	£ s. d.	£ s. d.
C'wealth of	30/6/21	156,519	126,431	282,950	28 18 6	23 7 3	52 5 9
Australia	31/12/13	76,323	75,113	151,436	15 17 11	15 12 10	31 10 9
United King-	31/12/21	979,625	703,196	1,682,821	20 14 2	14 17 3	35 11 5
dom (a)	31/12/13	671,265	525,461	1,196,726	14 11 8	11 8 4	26 0 0
Canada (a)	31/3/22	171,122	169,391	340,513	19 10 2	19 6 2	38 16 4
	31/3/14	132,019	89,915	221,934	16 13 6	11 7 2	28 0 8
New Zealand	31/12/21	42,744	42,937	85,681	35 1 4	35 4 6	70 5 10
	31/12/13	21,879	22,578	44,457	20 10 7	21 3 8	41 14 3
United States	31/12/21	640,058	1,117,098	1,757,156	6 1 1	10 11 4	16 12 5
of America	30/6/14	391,780	493,182	884,962	4 0 0	5 0 8	9 0 8
(a)							
Argentina	31/12/20	52,416	206,208	258,624	6 6 7	24 18 2	31 4 9
Republic							
Austria-	31/12/12	149,026	121,345	270,371	2 19 4	2 8 4	5 7 8
Hungary	31/12/21	194,367	138,166	332,533	25 8 8	18 1 7	43 10 3
Belgium ..	31/12/12	210,211	160,054	370,265	27 15 3	21 2 10	48 18 1
	31/12/20	124,406	107,514	231,920	4 1 7	3 10 6	7 12 1
Brazil ..	31/12/12	63,425	74,649	138,074	2 12 1	3 1 2	5 13 3
	31/12/21	76,762	64,948	141,710	26 6 4	21 8 5	46 14 9
Denmark(a)	31/12/12	41,954	33,940	75,894	14 19 8	12 2 5	27 2 1
	31/12/21	455,832	417,211	873,043	11 12 6	10 12 9	22 5 3
France ..	31/12/12	350,482	281,495	631,977	8 16 9	7 1 11	15 18 8
German	31/12/12	541,675	447,392	989,067	8 3 9	6 15 3	14 19 0
Empire ..	31/12/20	204,409	100,567	304,976	5 11 3	2 14 9	8 6 0
Italy ..	31/12/12	149,113	97,536	246,649	4 5 2	2 15 8	7 0 10
	31/12/21	198,788	152,463	351,251	3 11 1	2 14 5	6 5 6
Japan(a) ..	31/12/12	66,007	57,972	123,979	1 5 3	1 2 2	2 7 5
	31/12/20	314,717	163,412	478,129	46 8 6	24 2 2	70 10 8
Netherlands	31/12/17	92,295	43,779	136,074	35 1 4	16 12 8	51 4 0
Norway ..	31/12/12	28,756	18,147	46,903	11 15 9	7 8 10	19 4 7
Portugal ..	31/12/12	17,035	7,867	24,902	3 0 10	1 8 2	4 9 0
	31/12/21	44,315	23,061	72,376	2 2 10	1 7 1	3 9 11
Spain (a) ..	31/12/12	42,089	41,826	83,915	2 2 9	2 2 6	4 5 3
	31/12/21	74,006	64,131	138,137	12 14 7	11 0 7	23 15 2
Sweden (a)	31/12/12	44,095	42,257	86,352	7 17 4	7 10 10	15 8 2
Switzerland	31/12/21	101,697	79,789	181,486	25 16 7	20 5 4	46 1 11
(a)	31/12/12	81,577	55,629	137,206	21 6 7	14 10 1	35 17 6
Uruguay ..	31/12/11	9,333	8,840	18,173	7 18 6	7 10 1	15 8 7

(a) Excluding Bullion and Specie.

In the above 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. The figures relating to foreign countries have been converted on the average of the commercial rates of exchange for the years subsequent to the war.



3. **External Trade as a Measure of Prosperity.**—External trade is not necessarily a measure of the prosperity of a country. 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 of diverse industries, 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. In this regard it is interesting to contrast the trade per head of say, Belgium, New Zealand, and the United States of America. Prior to the war trade per unit of population for any year was greatest in Belgium (£48 18s. 1d. in 1912), with New Zealand next (£41 14s. 3d.), whereas for the United States the trade was only £9 0s. 8d. per inhabitant. Belgium and New Zealand represent conditions almost directly opposite to one another in the scheme of industrial development, yet the trade per head of each was abnormally high in comparison with that of most other countries. The large trade of Belgium was attained by the export of the products of highly organized manufacturing industries, based on the supplies of coal and iron within the country, in exchange for the raw materials for those industries and for food. In New Zealand the circumstances are reversed, inasmuch as in that country the energies of the people are mainly applied to primary industries, the produce of which, being largely in excess of local requirements, is exported in exchange for manufactured goods. The relatively small trade per head of population of the United States, as compared with Belgium or New Zealand, does not indicate that the people of the United States are in an inferior condition, but rather that their industries are more nearly balanced, with the result that a large proportion of the requirements of the nation is supplied from within its own territory, and consequently a smaller foreign trade is sufficient to supply the fewer remaining wants of the people, or, in other words, it indicates that as a nation the United States is more nearly self-contained.

