

## CHAPTER 13

### OVERSEA TRANSACTIONS

This chapter includes the contents of the former chapter Overseas Trade (covering overseas trade and balance of payments) together with the material on overseas investment by private investors which has been transferred from the chapter Private Finance. Because of the limitations of space the statistics in the chapter are, in the main, restricted to summarized form. The half-yearly bulletin *The Balance of Payments* and the *Annual Bulletin of Overseas Investment* contain detailed information on these subjects. For details of imports and exports see the annual bulletins on *Overseas Trade* (preliminary and final), *Australian Exports*, and *Imports Cleared for Home Consumption*. Preliminary information is available in summary form in the statements *Balance of Payments*; *Quarterly Summary*; *Overseas Investment: Preliminary Estimates* (annual); *Australian Overseas Trade: Recorded Trade Excluding Bullion and Specie* (monthly); and *Overseas Trade: Imports by Commodity Divisions* (monthly). Current information is included in the *Quarterly Summary of Australian Statistics*, the *Monthly Review of Business Statistics*, the *Digest of Current Economic Statistics*, and in more detail in the *Monthly Bulletin of Overseas Trade Statistics*. There are also the following additional mimeographed statements: *Exports of Wool* (monthly), *Overseas Trade with Major Groups of Countries* (quarterly), and *Trade of Australia with Eastern Countries* (annually). Additional unpublished details of imports and exports can be supplied on request.

### OVERSEAS TRADE

#### Constitutional provisions and legislation

##### Constitutional provisions

By the Commonwealth of Australia Constitution Act, section 51 (1), the power to make laws with respect to trade and commerce with other countries was conferred on the Commonwealth Parliament. Under section 86 of the Constitution, the collection and control of duties of customs and excise passed to the Executive Government of the Commonwealth on 1 January 1901. Other references to trade and commerce are contained in sections 87 to 95 of the Constitution (see pp. 17-18).

##### Commonwealth legislation

Commonwealth legislation affecting overseas trade includes: the Customs Act, the Customs Tariff, the Customs Tariff (Dumping and Subsidies) Act. The Customs Act is the administrative Act under which the Department of Customs and Excise operates. The Customs Tariff provides the statutory authority for imposing the actual rates of duty operative from time to time, while the Customs Tariff (Dumping and Subsidies) Act provides protection for Australian industry against various forms of unfair trading.

##### The Customs Tariff

The first Commonwealth Customs Tariff was introduced by Resolution on 8 October 1901, from which date uniform duties came into effect throughout Australia. The Australian Customs Tariff has been developed in conformity with the policy of protecting economic and efficient Australian industries and of granting preferential treatment to certain imports from countries of the Commonwealth. Duties are imposed on some goods, generally of a luxury nature, for revenue purposes. Customs collections are a major source of revenue, but in its protective character the tariff has an important influence on the Australian economy.

The present tariff provides for general and preferential rates of duty, and its structure is based on the 'Brussels Nomenclature' which has its origins in the Convention on Nomenclature for the Classification of Goods in Customs Tariffs, signed in Brussels on 15 December 1950. Australia has operated a 'Brussels-type' tariff since 1 July 1965.

*Preferential rates.* Preferential rates apply to goods the produce or manufacture of the United Kingdom and Ireland and to goods the produce or manufacture of Canada, New Zealand, Papua and New Guinea, and certain goods the produce or manufacture of certain specified countries, provided that such goods comply with the laws in force at the time affecting the grant of preference.

The following are the rules of origin for preference purposes.

'151.—(1.) For the purposes of this Act and the *Customs Tariff* 1965 (other than section nineteen of the last-mentioned Act), goods shall be treated as the produce of a country if they are unmanufactured raw products of the country.

(2.) For the purposes of this Act and the *Customs Tariff* 1965 (other than section nineteen of the last-mentioned Act), goods shall be treated as the manufacture of a country—

- (a) if the goods were wholly manufactured in the country from materials of one or more of the following classes:—
  - (i) unmanufactured raw products;
  - (ii) materials wholly manufactured in the country or in Australia, or in the country and in Australia; and
  - (iii) imported materials that the Minister has, in relation to the country, determined, by notice published in the *Gazette*, to be manufactured raw materials; or
- (b) if the goods were partly manufactured in the country, the process last performed in the manufacture of the goods was performed in the country and—
  - (i) not less than three-quarters, or, in a case where the country is New Zealand, one-half, of the factory or works cost of the goods is represented by the value of labour or materials, or of labour and materials, of the country or of the country and Australia;
  - (ii) in a case where the goods are goods of a class or kind not commercially manufactured in Australia, not less than one-quarter of the factory or works cost of the goods is represented by the value of labour or materials, or of labour and materials, of the country or of the country and Australia; or
  - (iii) in a case where the country is New Zealand, not less than three-quarters of the factory or works cost of the goods is represented by the value of labour or materials, or of labour and materials, of New Zealand and the United Kingdom or of New Zealand, Australia and the United Kingdom.

'151A.—(1.) For the purposes of this Act and the *Customs Tariff* 1965 (other than section nineteen of the last-mentioned Act), goods shall not be treated as the produce or manufacture of the United Kingdom, Canada, New Zealand, Ireland, Malawi, Southern Rhodesia, Zambia, the Territory of Papua or the Territory of New Guinea unless they have been shipped from that country to Australia and, except where the Collector is satisfied that the intended destination of the goods when originally shipped from that country was Australia, have not been transhipped.

(2.) The last preceding sub-section does not apply—

- (a) to goods the produce or manufacture of a country other than New Zealand that are imported into Australia from New Zealand; or
- (b) to goods the produce or manufacture of a country other than the Territory of Papua or the Territory of New Guinea that are imported into Australia from the Territory of Papua or the Territory of New Guinea.

(3.) For the purposes of sub-section (1.) of this section—

- (a) goods may be treated as having been shipped from the Territory of Papua or the Territory of New Guinea if they have been shipped from either of those territories; and
- (b) goods may be treated as having been shipped from Malawi, Southern Rhodesia or Zambia if they have been shipped from any of those countries or from Lourenco Marques or Beira in Mozambique.

*General rates.* General rates apply to goods from all countries which do not qualify for preferential rates of duty under a particular item.

*By-law provisions.* Customs By-laws and Ministerial Determinations are instruments made by the Minister for Customs and Excise, under the authority of Sections 271 to 273D of the Customs Act by which goods may be admitted free of duty or at rates of duty lower than those normally applicable. By-laws and determinations may only be made under a by-law item, which is a tariff item containing the words 'as prescribed by by-law'. Such an item sets out the by-law duty rates which will apply to goods only when such goods are included in a by-law or determination made under that item. By-law admission of goods is in general guided by the use to which the goods are to be put, e.g. the goods must be for a use which will assist economic or industrial development. A prerequisite for by-law admission is that suitably equivalent goods be not reasonably available from Australian production. A by-law covers goods by general description with no limit on quantity, and may be used by any importer of the goods. A determination covers a specific quantity of particular goods, and may be used only by the importer mentioned in the determination.

*Primage duties.* In addition to the ordinary duties of customs imposed by the Customs Tariff, *ad valorem* primage duties at rates of five per cent or ten per cent are charged on some goods according to the types of goods and origin thereof. Other goods are exempt from primage duty. Goods the produce or manufacture of New Zealand, Norfolk Island, Fiji, Cocos (Keeling) Islands, Christmas Island, Papua and New Guinea are exempt from primage duty.

*Anti-dumping duties.* The *Customs Tariff (Dumping and Subsidies) Act 1961* provides protection for Australian industry against various forms of unfair trading. Under this Act dumping duty may be imposed on goods that are sold to Australian importers at a price which is less than the normal value of the goods, where this causes or threatens material injury to an Australian industry. 'Normal value' under the Act means:

- (a) fair market value in the country of export;
- (b) price in the country of export to a third country;
- (c) fair market value in a third country; or
- (d) cost of production, plus f.o.b. charges, plus selling costs and profit.

Countervailing duty may be levied on goods in respect of which any subsidy, bounty, reduction; or remission of freight or other financial assistance has been, or is being, paid or granted directly or indirectly upon the production, manufacture, carriage or export of those goods. The amount of the countervailing duty in respect of any goods is a sum equal to the amount of the subsidy, bounty, reduction or remission of freight or other financial assistance.

#### **Import controls—Customs (Import Licensing) Regulations**

A comprehensive system of import licensing was introduced in Australia at the beginning of the second World War under the authority of the Customs (Import Licensing) Regulations. Following the gradual relaxation of the restrictions from the end of the War, import licensing was reimposed on 8 March 1952 and continued in force until 18 October 1962. From that date restrictions were removed from all commodities with the exception of some goods retained under control for reasons associated with the protection of Australian industry. Further information on import controls is contained in Year Book No. 51, page 492.

#### **Export controls and incentives**

*Commodity control.* Section 112 of the Customs Act provides that the Governor-General may, by regulation, prohibit the exportation of goods from Australia, and that this power may be exercised by: (a) prohibiting the exportation of goods absolutely; (b) prohibiting the exportation of goods to a specified place; and (c) prohibiting the exportation of goods unless prescribed conditions or restrictions are complied with. Goods subject to this export control are listed in the Customs (Prohibited Exports) Regulations.

*Exchange control—Banking Act 1959–1965.* As an integral part of the framework of exchange control, a control over goods exported from Australia is maintained under the provisions of Part III. of the Banking (Foreign Exchange) Regulations, to ensure that the full proceeds of such goods are received into the Australian banking system and that these proceeds are received in the currency and in the manner prescribed by the Reserve Bank of Australia. This action is complementary to that taken under other parts of the Banking (Foreign Exchange) Regulations and under Part IV. of the *Banking Act 1959* to control the movement out of Australia of capital in the form of securities, currency and gold.

Export licences are issued subject to terms and conditions specified in the Banking (Foreign Exchange) Regulations, and may be subject to such further terms and conditions as are determined, or may be free from terms and conditions. On the receipt in Australia by the Reserve Bank, or by a bank acting as agent for that Bank, of advice that the foreign currency has been paid to the Reserve Bank or to an agent of the Bank in payment for goods exported in accordance with a licence granted under the regulations, the Bank, or an agent of the Bank, pays the licensee, or such other person as is entitled to receive it, an amount in Australian currency equivalent to the foreign currency received. In addition to commercial transactions involving exports, movements of personal effects are also controlled. Persons leaving Australia for overseas are required to obtain licences to cover their bona fide baggage, personal effects and household effects in any individual case where the gold content thereof exceeds \$A250, or where jewellery and other articles of high intrinsic worth either exceed \$A2,000 in value or have not been the personal property of the passenger for at least twelve months.