The small foreign trade per inhabitant of Japan, Spain, and Portugal is, undoubtedly, due in some measure to a lower standard of living, but to what extent this factor is responsible, and how much is due to the capacity to supply all kinds of material wants from their own resources, could be ascertained only from a consideration of the general social and industrial conditions prevailing in each country.

## § 14. Trade of the United Kingdom with Australia, compared with Competing Countries.

1. **Proportion of Trade from United Kingdom and Competing Countries.**—The failure of the United Kingdom to maintain the position formerly held in the import trade of Australia has been a matter of more than ordinary interest for some years. Since 1908, a permanent resident Commissioner, appointed by the British Board of Trade, has been established in Australia for the purpose of advising manufacturers and merchants in the United Kingdom with regard to Australian trade affairs. From the 8th August, 1907, the Commonwealth Customs Tariffs have provided special rates in favour of goods from the United Kingdom, with the object of assisting the British manufacturer to retain or improve his position in this market.

Previous issues of this Year Book have contained a table shewing, since 1886, the proportions of the imports into the Commonwealth which were shipped from the United Kingdom, Germany, and the United States respectively. The records according to "Countries of Shipment," having been discontinued—as already mentioned—references to this aspect of the trade of the Commonwealth will be restricted, in future, to the trade according to "Countries of Origin," for which accurate information is available from 1908.

It may be pointed out that there are many items of magnitude in the Commonwealth imports, such as tea, unmanufactured tobacco, petroleum products, timber, etc., which the United Kingdom could not possibly supply. Consequently, in any investigation to determine the relative position of the United Kingdom in this market, enquiries must be confined to those classes of goods which are produced in the United Kingdom. The principal of these competitive classes are shewn in the following tables :—

**IMPORTS INTO THE COMMONWEALTH OF PRODUCTS OR MANUFACTURES OF THE UNITED KINGDOM, FRANCE, GERMANY, JAPAN, AND THE UNITED STATES OF AMERICA, 1908-12 TO 1920-21.**

Nature of Imports.	Year.	United Kingdom.	France.	Germany.	Japan.	U.S. of America.	All Countries.
		£	£	£	£	£	£
Foodstuffs of animal origin	1908-12	289,073	4,269	8,253	5,747	242,640	862,778
	1913 ..	301,025	3,093	12,071	6,988	289,229	947,697
	1918-19	26,218	115	..	23,034	205,063	585,562
	1919-20	311,934	1,681	..	13,554	429,137	1,459,212
	1920-21	406,982	2,557	..	5,695	310,202	1,224,099
Alcoholic liquors ..	1908-12	1,039,501	295,122	85,092	905	2,370	1,618,769
	1913 ..	1,227,561	343,403	143,477	1,755	2,805	1,947,248
	1918-19	961,875	65,897	..	993	15,826	1,263,324
	1919-20	941,290	219,271	85	947	1,331	1,308,686
	1920-21	1,443,554	346,059	..	480	53	2,000,248
Apparel (including boots), textiles, etc.	1908-12	10,473,807	820,485	1,503,797	396,687	450,903	16,565,629
	1913 ..	11,920,600	960,377	1,698,233	475,954	621,954	19,559,304
	1918-19	19,880,413	912,808	42	4,810,637	4,109,844	36,237,171
	1919-20	15,801,397	1,315,034	1	2,574,280	2,906,214	26,702,771
	1920-21	32,003,480	1,807,234	55	3,209,647	4,046,592	49,877,538
Metals unmanufactured or partly manufactured (a)	1908-12	859,907	2,550	185,496	239	56,685	1,309,458
	1913 ..	1,202,514	3,674	302,466	..	108,000	1,899,846
	1918-19	303,242	2	416	22,053	335,340	772,880
	1919-20	608,121	11	..	2,353	243,125	924,366
	1920-21	987,815	11,443	11	2,577	195,007	1,509,914
Manufactures of metals (including machinery)	1908-12	8,827,472	213,358	1,498,489	3,352	2,777,564	14,220,815
	1913 ..	12,027,377	211,610	1,962,154	7,601	3,680,720	19,152,660
	1918-19	6,325,224	12,200	3,010	524,280	8,509,002	16,995,544
	1919-20	11,907,307	34,029	4,059	142,200	8,101,993	21,573,114
	1920-21	22,737,100	220,325	10,515	277,014	13,153,975	39,148,721
Paper and stationery	1908-12	1,463,233	18,665	279,868	7,902	293,820	2,547,761
	1913 ..	1,789,577	21,930	266,483	10,656	403,679	3,134,750
	1918-19	1,293,255	57,196	1,380	177,871	2,442,333	5,543,880
	1919-20	1,299,747	70,760	146	85,439	1,287,938	4,156,626
	1920-21	3,538,515	109,027	1,352	106,649	1,323,978	8,978,897
Jewellery, timepieces, and fancy goods	1908-12	532,749	133,828	263,526	17,129	152,454	1,472,740
	1913 ..	506,608	85,430	250,846	19,192	136,965	1,410,555
	1918-19	303,948	139,792	263	258,312	319,656	1,600,868
	1919-20	630,605	182,035	12	122,684	258,840	2,029,268
	1920-21	998,809	204,777	12	154,527	342,838	2,538,269
Earthenware, cements, glass, etc.	1908-12	490,818	31,081	271,406	16,220	55,039	1,067,217
	1913 ..	650,867	40,188	457,810	21,493	62,895	1,568,531
	1918-19	387,472	1,886	138	476,007	587,569	1,467,886
	1919-20	517,992	5,647	7	328,809	251,907	1,239,685
	1920-21	1,234,656	13,650	17	629,028	323,233	3,185,152
Drugs, chemicals, fertilizers	1908-12	952,747	227,744	217,554	111,498	163,631	2,242,610
	1913 ..	1,020,141	245,413	303,447	139,106	203,123	2,715,127
	1918-19	1,530,004	316,003	501	519,327	1,284,492	4,425,073
	1919-20	1,357,423	377,518	63	111,340	876,931	3,648,755
	1920-21	2,413,605	425,074	37,409	88,435	1,241,070	5,587,575
Leather and manufactures thereof and substitutes therefor, including indiarubber (excluding boots)	1908-12	472,166	59,356	221,768	1,581	324,991	1,338,033
	1913 ..	515,169	68,746	347,550	692	435,071	1,749,046
	1918-19	497,796	86,486	3	21,198	1,009,402	2,373,188
	1919-20	459,949	74,571	..	6,261	1,065,866	2,192,520
	1920-21	946,335	169,654	..	4,324	1,314,408	3,277,489
Total above-mentioned imports ..	1908-12	25,381,473	1,806,458	4,535,249	561,260	4,520,097	43,245,810
	1913 ..	31,161,439	1,983,864	5,744,587	683,437	5,946,441	54,084,764
	1918-19	31,511,447	1,592,390	5,753	6,833,712	13,818,527	71,265,376
	1919-20	33,835,771	2,280,557	4,373	3,387,867	15,425,282	65,235,003
	1920-21	66,712,851	3,309,800	49,371	4,478,376	22,253,356	117,327,902
Total imports (less bullion and specie)	1908-12	30,371,178	2,015,324	5,547,984	760,616	7,987,532	59,777,620
	1913 ..	40,948,803	2,222,631	7,029,325	950,300	10,907,512	78,196,109
	1918-19	34,563,860	1,651,833	6,556	8,203,725	27,180,656	94,867,459
	1919-20	38,514,975	2,422,304	6,848	4,222,511	23,824,255	98,914,143
	1920-21	76,845,973	3,597,811	52,432	5,230,039	36,110,081	163,781,682