*Export incentives.* The Commonwealth Government provides taxation concessions as financial incentives to export. A special income tax allowance for export market development expenditure is designed to encourage firms to incur promotion expenditure in advance of export sales and to assist exporters and potential exports to expand sales in the existing markets and to enter new overseas markets. The allowance is in the form of a special deduction equal and additional to the ordinary deduction allowable in respect of specified expenses allowable in determining

taxable income. Rebates of pay-roll tax are also granted to employers whose export sales of goods or property rights have increased above their average annual level in a base period. The rebate is available in the first place to employers who are producers for export, but a producer for export may issue an export certificate to an employer who has supplied components embodied in the final product.

#### Trade descriptions

*The Commerce (Trade Descriptions) Act 1905–1950* gives power to require the application of a proper trade description to certain prescribed goods imported into or exported from Australia. Goods which must bear a prescribed trade description upon importation into Australia are specified in the Commerce (Imports) Regulations. As regards exports from Australia, marking requirements are prescribed in regulations issued under the Act and relating to specified export commodities.

### Government authorities

#### Tariff Board

*The Tariff Board Act 1921–1962* provides for the appointment of a Tariff Board consisting of eight members. Of these, two must, and three may, be members of the Commonwealth Public Service at the time of their appointment (or first appointments in the case of re-appointments). Members of the Board are appointed for terms of not less than one year and not more than five years. The purpose of the Tariff Board is to advise the Government on matters relating to the protection and encouragement of Australian industry.

The Minister of State for Trade and Industry is required to refer to the Board for inquiry and report the following matters: the necessity for new, increased, or reduced duties; the necessity for granting bounties and the effect of existing bounties; and any complaint that a manufacturer is taking undue advantage of the protection afforded him by the Tariff or by the restriction of the importation of any goods by charging unnecessarily high prices for his goods or acting in restraint of trade. In addition, the Minister may refer the following matters to the Tariff Board for inquiry and report: the general effect of the working of the Customs Tariff and the Excise Tariff; the fiscal and industrial effects of the Customs laws on the Commonwealth; the incidence between the rates of duty on raw materials and on finished or partly finished products; and other matters affecting the encouragement of primary and secondary industries in relation to the Tariff. The Minister of State for Customs and Excise may refer to the Tariff Board for inquiry and report the following matters: the classification of goods in the Customs Tariff or Excise Tariff and matters in connection with the interpretation of these Tariffs; the question of the value for duty of goods; whether goods not prescribed in departmental by-laws should be so prescribed; and any matters in respect of which action may be taken under the *Customs Tariff (Dumping and Subsidies) Act 1961–1965*.

Where a matter of the necessity for new or increased duties on any goods has been referred to the Board for inquiry and report, the Board may, in its report, recommend the restriction of the importation of those goods for such period as is specified in the report.

Inquiries conducted by the Board relating to a revision of the Tariff, a proposal for a bounty, a question under the Customs Tariff (Dumping and Subsidies) Act, or any complaint that a manufacturer is taking undue advantage of the protection afforded him by the Tariff or by the restriction of the importation of any goods, are held in public, and evidence in such inquiries is taken in public on oath, unless the Board accepts evidence as confidential or in the form of a written statement by a witness on oath. The Board is required to make available to the public the contents of any such written statement except any matter which it accepts as confidential.

#### Special Advisory Authority

The Minister for Trade and Industry may also request a Special Advisory Authority to inquire into cases where urgent action appears necessary to protect an Australian industry against import competition pending receipt and consideration of a full report by the Tariff Board. The Special Advisory Authority's report must be submitted to the Minister within thirty days of the making of the request. Temporary protection recommended by a Special Advisory Authority may be imposed, but may only operate for a period of up to three months after the date of receipt of the final report by the Tariff Board on the goods concerned.

### Trade agreements

#### Multilateral—General Agreement on Tariffs and Trade

The General Agreement on Tariffs and Trade (G.A.T.T.), which came into force on 1 January 1948, is a multilateral trade treaty designed to facilitate trading relations between participating countries by reducing tariff and other barriers to the free interchange of goods. The Agreement provides a framework within which negotiations can be held to reduce barriers to trade, and a

structure for embodying the results of such negotiations in a legal instrument. Features of the Agreement are the schedules of tariff concessions participating countries have negotiated with each other, the application of most-favoured-nation treatment among the participants, the avoidance of trade discrimination, and a code of agreed commercial policy rules for international trading. Each participating country retains the right (a) to impose new duties for protective purposes, except in respect of commodities where rates of duty have been fixed in negotiations under the Agreement; (b) to impose import restrictions to protect the balance of payments; and (c) to take emergency action where any industry is endangered by reason of any obligation incurred under the Agreement.

There have been five main tariff negotiations under the provisions of the Agreement, and a number of smaller scale negotiations preceding the accession of individual countries. As a result the tariff rates for many items entering into world commerce have been reduced or bound against increase. Australia has obtained tariff concessions from individual countries on a number of her principal or potential exports to them, both as a result of direct negotiation by Australia and of negotiation by other countries. In the latter case the benefits occurred through the operation under the Agreement of the most-favoured-nation principle. A sixth series of tariff negotiations, the Kennedy Round, based on a plan for linear tariff cuts on all classes of products, including agricultural and primary products with a minimum of exceptions, and on the reduction of non-tariff barriers to trade, began in May 1964.

Increasing attention has been focussed in G.A.T.T. on specific trade and development problems of developing countries. In February 1965 a new Part IV of G.A.T.T., aimed at helping developing countries solve these problems, came into force on a *de facto* basis. The new Part IV gives a contractual and legal basis for commitments on individual and joint action by contracting parties, aimed at ensuring that the less-developed countries can increasingly find the means to raise standards of living and promote rapid economic development through participating in international trade and sustained growth of their export earnings.

Up to the end of March 1965 the contracting parties had held twenty-two sessions, nearly all in Geneva, to deal with matters arising from the administration of the Agreement. As a general rule the contracting parties meet once a year, although in a few instances they have met twice. In 1960 a Council of Representatives was established to undertake work, both of an urgent and of a routine character, between the regular sessions of the contracting parties. Some of the provisions of the Agreement were revised in 1954 and 1955. The revised Agreement contains tighter provisions on non-tariff barriers to trade, and allows more freedom for countries to revise individual tariff items which had been bound against an increase in tariff negotiations under the Agreement.

Since G.A.T.T. has not been accepted definitively by any country, the Agreement is at present being applied pursuant to a Protocol of Provisional Application. At the end of January 1966 sixty-seven countries, whose foreign trade represents about 80 per cent of the total volume of world trade, were full contracting parties to the Agreement, six had acceded provisionally, five countries applied the Agreement on a *de facto* basis, and two countries participated under special arrangements.

#### Bilateral agreements

*The United Kingdom.* The original United Kingdom and Australia Trade Agreement (Ottawa Agreement) was signed on 20 August 1932. The provisions and history of the agreement were published in Year Book No. 43, page 329. A new Trade Agreement designed to replace the original agreement and correct the imbalance in benefits which had emerged in the twenty-five years of its operation came into effect on 9 November 1956. Briefly this agreement preserves security for Australian exports in the United Kingdom market, but lowers the obligatory margins of preference which Australia extends to the United Kingdom. The agreement provides for re-negotiation after the initial five-year period, but by arrangement between the two Governments this re-negotiation has been postponed. In the meantime the agreement continues subject to six months notice of termination by either country. Further details for the 1956 Agreement may be obtained from Year Book No. 51, page 495.

*Canada.* The existing agreement between Australia and Canada came into force on 30 June 1960, replacing an agreement signed on 3 August 1931. The agreement provides for Australian goods to receive British Preferential Tariff rates, or better, upon entry into Canada, and for Canada to maintain margins of preference in favour of Australia on a range of commodities. The agreement specifies that Canadian goods, with some exceptions, shall receive the benefit of the British Preferential Tariff upon importation into Australia and that Australia shall maintain margins of preference in favour of Canada on a range of commodities. The agreement continues subject to six months notice.

*New Zealand.* The New Zealand-Australia Free Trade Agreement came into force on 1 January 1966. The agreement provides for free trade in certain scheduled goods. Provision is made for the addition of items to the schedule. The provision of the 1933 Trade Agreement between Australia and New Zealand continues in force as part of the Free Trade Agreement, except as superseded or modified by it.

*Federation of Rhodesia and Nyasaland.* A trade agreement was negotiated with the Federation in June 1955. (Australia's principal undertaking was to grant an exclusive tariff preference to the Federation on unmanufactured tobacco. The Federation accorded preferential tariff treatment on a wide range of Australian goods, including wheat and powdered and condensed milk.) The Federation was dissolved on 31 December 1963, but application of the Agreement was continued on a provisional basis between Australia and each of the three constituent territories Zambia (Northern Rhodesia), Rhodesia (Southern Rhodesia) and Malawi (Nyasaland).

*Malaysia.* A trade agreement with the then Federation of Malaya became effective in August 1958. Under the agreement Malaya undertook to protect Australian wheat and flour from dumped or subsidized competition and to extend to Australia any tariff preferences it accords. Australia guaranteed free entry for natural rubber so long as the Papua-New Guinea crop was absorbed, and assured the Federation that natural rubber would not be at a disadvantage compared with synthetic rubber in respect of tariff or import licensing treatment. The Agreement continues to apply between Australia and that portion of Malaysia known previously as the Federation of Malaya.

*Japan.* An Agreement on Commerce between the Commonwealth of Australia and Japan was signed on 6 July 1957, and formally ratified on 4 December 1957. It was provided that the Agreement would remain in force until 5 July 1960, and thereafter unless prior notice of termination should be given by either Government. The agreement provides that each country shall extend most-favoured-nation treatment to the other in respect of customs duties and similar charges, and import and export licensing. Japan is not entitled to claim the benefit of preferences accorded by Australia to Commonwealth countries and dependent territories. Japan also gave certain specific commitments on some important Australian export commodities.

Following a review of the agreement, a Protocol of Amendment was signed on 5 August 1963 and formally ratified on 27 May 1964. Under the Protocol Australia agreed to withdraw action against Japan under Article XXXV of the General Agreement on Tariffs and Trade, and thus a full G.A.T.T. relationship was established between the two countries.

The specific undertakings agreed in 1957 have now lapsed and the following commitments have been entered into.

Japan has:

- (a) undertaken not to accord less favourable import treatment (apart from tariff) for raw wool than for raw cotton,
- (b) stated that it has no present intention of imposing a duty on wool,
- (c) undertaken to continue imports of Australian soft wheat at a stabilized level, and to purchase Australian hard wheat when necessary requirements are met,\*
- (d) stated that it will endeavour to expand opportunities for imports into Japan of Australian sugar, canned meat, leather, motor vehicles, butter and cheese.

Australia has:

- (a) undertaken to consult Japan on temporary protection cases affecting Japanese products (in such consultations Japan will consider whether the need for temporary protection can be obviated by measures taken in Japan),
- (b) stated that equal opportunities of fair and equal competition are accorded to Japanese products in Australian Government purchases overseas.