(a) Mainly pig iron and bar and rod iron. Gold and silver bullion not included.

PERCENTAGE ON TOTAL COMMONWEALTH IMPORTS OF PRODUCTS OR MANUFACTURES OF THE UNITED KINGDOM, FRANCE, GERMANY, JAPAN, AND THE UNITED STATES OF AMERICA, 1908-12 TO 1920-21.

Nature of Imports.	Year.	United Kingdom.	France.	Germany.	Japan.	U.S. of America.	All Countries.
Foodstuffs of an mal origin	{ 1908-12	31.19	0.49	0.96	0.67	23.12	100
	{ 1913 ..	31.77	0.33	12.74	0.74	30.52	100
	{ 1918-19	4.48	0.02	..	3.93	35.02	100
	{ 1919-20	2.14	0.12	..	0.93	29.41	100
	{ 1920-21	3.32	0.21	..	0.47	25.35	100
Alcoholic liquors ..	{ 1908-12	64.22	18.23	5.26	0.05	0.15	100
	{ 1913 ..	63.04	17.64	7.37	0.09	0.14	100
	{ 1918-19	76.14	5.22	..	0.08	1.25	100
	{ 1919-20	71.93	16.76	0.00	0.07	1.02	100
	{ 1920-21	72.19	17.30	..	0.00	0.00	100
Apparel (including boots), textiles, etc.	{ 1908-12	63.23	4.95	9.08	2.39	2.72	100
	{ 1913 ..	60.94	4.91	8.68	2.43	3.18	100
	{ 1918-19	54.86	2.52	0.00	13.28	11.34	100
	{ 1919-20	59.18	4.92	0.00	9.64	10.88	100
	{ 1920-21	64.17	3.62	0.00	6.43	8.11	100
Metals unmanufactured or partly manufactured	{ 1908-12	65.67	0.19	14.16	0.02	4.33	100
	{ 1913 ..	63.29	0.19	15.92	..	5.69	100
	{ 1918-19	39.49	0.00	0.54	2.85	43.39	100
	{ 1919-20	65.79	0.00	..	0.25	26.52	100
	{ 1920-21	65.42	0.76	0.00	0.17	12.91	100
Manufactures of metals (including machinery)	{ 1908-12	62.07	1.50	10.54	0.02	19.53	100
	{ 1913 ..	62.80	1.10	10.24	0.04	19.22	100
	{ 1918-19	37.22	0.07	0.02	3.08	50.07	100
	{ 1919-20	55.20	0.16	0.02	0.66	37.56	100
	{ 1920-21	58.09	0.56	0.03	0.71	33.60	100
Paper and stationery	{ 1908-12	57.43	0.73	10.98	0.31	11.53	100
	{ 1913 ..	57.41	0.70	8.50	0.34	12.88	100
	{ 1918-19	23.33	1.03	0.02	3.21	44.05	100
	{ 1919-20	31.26	1.70	0.00	2.06	30.90	100
	{ 1920-21	39.41	1.21	0.01	1.18	14.76	100
Jewellery, timepieces, and fancy goods	{ 1908-12	36.18	9.09	17.90	1.16	10.35	100
	{ 1913 ..	35.92	6.06	17.77	1.36	9.71	100
	{ 1918-19	18.99	8.73	0.02	16.14	19.97	100
	{ 1919-20	31.08	8.97	0.00	6.05	12.76	100
	{ 1920-21	39.35	8.07	0.00	6.09	13.51	100
Earthenware, cements, glass, etc.	{ 1908-12	46.99	2.91	25.43	1.52	5.16	100
	{ 1913 ..	41.49	2.56	29.19	1.37	4.01	100
	{ 1918-19	26.40	0.13	0.01	32.43	40.03	100
	{ 1919-20	41.78	0.46	0.00	26.52	20.32	100
	{ 1920-21	38.74	0.43	0.00	19.74	10.14	100
Drugs, chemicals, and fertilizers ..	{ 1908-12	42.48	10.16	9.70	4.97	7.30	100
	{ 1913 ..	37.57	9.04	11.18	5.12	7.55	100
	{ 1918-19	34.58	7.14	0.00	11.74	29.03	100
	{ 1919-20	37.20	10.35	0.00	3.05	24.03	100
	{ 1920-21	43.20	7.60	0.67	1.58	22.21	100
Leather and manufactures thereof, and substitutes thereof, including indiarubber (excluding boots)	{ 1908-12	35.29	4.43	16.57	0.12	24.29	100
	{ 1913 ..	29.45	3.93	19.87	0.04	24.88	100
	{ 1918-19	20.98	3.64	0.00	0.89	42.53	100
	{ 1919-20	20.98	3.40	0.00	0.29	48.61	100
	{ 1920-21	28.87	5.18	..	0.01	40.11	100
Total above-mentioned articles ..	{ 1908-12	58.69	4.18	10.49	1.30	10.45	100
	{ 1913 ..	57.62	3.67	10.62	1.26	10.99	100
	{ 1918-19	44.22	2.25	0.01	9.59	26.41	100
	{ 1919-20	51.87	3.50	0.07	5.19	23.65	100
	{ 1920-21	56.86	2.82	0.04	3.82	18.97	100
Total imports (less bullion and specie)	{ 1908-12	50.81	3.37	9.28	1.27	13.36	100
	{ 1913 ..	52.37	2.84	8.99	1.21	13.95	100
	{ 1918-19	36.43	1.74	0.01	8.65	23.65	100
	{ 1919-20	38.94	2.45	0.07	4.26	24.09	100
	{ 1920-21	46.92	2.20	0.03	3.19	22.05	100

It also may be mentioned here that the value of the imports from the United States and from Japan during the later years are somewhat understated, inasmuch as the values have been converted from the currencies of those countries on the basis of a par of exchange, whereas the actual exchange rates were considerably in their favour. The effect of this method of conversion, except in the case of Italy, did not reach serious dimensions until the year 1919-20. This method of conversion, which was applied to values for Customs duty also, was an advantage to Japan and to the United States in the Australian market by reducing the amount of duty to be paid on goods subject to *ad valorem* rates. In consequence of using the par of exchange, the figures given in the foregoing tables, though taken from the official records, are misleading. The commercial values of the imports referred to may be ascertained by multiplying the values given by the following coefficients:—France, 0.58; Japan, 1.25; United States, 1.24; and for all countries by 1.07. The values of the imports from the United Kingdom, of course, require no alteration. Modified accordingly, the proportion of the competitive groups supplied by the United Kingdom during 1919-20 would be 48.47 per cent. instead of 51.87 per cent., and the share of France would be reduced from 3.50 per cent. to 1.89 per cent. On the other hand, the proportion from Japan would be raised from 5.19 to 6.06 per cent. and the proportion from the United States from 23.65 to 27.40 per cent. As the practice of converting import values on the par of exchange was continued until the 8th December, 1920, it follows that the figures for 1920-21 are, in some degree, defective. The data necessary to measure the defect for this year, however, are not available. Moreover, the position of the United Kingdom in the Australian market has been recovered to such a marked extent that minor defects in the records are of little consequence in the results.

From the foregoing tables it may be seen that the value of the trade for which the United Kingdom is a substantial competitor increased from £54,084,764 in 1913, to £117,327,902 in 1920-21. Of this larger amount the United Kingdom supplied 56.86 per cent. as against 57.62 per cent. of similar imports in 1913. In 1913-19 the share of the United Kingdom in this trade represented only 44.22 per cent. The share of Japan increased from 1.26 per cent. in 1913 to 9.59 per cent. in 1918-19, but fell to 3.82 per cent. in 1920-21. Not only was Japan's *proportion* of the trade less during 1920-21 than in 1918-19, but the *actual value* was less by £2,355,336, notwithstanding that the total value of the imports under consideration increased from £71,265,376 in 1918-19 to £117,327,902 in 1920-21, or, by nearly 65 per cent. Although the value of the imports of competitive goods from Japan is much less than from America, the rate of increase has been far greater—from £683,437 in 1913 to £4,478,376 in 1920-21, equal to 550 per cent. The classes of goods chiefly responsible for this increase and the amount of the increase due to each are as follows:—Apparel and textiles, £2,728,277; metal manufactures and machinery, £271,990; china and porcelain ware, £220,055; earthenware, £28,807; glass and glassware, £276,973; paper, £78,984; stationery, £17,009; fancy goods, £125,729; optical, surgical, and scientific instruments, £15,396; brushware, £17,040; matches, £12,584; electric cable and wire, covered, £7,444.