The new agreement will be effective for three years from the date of ratification and thereafter subject to three months' notice of termination by either Government. There is provision for consultations to take place at least annually.

*Indonesia.* This agreement came into operation on 1 July 1959. It records the desirability of expanding trade between Australia and Indonesia. It also gives special recognition to the importance of the flour trade from Australia to Indonesia. Australia recognizes the importance to Indonesia of its traditional exports to Australia. The agreement is subject to review and renewal annually.

*Philippines.* A trade agreement with the Philippines was signed in Manila on 16 June 1965. The agreement provides for an exchange of non-discriminatory treatment while recognizing existing preferences. The agreement is to operate for one year initially and continue thereafter unless one Government gives ninety days notice of its intention to terminate it. The Philippines is not a member of G.A.T.T.

*U.S.S.R.* A trade agreement between Australia and the U.S.S.R. was signed in Moscow on 15 October 1965. The agreement provides for the exchange of non-discriminatory treatment between the two countries. It operates initially for a period of four years. There is provision for consultation on request about any matter affecting the operation of the agreement.

\* 'Soft' wheat is fair average quality wheat; 'hard' wheat is premium grade wheat similar to that grown in North America.

*Korea.* On 21 September 1965 a trade agreement was signed in Seoul between Australia and South Korea. Basically the agreement provides for an exchange of non-discriminatory treatment with allowances for existing preferences. The agreement, to run for one year with provision for automatic extension, also provides for non-discrimination by State trading enterprises. Both Governments undertake to use their best endeavours to increase the volume of trade between the two countries. The importance of the agreement for Australia is that our trade is now guaranteed continued non-discriminatory treatment whereas this was formerly given on a non-contractual basis. Korea is not a member of G.A.T.T.

### Trade services

#### Trade Commissioner Service

The stimulation of interest abroad in Australia's exports is an important government activity in which the Australian Trade Commissioner Service plays a prominent part. A brief account of the establishment and growth of the Trade Commissioner Service before the Second World War is available in Year Book No. 51, page 496. Since the War the service has increased steadily and by December 1965 there were 43 Trade Commissioner posts in thirty-two countries. In 1957 Australia's official commercial representation overseas was extended by the introduction of a system of government Trade Correspondents. These correspondents, who as a rule already reside in particular centres overseas, are engaged on a part-time basis to carry out market research, arrange introductions between buyer and seller, and generally promote Australia's trade interests in the same way as Trade Commissioners. Each Trade Correspondent operates under the general direction of the nearest Trade Commissioner.

Trade Commissioners and, to a lesser extent, Trade Correspondents, are responsible for commercial intelligence in their territories. Particular facilities provided for Australian exporters and export organizations include: surveys of market prospects; advice on selling and advertising methods; arranging introductions with buyers and agents; providing reports on the standing of overseas firms; advice and assistance to business visitors; helping to organize and carry through trade missions, trade displays, newspaper supplements and other promotion and publicity media; providing information on import duties, import licensing, economic conditions, quarantine and sanitary requirements, and other factors affecting the entry and sale of goods; helping to attract desirable investment.

In some countries Trade Commissioners also participate in inter-governmental negotiations in the economic and commercial fields. In certain countries where there is no diplomatic or consular mission he is called upon to act as the Australian representative.

Trade Commissioners usually enter the Service from either private enterprise or the public service, and applications for entry into the Service are called for periodically by public advertisement. In the more important posts the Trade Commissioner is supported by an Assistant Trade Commissioner, who normally qualifies at a later stage for appointment as a Trade Commissioner.

The Trade Commissioner Service is administered by the Commonwealth Department of Trade and Industry (as distinct from the diplomatic and consular services administered by the Department of External Affairs), but in countries where there is an Australian diplomatic or consular mission it is the practice for Trade Commissioners to be attached to the mission and to hold an appropriate diplomatic or consular rank (Commercial Counsellor, Commercial Secretary or Commercial Attaché).

The overseas trade representation is shown in the chapter International Relations.

#### Trade Missions

Since 1954 the Australian Government has sent a number of Trade Missions abroad as part of the campaign to increase exports, and the experience acquired has indicated the need to vary the technique to suit particular products or markets. At present the following two trade mission techniques are in use.

*Survey mission.* This is organized to obtain precise knowledge about trade potential for specific products in an overseas market. This method is adopted for new or developing areas where commercial intelligence is not readily available or where a complex industry is involved and requires technical knowledge. Ten such missions have been organized to date.

*Specialized selling mission.* The approach is to organize a specific industry or group of industries to participate in a planned selling campaign in overseas markets with known sales potential. The group visits the market, exhibits and publicizes its products and negotiates sales. Two specialized selling missions have been organized in recent years.

Surveys and selling missions have developed from the general trade missions of the past which comprised members with a wide variety of interests and objectives. In addition to the missions mentioned above, Australia since 1954 has sent overseas fifteen general trade missions and five trade ships.

Further details on Trade Missions are included in Year Book No. 49, page 544.

### Export Payments Insurance Corporation

The *Export Payments Insurance Corporation Act 1956* established the Corporation with the objective of protecting Australian exporters against risks of loss arising from non-payment of their overseas accounts for goods and certain services. The Corporation is charged to be self-supporting and operates on principles similar to those of any other form of insurance. There is, however, no overlap with normal insurance facilities, since the Corporation does not cover risks which can normally be insured with commercial insurers. The main risks of loss against which the Corporation insures are the 'commercial' risks of the insolvency or protracted default of the buyer, and 'political' risks. The cover for 'commercial' risks is a maximum of 90 per cent, and the cover on 'political' risks a maximum of 90 per cent for the amount of loss in the pre-shipment period and a maximum of 95 per cent in the post-shipment period.

The initial capital of the Corporation was £500,000 (\$1,000,000) and the maximum contingent liability limit for contracts of insurance issued to exporters, £25,000,000 (\$50,000,000). Increasing demand on the part of Australian exporters for the facilities offered by the corporation has led to periodic revisions of these limits, which currently stand at \$4,000,000 and \$150,000,000 respectively.

Further information on the Corporation is contained in Year Book No. 49, page 544. For particulars of its operations see the chapter Private Finance.

### Collection and presentation of statistics

#### Source of statistics

Oversea trade statistics are compiled from documents obtained under the *Customs Act 1965* and supplied to the Commonwealth Bureau of Census and Statistics by the Department of Customs and Excise.

#### Scope of statistics

All goods moving into or out of Australia are recorded in oversea trade statistics except those listed below. The statistics are not confined to goods which are the subject of a commercial transaction. The area to which all oversea trade statistics issued by this Bureau apply is the whole of the Commonwealth of Australia, comprising the States of New South Wales, Victoria, Queensland, South Australia, Western Australia and Tasmania, the Northern Territory and the Australian Capital Territory. Non-contiguous territories under Australian administration are treated as outside countries, and trade transactions between Australia and those non-contiguous territories are part of the oversea trade of Australia. Such transactions are shown separately, i.e. the trade of Australia with each particular area is separately recorded and tabulated.

The following items are *not included* in oversea trade statistics: vehicles engaged in the transport of passengers or goods between countries; bunkers and stores supplied to oversea vessels and aircraft in Australia; direct transit trade, i.e. goods being transhipped or moved through Australia for purposes of transport only; ships and aircraft for use on oversea routes; fish and other sea products landed abroad directly from the high seas by Australian vessels; uranium; those parcels post exports for which customs entries are not submitted; and certain materials for inter-governmental defence projects for which customs entries are not required.

Prior to 1906 bunkers and stores supplied to oversea vessels and aircraft were included in exports, but since then they have been excluded. The value of these stores shipped each year since 1960-61 is shown on page 423. Outside packages (containers, crates, etc.) are included as a separate item in the tabulation of imports, but they have only been fully classified by country of origin since 1950-51. The value of each export item includes the value of outside packages.

#### Presentation of statistics

Statistics of the inward flow of goods are recorded and published in two forms: *imports cleared for home consumption* and *imports*. *Imports cleared for home consumption* comprise goods which enter Australia directly for domestic consumption (including transformation and repair) and goods withdrawn from customs warehouses. *Imports* comprise goods which enter Australia directly for domestic consumption together with goods imported into customs warehouses.

The outward flow of goods is divided into *domestic exports* and *re-exports*. *Domestic exports* are exports of Australian produce plus exports of foreign goods transformed by a manufacturing process in Australia. *Re-exports* comprise goods re-exported from customs storage warehouses and exports of 'nationalized goods' (foreign goods which have entered Australia for domestic consumption and have subsequently been re-exported without transformation).

Total recorded trade is divided into merchandise and non-merchandise trade. Prior to July 1965 merchandise trade consisted of all recorded trade less imports and exports of specie and gold and silver. In July 1965 merchandise trade was redefined in accordance with international



standards recommended by the United Nations. Since its redefinition merchandise trade includes, as far as possible, all goods which as a result of their movement add to or subtract from the material resources of the country. On this basis the following four categories of goods are treated as non-merchandise trade.

- (a) Goods consigned by governments to their armed forces and diplomatic representatives abroad. Essentially such goods remain a part of the national economy from which they are exported, and this movement, therefore, does not affect the level of national resources although it does affect the level of resources currently available for domestic use.
- (b) Goods whose movement can reasonably be expected to be reversed within a limited time.
- (c) Goods of little or no commercial value, including decorations, awards and samples.
- (d) Specie and gold. The movement of specie and gold, in general, changes monetary rather than material resources and is therefore not included in merchandise trade.

#### Periods covered by statistics

For Customs ports in the capital cities imports and exports are recorded statistically in the calendar month in which entries are passed by the Department of Customs and Excise. Normally this is within a few days of shipment overseas or discharge of cargoes, although delays do occur in the lodging of entries. For Customs ports other than those in the capital cities (i.e. 'outports') the 'statistical month' differs from the calendar month and generally consists of the period from the twenty-second day to the end of the preceding month plus the first three weeks of the calendar month. In effect, goods for which a customs entry is passed at an 'outport' after the twenty-first day of the month will generally be recorded in the statistics for the following month. During 1964-65 13 per cent of imports measured by value and 29 per cent of exports flowed through outports.

Oversea shipment of some major items is at times delayed by abnormal factors affecting sales, deliveries for export, or the loading of ships. Wool shipments in any financial year may be materially affected by the time spread of wool auctions, which normally end in July. The carry-over for shipment varies from year to year. New season's wheat normally becomes available from December onwards, and the quantity shipped in any financial year is affected by the timing of sales for export.

Since 1 July 1914 detailed trade statistics have been compiled for financial years (July to June). Prior to that details were compiled on a calendar year basis. A table is included on page 428 showing the total value of imports and exports for the calendar years 1961 to 1965.

#### Valuation

All values in oversea trade statistics are determined on a 'free on board (f.o.b.) port of shipment' basis. This means that all charges, in particular the cost of freight and insurance, incurred after the goods have been placed on board at the port of shipment for import or export are excluded. Only transport and service charges incurred, or usually incurred, in placing the goods on board at the port of shipment are included in the determination of trade values.