The position of the United States in this competitive trade has improved from 10.99 per cent. in 1913 to 18.97 per cent. in 1920-21, though it is much lower than in 1918-19 when it represented 26.41 per cent. In the latest pre-war year (1913), the share of the United States in the "competitive" groups was £5,946,441, or 10.99 per cent., whereas in 1920-21 it was £22,253,356, or 18.97 per cent. The following are some of the principal lines in which United States' sales to Australia during 1920-21 were increased over those of 1913, and the amount of such increases:—Apparel and textiles, £3,417,053; iron and steel, unmanufactured or partly manufactured, £77,607; manufactured metals and machinery (including vehicles), £9,477,594; glass and glassware, £194,480; indiarubber and manufactures thereof, £643,036; leather and manufactures of (excluding boots and shoes), £239,168; paper and stationery, £922,299; fancy goods, £74,385; jewellery, £34,342; drugs and chemicals, £1,043,061; ammunition and explosives, £125,755; brushware, £60,505; electrical materials, £141,237; pianos and parts thereof, £621,723; paints and varnishes, £103,712; talking machines, £73,590; yarns, £55,477.

The position of France has declined from 3.67 per cent. in 1913 to 2.82 per cent. in 1920-21, though some improvement is evident as compared with 1918-19.

From the foregoing it will be seen that the more prominent position held by the United States of America and by Japan in the Commonwealth import market in 1920-21 was not to any great extent at the expense of the United Kingdom, but, rather, represented a substitution of the trade formerly supplied by Germany.

**2. Preferential Tariffs.**—The Commonwealth Tariff Act of 1908 provided preferential tariff rates in favour of goods produced or manufactured in the United Kingdom. Subsequent amendments of the Tariff have extended the list of articles to which the preferential rates apply. In the schedule submitted to Parliament on the 3rd December, 1914, the extension of the number of preferential rates was very material, and was accompanied in many instances by an increase of the margin in favour of the United Kingdom. This favorable treatment of the United Kingdom was again extended in both directions by the Tariff submitted on the 25th March, 1920 (Tariff Act 1921).

On the introduction of the preferential treatment of British goods by the Commonwealth Tariff, 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.

On the basis of the imports during 1913 the preferential provisions of the Tariff of 1908-11 covered 65 per cent. of the imports of merchandises of United Kingdom origin, the margin of preference being equal to 5.08 per cent. of the value of the goods. On the same basis the Tariff of 1921 has extended the application of the Preferential Tariff rates to 90 per cent. of the imports from the United Kingdom, and, at the same time, has increased the margin of preference to 12.22 per cent. *ad valorem*. For the purpose of these computations an unusual importation of warships valued at £2,495,000 has not been taken into account. The average equivalent *ad valorem* rate of duty payable under the Tariff of 1921 on goods of United Kingdom origin is about 25 per cent., whereas the same goods under the General Tariff rates would be called upon to pay an average rate of about 37½ per cent.

An application of the Tariff of 1921, to the imports from the United Kingdom during the year 1920-21 shews that 95 per cent. of these imports were favored by a margin of 11.97 per cent. *ad valorem*, representing about £8,750,000 additional duty which would have been paid had the same goods been imported under the General Tariff rates.

**3. Reciprocal Tariffs.**—The Tariff Act of 1921 introduced a new feature into Australian Tariffs in the form of an Intermediate Tariff. In submitting the schedule to Parliament, the Minister for Trade and Customs made the following statement of the object of the Intermediate Tariff:—" . . . the Minister is empowered under the Bill to enter into reciprocal arrangements with other Dominions of the British Crown. The Minister will be able, if we can arrange a satisfactory reciprocal agreement, to extend to other Dominions on individual items the British preference rate, or the intermediate rate, or, it may be, the general rate. Such agreements will be subject to the ratification of Parliament. The provision simply means that if any of our sister self-governing Dominions desires to enter into reciprocal trade relationships with us, the Minister, with the British Preference Tariff, the Intermediate Tariff, and the General Tariff before him, may bargain with the sister Dominion and come to an agreement, which, as I say, must subsequently be ratified by Parliament. . . . There is a provision of a somewhat similar character in regard to other countries than the Dominions, the only difference being that the Minister is empowered to extend to countries other than the Dominions only the Intermediate Tariff; that is to say, in entering into such negotiations, he is precluded from offering to those countries what we might term, for the purposes of this Bill, the Empire rate. He is confined in his negotiations with these other countries to the Intermediate Tariff."

(i) *Union of South Africa.* Until recently the Union of South Africa was the only British Dominion with which the Commonwealth had a reciprocal Tariff arrangement. The Commonwealth Customs Tariff (South African Preference) Act, No. 17 of 1906, and subsequent amending Acts have provided preferential rates of duty to be applied

to certain imported goods "when those goods are imported from and are the produce or manufacture of any of the British South African Colonies or Protectorates which are included within the South African Customs Union."