The procedure adopted to value imports and exports is as follows.

**Exports.** The recorded value of goods exported includes the cost of containers and outside packages and has been determined as from 1 July 1937 as follows.

- (a) Goods sold to oversea buyers before export are valued at the Australian f.o.b. port of shipment equivalent of the actual price at which the goods were sold.
- (b) Goods shipped on consignment are valued at the Australian f.o.b. port of shipment equivalent of the price paid for similar goods of Australian origin in the principal markets of the country to which they are dispatched for sale. An account of the bases of valuation in operation prior to 1 July 1937 is given on page 469 of Year Book No. 39.

**Imports.** The recorded value of goods imported is the amount on which duty is payable or would be payable if the duty were *ad valorem*. Value for duty is the f.o.b. port of shipment equivalent of either:

- (a) the actual price paid or to be paid by the Australian importer plus any special deduction (transactions value); or
- (b) 'the current domestic value' of the goods; whichever is the higher.

'Current domestic value', is defined as 'the amount for which the seller of the goods to the purchaser in Australia is selling or would be prepared to sell for cash, at the date of exportation of those goods, the same quantity of identically similar goods to any and every purchaser in the country of export for consumption in that country'.

The cost of containers and outside packages is excluded from the value of individual import items but is included as a separate item in the tabulation of imports.

**Quantity data**

Where quantities are shown they are generally, but not invariably, expressed in terms of the normal trade unit. Where 'cental' is used, the unit is equivalent to 100 lb. avoirdupois. Quantities are not tabulated in respect of statistical items for which there is no appropriate unit of quantity (for example a statistical item which covers a number of commodities that cannot be recorded under a uniform unit of quantity).

**Commodity classification**

Oversea trade statistics for years up to and including 1964-65 were compiled according to the Statistical Classification of Imports and Exports. This classification contained approximately 3,700 import items and 1,300 export items in 1964-65. From July 1965 imports have been classified according to the new *Australian Import Commodity Classification*. This classification is based on the Standard International Trade Classification, Revised—(S.I.T.C.)—which is closely related to the Brussels Tariff Nomenclature used in the new Australian Customs Tariff introduced on 1 July 1965.

Although the basis of the classification of exports remained unchanged for 1965-66, the export section of the Statistical Classification of Imports and Exports was published separately, with some minor revisions, as the *Australian Export Commodity Classification*. A new Australian Export Commodity Classification based on S.I.T.C. was introduced in July 1966.

**Country classification**

*Imports.* 'Country of origin' referred to in import tables means the country of production. Classification of imports according to country of shipment was discontinued after the year 1920-21. A brief account of the dual system of import classification by country operating prior to the year 1921-22 was given on page 500 of Year Book No. 51.

*Exports.* 'Country of consignment' referred to in export tables means the country to which goods were consigned so far as this can be determined at the time of export. Where the country of consignment is not determined at the time of export, goods are shown as exported 'For orders'.

**Balance of trade and balance of payments**

*Balance of trade.* Oversea trade statistics are compiled from information recorded in customs documents. The excess of exports or imports in recorded merchandise trade is not an accurate measure of the balance of trade. Imports and exports have to be adjusted for both valuation and coverage differences to provide estimates of the balance of trade as shown in the bulletin *Balance of Payments*. Imports are adjusted for the overall excess of recorded value for duty over the actual selling price to the importer. Imports and exports of goods for repair and return and the value of repairs are deducted; imports and exports of ships and aircraft for use on overseas routes, certain imports of defence equipment, and other trade items, for which customs entries are not required, are added.

*Balance of payments.* Estimates of the balance of trade do not measure Australia's total balance of payments which includes other transactions such as freight and insurance charges on imports, shipping expenditure in Australian ports, overseas travel, payments of profits and interest, and private and government borrowing overseas. Estimates of these transactions are contained in the bulletin *Balance of Payments* (see also page 435).

**Pre-federation records**

In the years preceding Federation each State recorded its trade independently, and in so doing did not distinguish other Australian States from foreign countries. 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, but the results obtained may be subject to error, since past records of values and the direction of imports and exports were not on uniform lines. Imports and exports for years prior to Federation may be found in issues of the Year Book prior to No. 41. On the introduction of the *Customs Act* 1901 the methods of recording values were made uniform throughout the States.

**Total overseas trade****Including gold**

The following table shows the total trade (including gold) of Australia with overseas countries from 1901 to 1964-65. The period 1901 to 1955-56 has been divided into five-year periods, and the figures shown represent the annual averages for the periods specified. Figures for the individual years were published in earlier issues, but figures for imports in issues prior to No. 37 were expressed in British currency.

VALUE OF OVERSEA TRADE: AUSTRALIA, 1901 TO 1964-65  
INCLUDING GOLD  
(\$A f.o.b.)

Period	Imports	Exports	Total	Excess of exports (+) or imports (-)	Value per head of population		
					Imports	Exports	Total
	\$m	\$m	\$m	\$m	\$	\$	\$
Annual average—							
1901 to 1905 . . . . .	71	102	174	+ 31	18.2	26.2	44.4
1906 to 1910 . . . . .	94	(a)139	232	+ 45	22.0	32.6	54.6
1911 to 1915-16 . . . . .	133	149	282	+ 16	27.6	30.8	58.4
1916-17 to 1920-21 . . . . .	183	230	413	+ 47	34.8	43.8	78.6
1921-22 to 1925-26 . . . . .	249	269	518	+ 20	42.2	45.8	88.0
1926-27 to 1930-31 . . . . .	239	263	501	+ 24	37.2	41.0	78.2
1931-32 to 1935-36 . . . . .	148	242	390	+ 94	22.2	36.2	58.4
1936-37 to 1940-41 . . . . .	247	315	562	+ 68	35.6	45.4	81.0
1941-42 to 1945-46 . . . . .	423	328	751	- 95	58.2	44.8	103.0
1946-47 to 1950-51 . . . . .	899	1,143	2,041	+244	114.4	145.4	259.8
1951-52 to 1955-56 . . . . .	1,566	1,572	3,138	+ 7	175.6	176.4	352.0
Year—							
1955-56 . . . . .	1,642	1,564	3,206	- 78	176.2	167.8	344.0
1956-57 . . . . .	1,438	1,986	3,424	+548	150.8	208.4	359.2
1957-58 . . . . .	1,584	1,636	3,220	+ 52	162.6	167.8	330.4
1958-59 . . . . .	1,593	1,623	3,216	+ 30	160.0	163.0	323.0
1959-60 . . . . .	1,854	1,875	3,730	+ 21	182.2	184.4	366.6
1960-61 . . . . .	2,175	1,938	4,113	-237	209.2	186.4	395.6
1961-62 . . . . .	1,769	2,155	3,924	+385	166.8	203.2	370.0
1962-63 . . . . .	2,163	2,152	4,314	- 11	200.0	199.0	399.0
1963-64 . . . . .	2,373	2,782	5,155	+410	215.2	252.4	467.6
1964-65 . . . . .	2,905	2,651	5,556	-253	258.2	235.7	493.9

(a) Prior to 1906, ships' stores were included in exports. For the value of such goods shipped on overseas vessels and aircraft during each of the years 1960-61 to 1964-65 see page 423.

Plate 32 shows the overseas trade of Australia from 1946-47 to 1964-65.

#### Excluding gold

The following table shows particulars of merchandise trade (including silver and bronze as merchandise), from which *all* gold movements have been excluded.

VALUE OF OVERSEA TRADE: AUSTRALIA, 1960-61 TO 1964-65  
EXCLUDING GOLD  
(\$A f.o.b.)

Year	Imports	Exports	Total	Value per head of population		
				Imports	Exports	Total
	\$m	\$m	\$m	\$	\$	\$
1960-61 . . . . .	2,171	1,858	4,029	209.0	178.8	387.8
1961-62 . . . . .	1,765	2,137	3,902	166.4	201.4	367.8
1962-63 . . . . .	2,158	2,139	4,297	199.6	197.8	397.4
1963-64 . . . . .	2,368	2,768	5,136	214.8	251.0	465.8
1964-65 . . . . .	2,901	2,633	5,534	257.9	234.1	492.0

## Direction of oversea trade

## According to countries

The following table shows the value of Australian imports and exports during each of the years 1962-63 to 1964-65 according to country of origin and consignment respectively.

## VALUES OF AUSTRALIAN IMPORTS AND EXPORTS, BY COUNTRY OF ORIGIN OR CONSIGNMENT, 1962-63 TO 1964-65

EXCLUDING GOLD  
\$A'000 f.o.b.)

Country	Imports			Exports		
	1962-63	1963-64	1964-65	1962-63	1963-64	1964-65
<b>Commonwealth countries—</b>						
United Kingdom . . . . .	658,384	659,068	761,411	401,554	511,976	516,226
Australian Territories . . . . .	21,976	26,074	29,632	44,130	56,050	65,637
Canada . . . . .	91,822	95,872	117,006	38,102	50,390	39,914
Ceylon . . . . .	17,068	17,158	17,277	12,910	14,314	18,671
Hong Kong . . . . .	15,254	18,826	24,414	27,914	36,164	36,616
India . . . . .	36,146	34,610	40,909	37,220	35,434	55,400
Malaysia . . . . .	27,276	25,282	52,322	26,524	28,836	82,917
New Zealand . . . . .	34,948	44,716	46,357	131,132	166,120	158,050
Singapore . . . . .	6,836	6,830	(a)	33,694	36,996	(a)
Other Commonwealth countries . . . . .	60,782	71,734	62,726	71,040	78,680	82,044
<i>Total, Commonwealth countries . . . . .</i>	<i>970,492</i>	<i>1,000,170</i>	<i>1,152,054</i>	<i>824,220</i>	<i>1,014,960</i>	<i>1,055,475</i>
<b>Foreign countries—</b>						
Arabian States . . . . .	87,612	88,160	104,118	11,418	12,536	14,054
Belgium-Luxembourg . . . . .	13,996	16,754	24,880	46,372	59,776	59,514
China (Mainland) . . . . .	11,256	16,356	22,862	129,288	168,190	135,633
France . . . . .	35,556	40,058	66,903	105,970	137,570	111,781
Germany, Federal Republic of . . . . .	117,320	130,766	160,999	68,368	91,846	83,837
Indonesia . . . . .	58,026	55,438	64,034	5,232	9,648	7,431
Iran . . . . .	38,464	37,704	26,698	3,814	5,028	18,449
Italy . . . . .	39,064	40,158	50,511	88,056	108,624	85,190
Japan . . . . .	129,378	162,468	258,574	346,166	487,810	440,740
Netherlands . . . . .	27,472	31,130	36,762	14,340	15,854	20,702
Sweden . . . . .	35,824	45,618	53,568	6,534	5,366	8,584
United States of America . . . . .	460,092	542,490	692,242	265,796	280,788	264,190
U.S.S.R. . . . .	1,056	1,850	2,167	29,232	114,132	76,441
Other foreign countries . . . . .	129,986	155,176	178,122	178,674	237,254	243,564
<i>Total, foreign countries . . . . .</i>	<i>1,185,102</i>	<i>1,364,126</i>	<i>1,742,440</i>	<i>1,299,260</i>	<i>1,734,422</i>	<i>1,570,110</i>
Country unknown . . . . .	2,126	3,766	6,075	15,392	18,788	7,460
<b>Total . . . . .</b>	<b>2,157,720</b>	<b>2,368,062</b>	<b>2,900,569</b>	<b>2,138,872</b>	<b>2,768,170</b>	<b>2,633,045</b>

(a) Included in Malaysia.