(ii) *Dominion of New Zealand.* On the 11th April, 1922, an agreement was made between the Commonwealth of Australia and the Dominion of New Zealand whereby goods specified in the schedule attached to the agreement should be admitted at the rates of duty set out in the schedule. In addition to the goods specially mentioned in the schedule, it is provided that "all other goods being the produce or manufacture of Australia or of New Zealand shall be dutiable at the rates applicable to goods being the produce or manufacture of the United Kingdom, upon entry into New Zealand or Australia respectively." This agreement was ratified by the Commonwealth Parliament by the Customs Tariff (New Zealand Preference) 1922, and, by Proclamation dated 24th August, 1922, came into operation on the 1st September, 1922.

(iii) *Dominion of Canada.* Although previous efforts to bring about reciprocal Tariff arrangements between Canada and Australia have not been successful, negotiations with this object are at present, again, in progress.

4. **Preferential Tariff of the United Kingdom.**—The post war Tariff of the United Kingdom provides Preferential Customs Rates on certain goods where they are shewn to the satisfaction of the Commissioners of Customs and Excise to have been consigned from and grown, produced, or manufactured in the British Empire. Manufactured articles generally are not entitled to the preferential rates unless 25 per cent. of their value is the result of labour within the British Empire. The principal items of interest to Australia which are accorded preferential treatment under the Tariff of the United Kingdom are:—Fruits, dried and preserved; jam; fruit pulp; preserved milk; wine; and brandy.

5. **Preferential Tariffs of the British Empire.**—In the Official Year Book No. 11, pages 601–3, will be found an outline of the systems of Preferential Tariffs within the British Empire and the Tariff arrangements between British Dominions or Colonies and Foreign Countries, together with a list of countries with whom Great Britain had concluded commercial treaties for "Most-Favoured-Nation" treatment.

## § 15. Rates of Duty in Australia and other Countries.

The following table shews the proportion of the total imports of merchandise entered for "home consumption" free of duty, in the undermentioned countries, and also the equivalent *ad valorem* rates of duty charged:—

### PROPORTION OF FREE GOODS AND RATES OF IMPORT DUTY.

Particulars.	Australia.			Canada.	New Zealand.	U.S. of
				(a)	(e)	America.
Year ended .. .. .	31/12/06	31/12/13	30/6/21	31/3/20	31/12/20	30/12/19
Percentage of free merchandise ..	35.18	42.30	37.98	34.84	48.60	70.84
Equivalent <i>ad val.</i> rates of duty on—	%	%	%	%	%	%
Spirits, wines and malt liquors ..	153.23	136.62	103.50	52.91	54.13	50.79
Tobacco, and preparations thereof ..	168.65	133.70	55.37	5.54 <sup>b</sup>	57.39	47.05 <sup>d</sup>
Other dutiable merchandise ..	17.04	20.92	20.59	22.02	18.97	19.65
Other merchandise dutiable and free	10.75	11.72	12.24	14.46	9.16	5.54
Total dutiable merchandise ..	27.14	28.47	23.02	22.51	23.33	21.27
Total merchandise dutiable and free	17.59	16.42	13.94	14.67	11.99	6.20
Customs duty per head .. .. .	£ s. d. 1 15 10	£ s. d. 2 12 8	£ s. d. 4 0 7	£ s. d. 4 4 6	£ s. d. 6 5 1 <sup>c</sup>	£ s. d. 0 10 8

(a) Excluding war tax, £6,445,742.

(b) Unmanufactured tobacco is admitted to Canada free of duty.

(c) Exclusive of Maoris, and residents of Cook and other Pacific Islands.

(d) Tobacco is admitted free of Customs duty from the Philippine Islands.

(e) Excluding Primage, £573,792.

The figures given for the year ended 30th June, 1906, represent the results of the last full year of operation of the Tariff of 1902.

From the results given in the above table, it will be seen that the scheme of taxation, by means of import duties, varies materially between the countries named. In Australia and Canada, taxation is spread more widely over imported commodities than in New Zealand or the United States of America. In the latter country, 70.84 per cent. of all imports are free of duty, whereas in the Commonwealth, about 38 per cent. only of the total imports were exempt from taxation during the year 1920-21. A considerable restriction of the free list in this country was necessary to raise the revenue required by the exigencies of the war, though even prior to the war (in 1913) free goods represented only 42.30 per cent. of the total imports, while in New Zealand they comprised 52 per cent. and in the United States of America, 60 per cent.

The comparatively large percentage of free goods in the imports of 1913 was not entirely the effect of Tariff changes, but was in some measure due to the inclusion in the free imports of that year of warships to the value of £2,495,000 and of mercantile ships to the value of £1,500,000. Imports of ships to such a value in any one year are, of course, unusual.

The apparent anomaly of a declining average rate of duty (i.e., from 16.42 per cent.\* in 1913 to 13.94 per cent. in 1920-21), at the same time that actual Tariff rates have been increased both in amount and in the extent of their application, is due to two causes, viz. :—

1. The higher values of goods subject to duties based on the unit of quantity (for example, see page 493), and
2. The effect of the protective rates in the attainment of their purpose in excluding from the import returns the goods subject to the higher rates. As an example of the operation of this cause the case of boots and shoes may be quoted. In 1913 "boots and shoes of any material n.e.i." paying an average rate of 31.3 per cent. were imported to the value of £484,239, representing £60 in every £10,000 of imports. In 1920-21 the imports of boots and shoes of similar Tariff designation, but bearing an average duty of 44.5 per cent., had dwindled, by reason of the high duties, to £125,713, representing £8 only in every £10,000.