The following table expresses the values shown in the preceding table as percentages of total imports or exports.

**VALUES OF AUSTRALIAN IMPORTS AND EXPORTS: PROPORTIONS, BY  
COUNTRY OF ORIGIN OR CONSIGNMENT, 1962-63 TO 1964-65**

EXCLUDING GOLD  
(Per cent of total)

Country	Imports			Exports		
	1962-63	1963-64	1964-65	1962-63	1963-64	1964-65
<b>Commonwealth countries—</b>						
United Kingdom . . . . .	30.51	27.83	26.25	18.77	18.50	19.60
Australian Territories . . . . .	1.02	1.10	1.02	2.06	2.02	2.49
Canada . . . . .	4.26	4.05	4.03	1.78	1.82	1.52
Ceylon . . . . .	0.79	0.72	0.59	0.60	0.52	0.71
Hong Kong . . . . .	0.71	0.79	0.84	1.31	1.31	1.39
India . . . . .	1.68	1.46	1.41	1.74	1.28	2.10
Malaysia . . . . .	1.26	1.07	1.80	1.24	1.04	3.15
New Zealand . . . . .	1.62	1.89	1.59	6.13	6.00	6.00
Singapore . . . . .	0.32	0.29	(a)	1.58	1.34	(a)
Other Commonwealth countries . . . . .	2.81	3.04	2.19	3.32	2.83	3.13
<i>Total, Commonwealth countries</i>	<i>44.98</i>	<i>42.24</i>	<i>39.72</i>	<i>38.53</i>	<i>36.66</i>	<i>40.09</i>
<b>Foreign countries—</b>						
Arabian States . . . . .	4.06	3.72	3.59	0.53	0.45	0.53
Belgium-Luxembourg . . . . .	0.65	0.71	0.86	2.17	2.16	2.26
China (Mainland) . . . . .	0.52	0.69	0.78	6.04	6.08	5.15
France . . . . .	1.65	1.69	2.31	4.95	4.97	4.24
Germany, Federal Republic of . . . . .	5.44	5.52	5.55	3.20	3.32	3.18
Indonesia . . . . .	2.69	2.34	2.20	0.24	0.35	0.28
Iran . . . . .	1.78	1.59	0.92	0.18	0.18	0.70
Italy . . . . .	1.81	1.70	1.74	4.12	3.92	3.23
Japan . . . . .	6.00	6.86	8.91	16.18	17.62	16.73
Netherlands . . . . .	1.27	1.31	1.26	0.67	0.57	0.78
Sweden . . . . .	1.66	1.93	1.84	0.31	0.19	0.32
United States of America . . . . .	21.32	22.91	23.87	12.43	10.14	10.03
U.S.S.R. . . . .	0.05	0.08	0.74	1.34	4.12	2.90
Other foreign countries . . . . .	6.02	6.55	5.51	8.39	8.59	9.30
<i>Total, foreign countries</i>	<i>54.92</i>	<i>57.60</i>	<i>60.08</i>	<i>60.75</i>	<i>62.66</i>	<i>59.63</i>
Country unknown . . . . .	0.10	0.16	0.20	0.72	0.68	0.28
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

(a) Included in Malaysia.

**According to major groups of countries**

The following table shows the major groups of countries referred to in the tables on pages 410-11 and 439-40.

## COUNTRIES INCLUDED IN MAJOR GROUPS

Sterling area	Non-sterling countries	
United Kingdom British Pacific Islands, West Indies, Hong Kong and other British colonies and dependencies (excluding New Hebrides)	North America— Canada United States of America and dependencies European Economic Community(a)— Belgium-Luxembourg France Germany, Federal Republic of Greece Italy Netherlands (excluding dependencies)	Eastern Europe, China (Mainland), etc.— <i>continued</i> Romania Union of Soviet Socialist Republics China (Mainland) Korea (North) Vietnam (North)
Australia and Territories (including Papua and New Guinea)	European Free Trade Association (other than the United Kingdom)(a)— Austria Denmark Finland Norway Portugal Sweden Switzerland	Principal other countries— Argentina Brazil China, Republic of (Formosa) Indonesia Iran Iraq Japan Korea, Republic of Mexico Netherlands dependencies Peru Philippines Spain Saudi Arabia Thailand Turkey United Arab Republic Venezuela Yugoslavia
Ceylon Ghana India Malaysia, Federation of (Malaya, Sabah, Sarawak and Singapore) New Zealand and dependencies Pakistan Rhodesia and Malawi Other Commonwealth countries Arabian States of Bahrain, Kuwait, Qatar, and Trucial States Burma Iceland Ireland Jordan Libya South Africa	Eastern Europe, China (Mainland), etc.— Albania Bulgaria Czechoslovakia Germany (East) Hungary Poland	

(a) Includes dependent territories, associated communities, etc., unless otherwise stated.

The following table shows the trade of Australia with the major groups of countries shown above during the years 1963-64 and 1964-65. Particulars of Australia's balance of payments with countries in these groups are shown on pages 439-40.

**VALUE OF TRADE OF AUSTRALIA, BY MAJOR GROUPS OF COUNTRIES, 1963-64 AND 1964-65**

INCLUDING GOLD

(\$A'000 f.o.b.)

Major groups of countries	1963-64	1964-65
<b>STERLING AREA</b>		
<b>Imports—</b>		
From—United Kingdom . . . . .	659,068	761,412
Other countries . . . . .	315,392	348,256
Total . . . . .	974,460	1,109,668
<b>Exports—</b>		
To—United Kingdom . . . . .	511,988	516,226
Other countries . . . . .	497,416	553,968
Total . . . . .	1,009,404	1,070,194
Excess of exports (+) or imports (-) . . . . .	+34,944	-39,474

VALUE OF TRADE OF AUSTRALIA, BY MAJOR GROUPS OF COUNTRIES—*continued*INCLUDING GOLD  
(\$A'000 f.o.b.)

Major groups of countries	1963-64	1964-65
<b>NON-STERLING COUNTRIES—NORTH AMERICA</b>		
<b>Imports—</b>		
From—Canada . . . . .	95,872	117,006
United States of America(a) . . . . .	542,526	692,356
Total . . . . .	638,398	809,362
<b>Exports—</b>		
To—Canada . . . . .	50,390	39,914
United States of America(a) . . . . .	285,154	268,440
Total . . . . .	335,544	308,354
Excess of exports (+) or imports (-) . . . . .	-302,854	-501,008
<b>OTHER NON-STERLING COUNTRIES</b>		
<b>Imports—</b>		
From—European Economic Community . . . . .	262,862	345,235
European Free Trade Association(b) . . . . .	114,904	133,584
Other countries—		
Eastern Europe, China (Mainland), etc. . . . .	30,088	46,469
Other . . . . .	351,946	460,385
Total . . . . .	759,800	985,673
<b>Exports—</b>		
To—European Economic Community . . . . .	427,590	385,737
European Free Trade Association(b) . . . . .	28,716	33,271
Other countries—		
Eastern Europe, China (Mainland), etc. . . . .	322,352	246,908
Other . . . . .	658,854	606,985
Total . . . . .	1,437,512	1,272,901
Excess of exports (+) or imports (-) . . . . .	+677,712	+287,228
<b>ALL GROUPS</b>		
Total imports . . . . .	2,372,658	2,904,703
Total exports . . . . .	2,782,460	2,651,449
Excess of exports (+) or imports (-) . . . . .	+409,802	-253,254

(a) Includes Alaska and Hawaiian Islands.

(b) Other than United Kingdom.

## Trade with the United Kingdom

## Statistical classes

The following table shows, according to statistical classes, the value of imports into Australia of United Kingdom origin and of exports from Australia to the United Kingdom during each of the years 1962-63 to 1964-65.

**VALUE OF TRADE OF AUSTRALIA WITH UNITED KINGDOM  
BY STATISTICAL CLASS, 1962-63 TO 1964-65**  
(\$'000 f.o.b.)

Class	Imports			Exports		
	1962-63	1963-64	1964-65	1962-63	1963-64	1964-65
I. Foodstuffs of animal origin, etc. . .	4,376	5,908	6,709	88,886	100,408	164,520
II. Foodstuffs of vegetable origin; non-alcoholic beverages, etc. . .	1,742	1,812	2,378	121,236	155,228	124,359
III. Alcoholic liquors, etc. . .	6,444	7,786	8,850	1,622	1,686	2,254
IV. Tobacco, etc. . .	980	1,018	1,240	..	..	44
V. Live animals and birds . . .	348	492	403	..	..	5
VI. Animal substances, etc. . .	2,214	2,336	2,653	118,762	160,714	116,670
VII. Vegetable substances, etc. . .	4,916	5,400	5,807	1,016	720	397
VIII. Apparel, textiles, etc. . .	57,888	54,314	61,607	514	826	441
IX. Oils, fats and waxes . . .	4,968	3,294	3,383	3,960	4,938	5,079
X. Pigments, paints and varnishes . . .	7,426	5,690	5,920	..	..	60
XI. Rocks, minerals, etc. . .	1,600	1,682	1,573	11,478	15,072	21,084
XII. Metals, metal manufactures and machinery . . .	380,572	377,462	432,007	35,656	50,776	56,757
XIII. Rubber and leather, etc. . .	10,682	11,534	14,490	4,972	5,166	4,768
XIV. Wood and wicker, etc. . .	744	800	1,099	1,792	688	731
XV. Earthenware, etc. . .	17,876	16,596	18,428	..	..	28
XVI. Paper and stationery . . .	40,274	35,606	35,334	634	832	1,228
XVII. Jewellery, etc. . .	6,810	7,286	9,714	..	..	1,880
XVIII. Optical, surgical and scientific in- struments . . .	12,188	13,086	13,341	1,780	2,346	2,624
XIX. Chemicals, medicinal products, es- sential oils, fertilizers . . .	43,198	45,668	53,093	1,376	2,084	2,302
XX. Miscellaneous . . .	53,136	61,294	83,379	7,600	8,934	10,723
XXI. Gold and silver; bronze specie . . .	80	4	4	344	1,570	272
<b>Total . . . . .</b>	<b>658,462</b>	<b>659,068</b>	<b>761,412</b>	<b>401,628</b>	<b>511,988</b>	<b>516,226</b>

**Imports of principal articles**

The following table shows the value of the principal articles imported into Australia from the United Kingdom during each of the years 1962-63 to 1964-65.