Thus it will be seen that in so far as the higher protective duties are effective in their purpose they not only exclude from the import returns the goods to which they apply, but they automatically to the same degree operate towards their own effacement as contributors to the average rate of duty. The average rate of duty on dutiable goods is further affected by the contraction of the free list by the imposition of low rates of duty. These low rates of duty have been largely imposed for the purpose of providing preference to the United Kingdom.

From the foregoing it is clear that the total effect, in its incidence, of a revision of a Tariff can be measured only by applying the Tariff in its original form, and in its revised form, to the same lot of imports. A comparison, on these lines, between the Tariff of 1908-11 and the Tariff of 1921 is given in the following paragraph.

## § 16. Customs Tariff of 1921.

The Commonwealth Customs Duties are levied partially in the form of *ad valorem* duties and partially in the form of fixed rates per unit of quantity; in a few instances both these forms are complementary, and in a few other instances provision is made for the application of fixed rates or *ad valorem* rates according to which will produce the greater amount of duty. Under the Tariff of 1921 about 46 per cent. of imports (on the basis of the imports of 1913) would be subject to *ad valorem* rates, about 25 per cent. would pay fixed rate duties. and the balance—about 29 per cent.—would be free of duty.

The following table shews approximately the changes made in the average equivalent *ad valorem* rates of duty on the various classes of imports by the Tariff of 1921 in comparison with the Tariff of 1908-11. The results given have been obtained by

\* But for the abnormal imports of ships referred to in the preceding paragraph the average rate of duty would have been higher, and the decline to 13.94 per cent. in 1920-21 would have been correspondingly greater.

applying, as closely as possible, the rates of duty prescribed by each Tariff to the imports of 1913. The year 1913 has been selected as representing more nearly than any subsequent year the normal composition of Commonwealth imports. Owing to the many subdivisions which have been made in the items of the earlier Tariff in the recent revision, and the inadequacy of the statistics of imports to meet these changes, the results must be taken as merely approximate to the truth. As the imports for 1913 have been taken as the basis of the comparison it has been necessary to make allowance for the increase in prices in computing the *ad valorem* equivalent of the fixed rate duties in operation under the Tariff of 1921. For this purpose the average prices for similar goods imported during 1921-22 have been taken.

## CUSTOMS TARIFFS OF 1908-11 AND OF 1921 COMPARED.

Class of Imports.	Tariff of 1908-11.			Tariff of 1921.		
	Per-centage of Free Goods.	Equivalent <i>ad val.</i> Rates of Duty on—		Per-centage of Free Goods.	Equivalent <i>ad val.</i> Rates of Duty on—	
		All Mer- chandise.	All Dutiable Mer- chandise.		All Mer- chandise.	All Dutiable Mer- chandise.
	%	%	%	%	%	%
I. Foodstuffs of Animal Origin ..	10.42	15.43	17.22	10.42	14.71	16.44
II. Foodstuffs of Vegetable Origin ..	5.33	33.11	34.97	12.00	20.76	23.59
III. Beverages (non-alcoholic) and Substances used in making ..	79.62	4.36	21.38	79.62	4.08	20.04
IV. Spirituous and Alcoholic Liquors ..	00.00	144.95	144.95	00.00	106.92	106.92
V. Tobacco and preparations thereof ..	00.00	159.00	159.00	00.00	85.32	85.32
VI. Live Animals ..	87.70	00.07	00.59	100.00	00.00	00.00
VII. Animal Substances (mainly unmanufactured) ..	80.37	2.70	13.76	80.37	3.64	18.56
VIII. Vegetable Substances and Fibres ..	87.89	3.52	29.01	79.31	6.51	31.46
IX. (i) Apparel ..	15.12	24.75	29.15	4.67	34.85	36.55
(ii) Textiles ..	45.39	9.45	17.31	44.60	12.40	22.36
(iii) Bags and Cordage ..	91.30	1.91	21.92	91.30	2.42	27.88
X. Oils, Fats, and Waxes ..	32.32	11.12	16.43	27.72	9.73	13.46
XI. Paints and Varnishes ..	4.43	16.25	17.00	4.07	21.33	22.23
XII. Stones and Minerals used in- dustrially ..	16.54	19.27	23.10	6.60	21.30	22.80
XIII. Ores and Mineral Earths ..	100.00	..	..	63.78	19.23	53.22
XIV. (i) Machines and Machinery, Agricultural Implements and Machinery ..	39.47	12.44	20.56	4.62	32.58	34.16
Other Machines and Machinery ..	25.92	14.80	19.98	10.60	23.62	25.93
Total Machines and Machinery ..	27.42	14.54	20.04	9.94	24.63	27.34
(ii) Manufactures of Metals, iron and steel (simpler forms) ..	52.18	3.94	8.25	1.60	20.83	21.17
Other Manufactures of Metals ..	42.33	11.64	20.18	16.74	22.83	27.43
Total Manufactures of Metals ..	47.22	7.81	14.80	9.22	20.74	22.85
XV. Rubber and Manufactures of Rubber ..	34.46	15.43	23.54	34.46	23.21	35.42
Leather and Manufactures of Leather ..	3.34	18.72	19.37	1.94	31.37	31.99
XVI. Wood and Wicker, raw and manufactured ..	7.70	15.53	16.83	2.86	21.64	22.28
XVII. Earthenware, Cements, China, Glass, and Stoneware ..	7.13	25.71	27.67	2.38	28.44	29.13
XVIII. (i) Paper ..	71.75	6.30	22.30	2.34	15.43	15.80
(ii) Stationery ..	67.46	7.82	24.03	67.04	10.05	30.47
XIX. Jewellery, Timepieces, and Fancy Goods ..	20.47	20.39	25.64	20.43	32.55	40.94
XX. Optical Surgical and Scientific Instruments ..	75.38	3.52	14.26	21.91	22.37	28.65
XXI. Drugs, Chemicals, and Fertilisers ..	71.50	6.82	23.92	39.19	14.82	24.37
XXII. Miscellaneous ..	75.93	5.68	23.60	73.08	8.24	30.61
Total Merchandise ..	42.96	17.08	29.96	29.12	22.46	31.68
Total Merchandise, excluding Alcoholic Liquors and Tobacco ..	44.76	11.66	21.10	30.31	18.03	25.86

NOTE.—In computing the results given in the above table it has been assumed that all imports during 1913 were entered for consumption during the year and that all deferred duties were in operation.



From the results given it would appear that the Tariff of 1921 has reduced the proportion of imports which were free from duty from 42.96 per cent. to 29.12 per cent., or, conversely, has increased the proportion of dutiable goods from 57.04 per cent. to 70.88 per cent. This result is due in the most part (75 per cent.) to the imposition of duties of general application, and to a lesser degree (25 per cent.) to duties imposed for the purpose of providing preference to the manufactures of the United Kingdom.

The average *ad valorem* rate of duty over all merchandise—both dutiable and free—has been raised from 17.08 per cent. to 22.46 per cent. This comparatively small increase in what is the equivalent of an average *ad valorem* rate is due to the effect of increased prices for those goods which are subject to fixed rate duties. In order to determine what change has been made in the average rate of duty over all goods, it is usual to put all rates on a common *ad valorem* basis. Notwithstanding that in numerous cases very substantial increases were made in these fixed rate duties the increase in price was so much greater, that their *ad valorem* incidence is less, *at the present time*, under the 1921 Tariff than it was when the Tariff of 1908–11 was in operation. A simple illustration, to make this clear, may not be out of place.

Under the Tariff of 1908–11 the duty on whisky was 14s. per gallon, while under the Tariff of 1921 it is 30s. per gallon—an actual increase in duty of 114 per cent. In 1913 the import value of a gallon of bulk whisky was 6s. 6d., whereas in 1921–22 a similar gallon of whisky was valued at 26s. 5d.—an increase in price of 306 per cent. Thus under the 1908–11 Tariff a gallon of whisky valued at 6s. 6d. paid duty amounting to 14s. or 215 per cent. *ad valorem*, while under the Tariff of 1921 a gallon of whisky valued at 26s. 5d. would pay 30s. which, however, would represent only 113 per cent. *ad valorem*. The same thing applies, in varying degree, to all goods subject to fixed rate duties.

The classes most conspicuously affected in this way are those numbered I. to V. in the accompanying table, and it will be noticed that for each of these classes the rates of duty on the *ad valorem* basis are lower under the 1921 Tariff than before. These results do not indicate a reduction of duties, but merely an increase in prices greater than the increase in duties. As prices revert towards the pre-war level the duties collected under fixed rates will, of course, increase relatively to the cost of the goods.

In a consideration of the Tariff changes in relation to protection it is necessary to place such changes on an *ad valorem* basis in order to shew the increment to cost represented by the Tariff. For other purposes, however, the effect of the new Tariff as compared with the Tariff of 1908–11 will be made plainer by a simple statement of the amount of duty which would be collected from a uniform composite unit of goods imported under the conditions regarding prices in which each Tariff was operating. Taking the imports of 1913 as the composite unit, and assuming that these imports were all cleared for consumption within the year, the amount of duty paid thereon under the Tariff of 1908–11 would have been about £13,000,000; under the Tariff of 1921, the same goods at the same prices would have paid duty amounting to £25,000,000, representing an increase of 92 per cent. in the average duty per unit of quantity. If, however, the same goods had been imported during 1921–22 when values were much higher than in 1913, they would—on the assumption of 75 per cent. higher values—have paid £33,000,000 in duty, which would represent an increase in duty per unit of quantity equal to 154 per cent., *i.e.*, the duty would be two and a-half times as much as formerly. If prices recede, the average duty per unit of quantity will be lessened automatically by the operations of the *ad valorem* rates. Reference to the changes made in the preferential provisions of the Tariff in favour of the United Kingdom will be found on page 501 *ante*.

Since the above results were compiled the Minister for Trade and Customs moved in Committee of the House of Representatives (on 13th September, 1922) that the duties be reduced on fencing wire, of gauges 8 to 14, for use as fencing wire without further manufacture or for such manufacturing purposes as might be prescribed by departmental by-laws; on wire netting; galvanized iron; and tractors. For the duties removed it is proposed to substitute a system of bounties to the Australian manufacturers of the articles mentioned.