**VALUE OF IMPORTS OF PRINCIPAL ARTICLES OF UNITED KINGDOM ORIGIN  
AUSTRALIA, 1962-63 TO 1964-65**  
(\$'000 f.o.b.)

Article	1962-63	1963-64	1964-65	Article	1962-63	1963-64	1964-65
Aircraft and parts . . . . .	6,448	4,924	4,934	Optical, surgical and scien- tific instruments . . . . .	8,888	9,062	9,082
Arms and ammunition, mili- tary, naval and air force stores . . . . .	4,820	7,424	6,832	Paper, printing . . . . .	4,982	3,746	1,602
Aluminium—				Paper, wrapping . . . . .	3,994	142	200
Plates, sheets, strips . . . . .	1,844	974	1,092	Piece-goods—			
Leaf and foil . . . . .	2,000	1,512	1,708	Cotton and linen . . . . .	8,656	7,952	8,650
Apparel . . . . .	5,704	6,060	6,543	Silk and rayon(a) . . . . .	1,628	2,252	2,541
Books, magazines, etc. . . . .	18,666	19,032	19,895	All other piece-goods . . . . .	7,054	6,800	9,369
Carpets . . . . .	7,230	5,692	7,532	Plastic materials . . . . .	14,304	17,690	22,884
Chemicals, medicinal pro- ducts, essential oils and fertilizers . . . . .	43,198	45,668	53,092	Rubber and rubber manu- factures . . . . .	8,932	9,610	12,040
Crockery . . . . .	3,812	3,524	3,943	Sewing and other cottons, threads, etc. . . . .	4,106	4,482	4,787
Dyes . . . . .	3,742	3,554	3,592	Stationery and paper manu- factures . . . . .	24,590	26,066	27,404
Electrical machinery and appliances . . . . .	55,872	47,008	51,261	Tools of trade . . . . .	4,086	3,934	4,719
Glass and glassware . . . . .	7,950	6,876	7,967	Vehicles, parts and acces- sories . . . . .	113,476	112,478	124,164
Iron and steel—				Vessels (ships), including parts . . . . .	1,708	1,536	295
Plate and sheet . . . . .	6,982	7,054	5,889	Whisky . . . . .	5,984	7,246	8,358
Other . . . . .	11,716	12,840	18,763	Yarns—			
Linoleums . . . . .	3,788	3,394	3,402	Cotton . . . . .	2,982	1,728	2,168
Machines and machinery (except dynamo elec- trical)—				Rayon . . . . .	8,486	8,256	8,514
Agricultural . . . . .	1,856	2,124	3,211	Other . . . . .	1,496	1,428	1,649
Metal-working . . . . .	12,380	11,788	17,840	All other articles(b) . . . . .	103,724	106,874	121,580
Motive-power . . . . .	50,404	59,068	59,441				
Other . . . . .	80,974	79,270	114,469	<b>Total . . . . .</b>	<b>658,462</b>	<b>659,068</b>	<b>761,412</b>

(a) Includes tyre cord fabric.

(b) Includes outside packages.



## Exports of principal articles of Australian produce

The following table shows the quantities and values of the principal articles of Australian produce exported to the United Kingdom during each of the years 1962-63 to 1964-65.

## EXPORTS OF PRINCIPAL ARTICLES OF AUSTRALIAN PRODUCE TO THE UNITED KINGDOM, 1962-63 TO 1964-65

Article	Quantity			Value (\$'000 f.o.b.)		
	1962-63	1963-64	1964-65	1962-63	1963-64	1964-65
Butter . . . . . tons	65,094	74,361	75,695	38,652	44,676	49,655
Cheese . . . . . "	13,632	13,059	16,061	5,366	5,236	7,183
Eggs . . . . . "	..	..	..	3,072	1,716	3,108
Fruit, dried . . . . . tons	29,943	28,206	28,118	8,796	9,684	9,592
" fresh . . . . . '000 bus.	4,407	5,050	4,986	14,096	14,982	15,183
" preserved in airtight containers tons	65,834	106,861	43,696	18,086	28,592	20,834
Gold . . . . . "	..	..	..	74	12	..
Grains and cereals—						
Barley . . . . . tons	66,232	112,467	38,114	2,926	4,924	1,781
Flour (wheaten), plain white tons(a)	66,641	48,743	45,563	2,940	2,888	2,759
Wheat . . . . . tons	437,073	753,923	512,470	23,606	40,376	26,698
Other . . . . . "	..	..	..	4,424	2,310	3,044
Hides and skins . . . . . "	..	..	..	4,042	6,332	5,277
Lead bullion . . . . . tons	59,645	60,715	36,275	9,958	13,452	12,196
" pig . . . . . "	80,228	76,631	83,565	10,184	13,358	24,061
Leather . . . . . "	..	..	..	4,656	4,630	4,169
Meats preserved by cold process—						
Beef and veal . . . . . tons	26,695	36,961	107,027	11,800	20,860	64,847
Lamb . . . . . "	16,655	13,005	17,052	5,930	4,982	7,051
Mutton . . . . . "	6,852	5,350	11,617	2,476	1,636	5,053
Rabbit and hare . . . . . "	..	..	..	3,116	3,204	3,338
Meats, tinned . . . . . tons	10,461	10,119	13,777	6,138	5,334	7,637
Milk and cream . . . . . '000 lb.	6,640	8,691	9,048	844	1,202	1,414
Silver bullion . . . . . '000 fine oz.	231	1,336	217	256	1,340	251
Sugar (cane) . . . . . tons	437,769	422,058	402,861	44,206	49,496	42,722
Tallow, inedible . . . . . "	10,006	10,568	16,135	1,024	1,228	2,488
Timber, undressed(b) . . . . . '000 super ft.	1,912	950	1,143	274	136	176
Wine, fermented . . . . . '000 gals.	1,104	1,054	1,412	1,562	1,610	2,127
Wool . . . . . '000 lb.	222,585	247,586	206,309	114,004	153,528	110,015
Zinc bars, etc. . . . . tons	22,193	21,750	27,094	3,470	4,488	7,735
All other articles . . . . . "	..	..	..	48,818	61,556	63,089
<b>Total</b> . . . . . "	..	..	..	<b>394,796</b>	<b>503,968</b>	<b>503,483</b>

(a) 2,000 lb. (b) Excludes railway sleepers.

## Imports from the United Kingdom and competing countries

Since 1908, permanent resident Commissioners appointed by the British Board of Trade have been located in Australia for the purpose of advising manufacturers and merchants in the United Kingdom with regard to Australian trade affairs. From 8 August 1907 the Commonwealth Customs Tariffs have provided preferential rates of customs duties on certain goods the produce or manufacture of the United Kingdom, with the object of assisting the British manufacturer to retain or improve his position in this market in relation to other countries. The main provisions in these Acts relating to preference are dealt with on pages 397-8 in this chapter.

In an investigation into the relative position occupied by the United Kingdom in the import trade of Australia, the comparison must, of course, be restricted to those classes of goods which are produced or manufactured in the United Kingdom. Imports into Australia include many commodities, such as tea, rice, raw coffee, unmanufactured tobacco, petroleum products, copra, timber, etc., which the United Kingdom cannot supply. These items, in addition to others not available from that country, have therefore been omitted from the following table.

The imports into Australia have been classified under nine headings, and the trade of the United Kingdom therein is compared with that of France, the Federal Republic of Germany, Japan, and the United States of America. These countries have been selected as being, in normal times, the principal competitors with the United Kingdom for the trade of Australia under the specified headings. Totals for each of the years 1962-63 to 1964-65 are shown in the following table.

**VALUE OF IMPORTS FROM THE UNITED KINGDOM AND ITS MAIN  
COMPETITORS: AUSTRALIA, 1962-63 TO 1964-65**  
( $\$A^{\circ}000$  f.o.b.)

Nature of imports	Year	United Kingdom	France	Federal Republic of Germany	Japan	United States of America	All countries
Foodstuffs of animal origin	1962-63	4,376	24	588	4,374	1,816	24,682
	1963-64	5,908	..	902	4,780	1,480	29,698
	1964-65	6,709	48	672	5,727	1,521	31,319
Yarns and manufactured fibres, textiles and apparel	1962-63	57,888	4,478	5,946	56,238	24,694	233,300
	1963-64	54,314	4,102	5,606	57,216	21,642	233,996
	1964-65	61,607	4,538	6,363	69,371	22,463	272,122
Metals, metal manufactures and machinery	1962-63	380,572	18,916	66,988	29,858	239,272	850,122
	1963-64	377,462	22,192	74,698	49,128	295,386	947,308
	1964-65	432,007	42,789	97,947	110,201	412,850	1,275,176
Rubber and leather and manufactures thereof, and substitutes therefor	1962-63	10,682	1,104	1,050	1,862	9,920	46,670
	1963-64	11,534	2,146	806	..	11,050	51,160
	1964-65	14,490	2,704	1,102	5,600	15,464	66,305
Earthenware, cement, china, glass and stoneware	1962-63	17,876	1,578	1,866	6,494	4,996	40,438
	1963-64	16,596	1,348	2,028	7,390	5,972	40,718
	1964-65	18,428	1,811	2,495	9,446	6,931	47,325
Pulp, paper and board, paper manufactures and stationery	1962-63	40,274	922	2,626	3,514	26,712	133,466
	1963-64	35,606	734	3,050	3,630	24,516	141,664
	1964-65	35,334	758	3,250	4,931	28,427	156,493
Sporting material, toys, fancy goods, jewellery and timepieces	1962-63	6,810	480	2,788	4,602	1,896	28,308
	1963-64	7,286	472	2,576	4,834	1,784	29,990
	1964-65	9,714	438	3,075	6,097	2,468	37,329
Optical, surgical and scientific instruments, etc.; photographic goods, n.e.i.	1962-63	12,188	376	5,602	4,098	-10,754	37,426
	1963-64	13,086	456	5,910	4,522	13,618	43,280
	1964-65	13,341	767	6,799	6,040	15,645	49,260
Chemical, medicinal and pharmaceutical products, essential oils and fertilizers	1962-63	43,198	3,632	14,584	4,342	41,234	142,462
	1963-64	45,668	3,628	16,026	9,710	50,226	163,374
	1964-65	53,093	3,917	16,753	7,749	56,494	184,720
<i>Total competitive imports</i>	1962-63	573,864	31,510	102,038	115,382	361,294	1,536,874
	1963-64	567,460	35,078	111,602	141,210	425,674	1,681,188
	1964-65	644,723	57,770	138,456	225,162	562,263	2,120,049
<b>Total imports (less bullion and specie)(a)</b>	1962-63	658,382	35,556	117,320	129,378	460,052	2,157,554
	1963-64	659,062	39,882	130,766	162,468	542,446	2,367,874
	1964-65	761,408	66,903	160,999	258,557	692,235	2,900,405

(a) Includes outside packages.

The following table shows the proportions of the several classes of goods shown in the previous table imported from each country during the year 1964-65.

**VALUE OF IMPORTS FROM THE UNITED KINGDOM AND ITS MAIN  
COMPETITORS: PROPORTIONS, AUSTRALIA, 1964-65**

(Per cent)

Nature of imports	United Kingdom	France	Federal Republic of Germany	Japan	United States of America	Other countries	All countries
Foodstuffs of animal origin	21.4	..	2.5	18.2	4.8	53.1	100.0
Yarns and manufactured fibres, textiles and apparel	22.6	1.7	2.3	25.5	8.3	39.6	100.0
Metals, metal manufactures and machinery	33.9	3.3	7.6	8.6	32.3	14.3	100.0
Rubber and leather and manufactures thereof, and substitutes therefor	21.8	4.0	1.6	8.4	23.3	40.9	100.0
Earthenware, cement, china, glass and stone-ware	38.9	3.8	5.2	19.9	14.6	17.6	100.0
Pulp, paper and board; paper manufactures and stationery	22.6	0.5	2.0	3.1	18.1	53.7	100.0
Sporting, material, toys, fancy goods, jewellery and timepieces	26.0	1.1	8.2	16.3	6.6	41.8	100.0
Optical, surgical and scientific instruments, etc.; photographic goods, n.e.i.	27.0	1.5	13.8	12.3	31.8	13.6	100.0
Chemical, medicinal and pharmaceutical products, essential oils and fertilizers	28.7	2.1	9.1	4.2	30.6	25.3	100.0
<i>Total competitive imports</i>	<i>30.4</i>	<i>2.7</i>	<i>6.5</i>	<i>10.6</i>	<i>26.5</i>	<i>23.3</i>	<i>100.0</i>
<b>Total imports (less bullion and specie)(a)</b>	<b>26.2</b>	<b>2.3</b>	<b>5.5</b>	<b>8.9</b>	<b>23.8</b>	<b>33.3</b>	<b>100.0</b>

(a) Includes outside packages.

The following table shows comparisons of the proportions of the several countries for competitive imports and for total imports for each of the years 1962-63 to 1964-65.

**VALUE OF IMPORTS FROM THE UNITED KINGDOM AND ITS MAIN  
COMPETITORS: PROPORTIONS, AUSTRALIA, 1962-63 TO 1964-65**  
(Per cent)

Nature of imports	Year	United Kingdom	France	Federal Republic of Germany	Japan	United States of America	Other countries	All countries
Total competitive imports	1962-63	37.3	2.1	6.6	7.5	23.5	23.0	100.0
	1963-64	33.8	2.1	6.6	8.4	25.3	23.8	100.0
	1964-65	30.4	2.7	6.5	10.6	26.5	23.3	100.0
Total imports (less bullion and specie) (a)	1962-63	30.5	1.6	5.4	6.0	21.3	35.2	100.0
	1963-64	27.8	1.7	5.5	6.9	22.9	35.2	100.0
	1964-65	26.2	2.3	5.5	8.9	23.8	33.3	100.0

(a) Includes outside packages.

**Trade with eastern countries**

**Merchandise trade according to countries**

The values of imports from, and exports to, eastern countries during the years 1962-63 to 1964-65 are shown in the following table.

**VALUE OF MERCHANDISE TRADE OF AUSTRALIA WITH EASTERN COUNTRIES  
BY COUNTRY OF ORIGIN OR CONSIGNMENT: 1962-63 TO 1964-65**  
(\$A'000 f.o.b.)

Country	Imports(a)			Exports		
	1962-63	1963-64	1964-65	1962-63	1963-64	1964-65
<b>Commonwealth countries—</b>						
Burma	17,532	14,028	7,232	3,376	3,394	125
Ceylon	17,068	17,158	17,277	12,910	14,314	18,671
Hong Kong	15,254	18,826	24,414	27,914	36,164	36,613
India	36,146	34,610	40,909	37,220	35,434	55,400
Malaysia	27,276	25,282	52,322	26,524	28,836	82,917
Pakistan	11,428	13,960	13,188	14,116	8,028	9,274
Singapore	6,836	6,830	(b)	33,694	36,996	(b)
<b>Foreign countries—</b>						
Burma	128	154	72	6,470	5,582	5,114
Cambodia	6	6	2	114	84	296
China, Republic of (Formosa)	1,148	2,868	4,355	4,056	7,252	8,137
China (Mainland)	11,256	16,356	22,862	129,288	168,190	135,633
Indonesia	58,026	55,438	64,034	5,232	9,648	7,431
Japan	129,378	162,468	258,574	346,166	487,810	440,740
Korea, Republic of	412	798	774	6,364	6,450	3,972
Korea (North)	14	96	86	2,380	2,298	2,305
Laos	..	..	16	34	50	2
Nepal	34	8	14	..	2	2
Philippines	1,518	2,140	3,242	12,486	20,734	20,920
<b>Portuguese Dependencies—</b>						
Macao	32	80	85	16	10	18
Timor	40	4	..	112	284	208
Thailand	868	986	1,139	7,408	10,244	13,855
Vietnam, Republic of	34	42	49	2,410	1,488	2,617
Vietnam (North)	..	..	1	328	18	155
<b>Total</b>	<b>334,434</b>	<b>372,138</b>	<b>510,647</b>	<b>678,618</b>	<b>883,310</b>	<b>844,405</b>

(a) Includes outside packages.

(b) Included with Malaysia.

Plate 37 shows the trade between Australia and eastern countries during 1964-65.

**Merchandise trade—principal articles**

The following table shows the value of merchandise trade between Australia and eastern countries for each of the years 1962-63 to 1964-65. The countries concerned in this trade are listed in the previous table.

# OVERSEA TRADE: AUSTRALIA, 1946-47 TO 1964-65

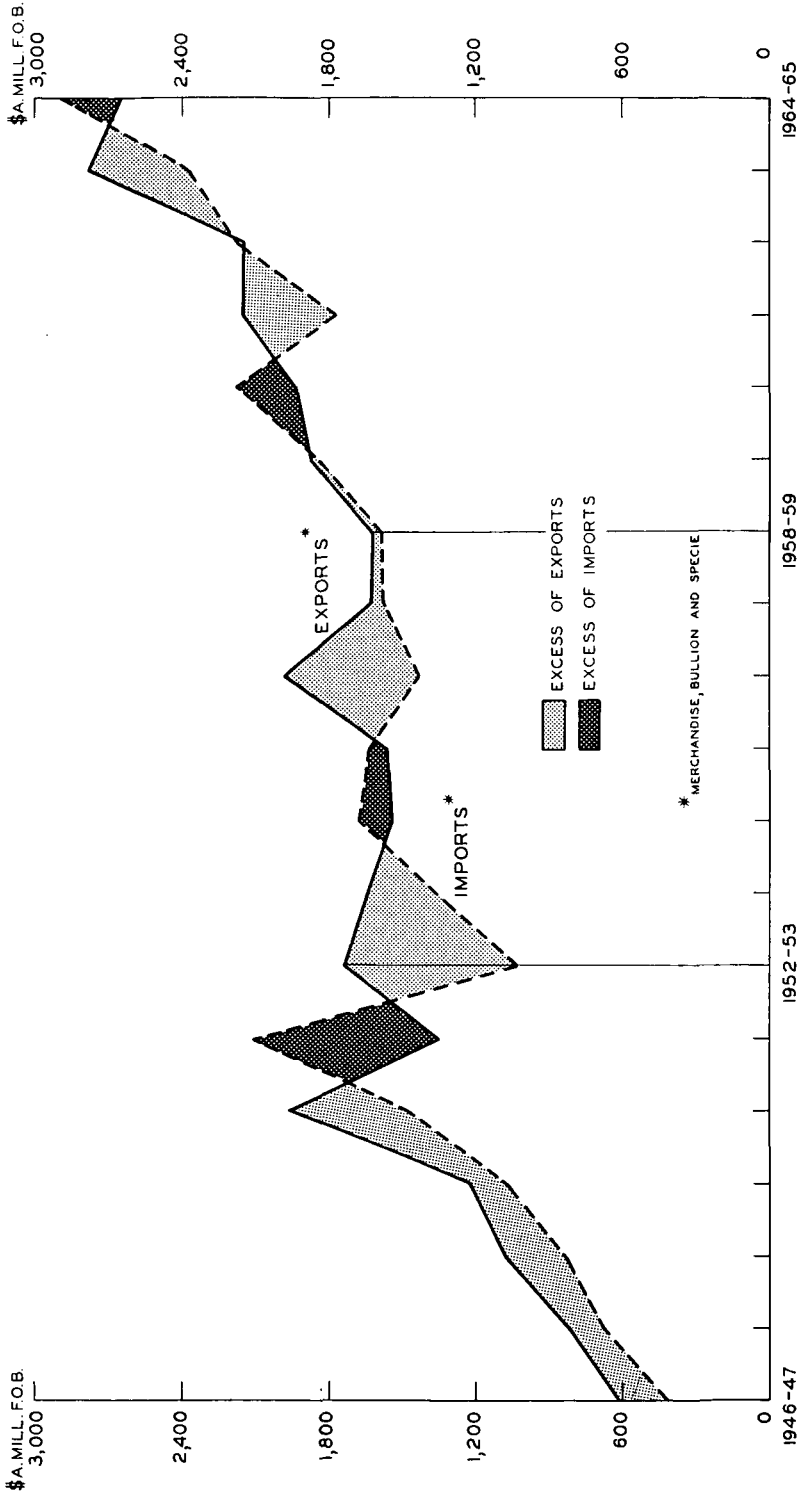
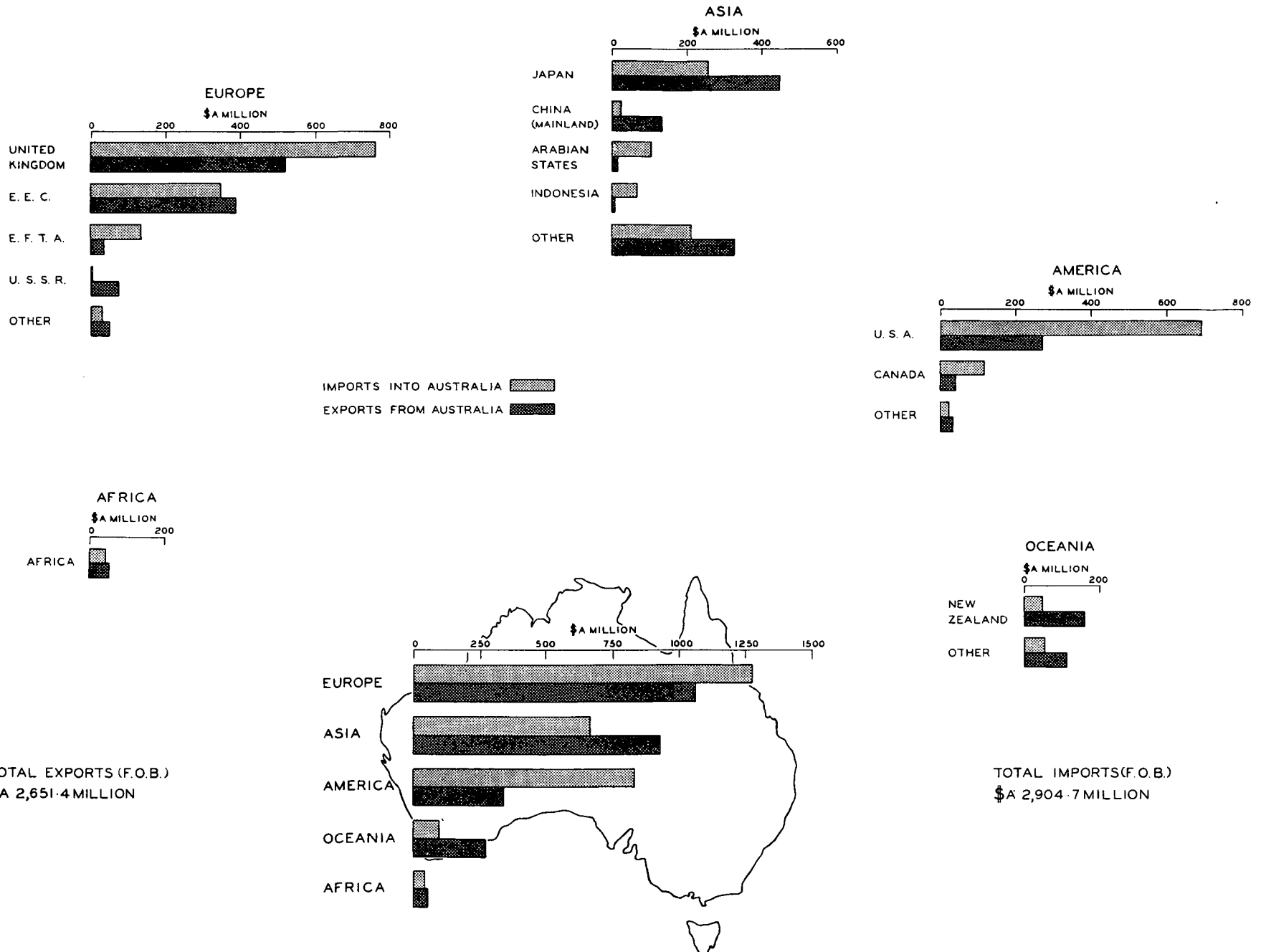


PLATE 32



# OVERSEA TRADE: MAJOR GROUPS OF COUNTRIES

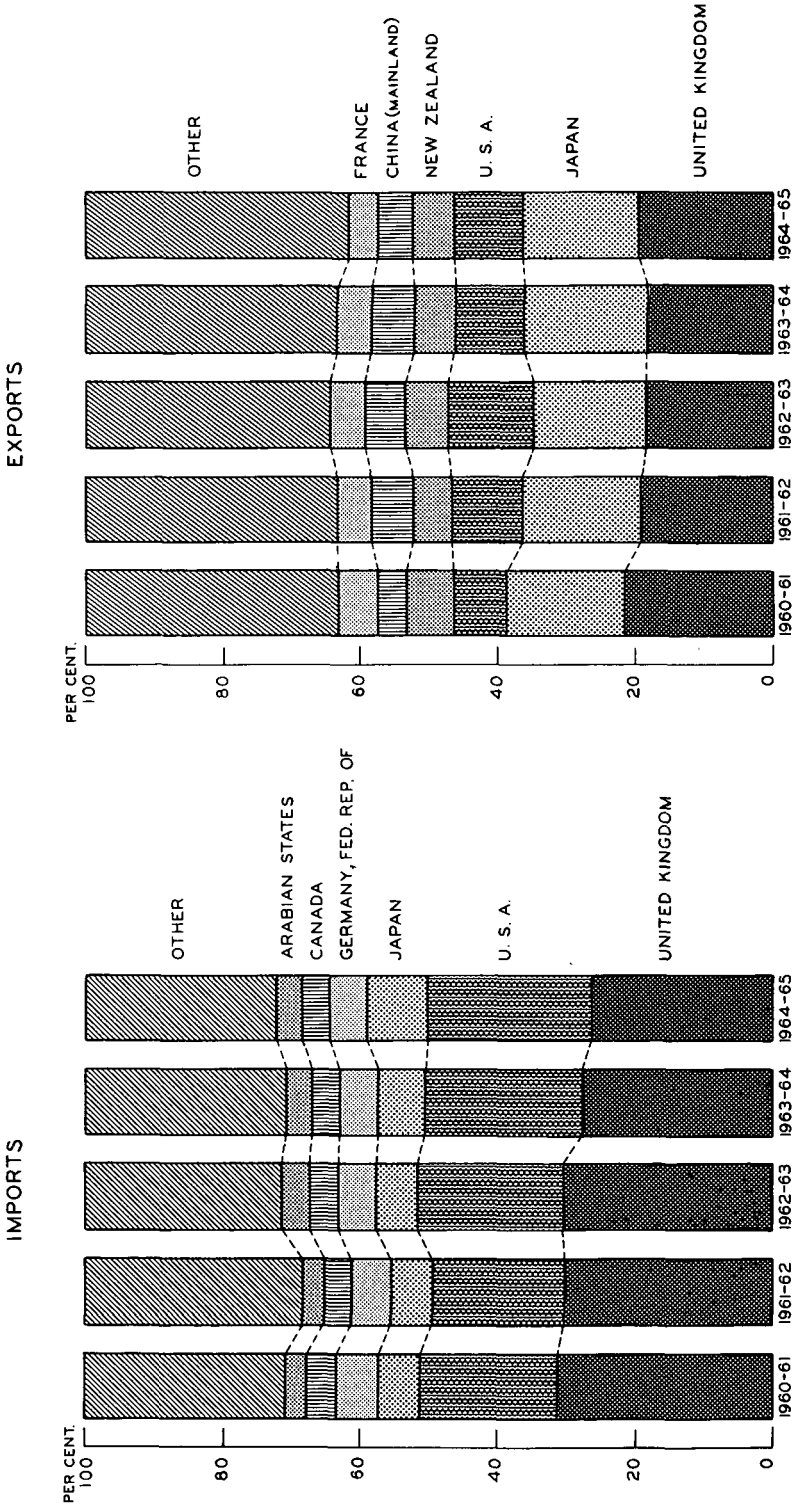
## AUSTRALIA, 1964-65







VALUES OF IMPORTS AND EXPORTS: PROPORTIONS BY COUNTRY  
 AUSTRALIA, 1960-61 TO 1964-65  
 (EXCLUDING GOLD)



# EXPORTS OF PRINCIPAL COMMODITIES: AUSTRALIA

1954-55 TO 1964-65

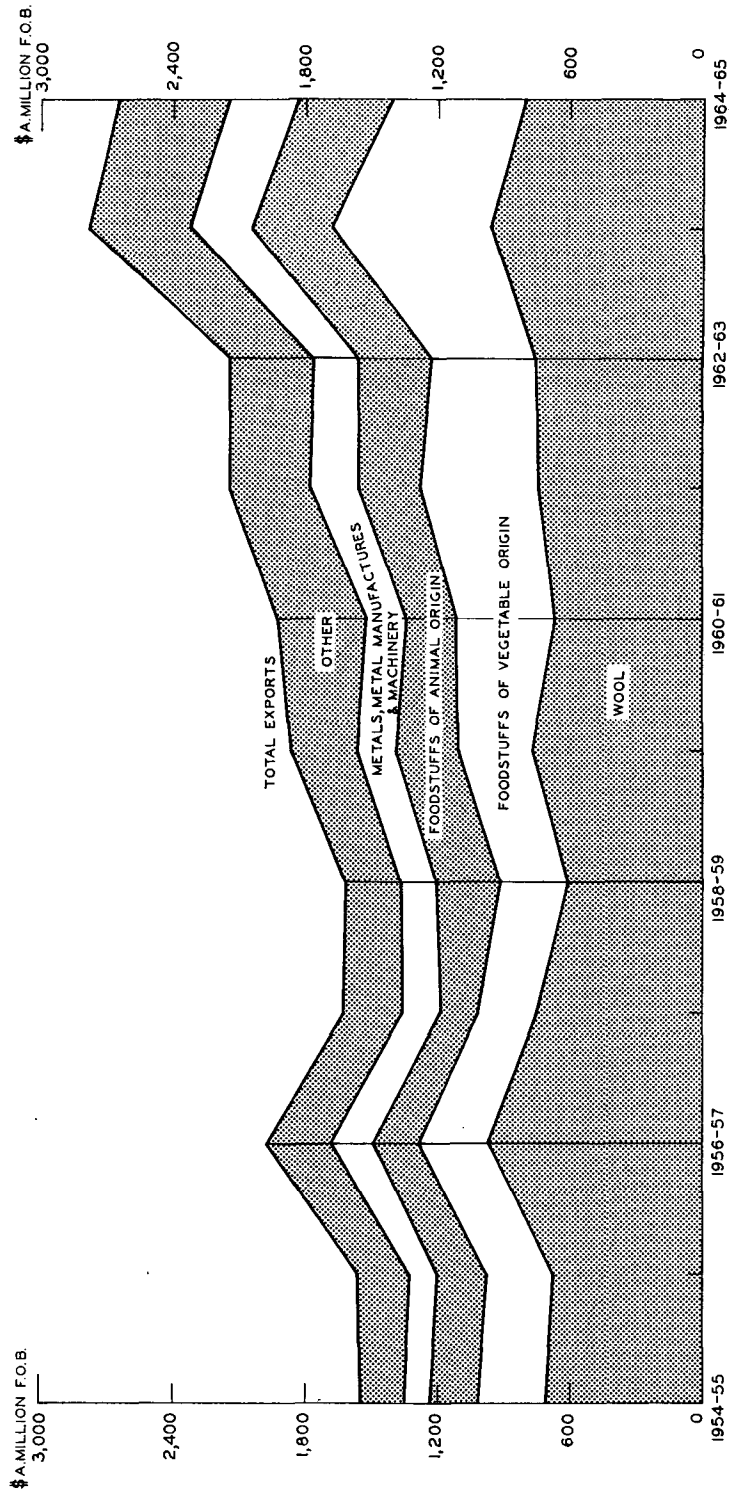
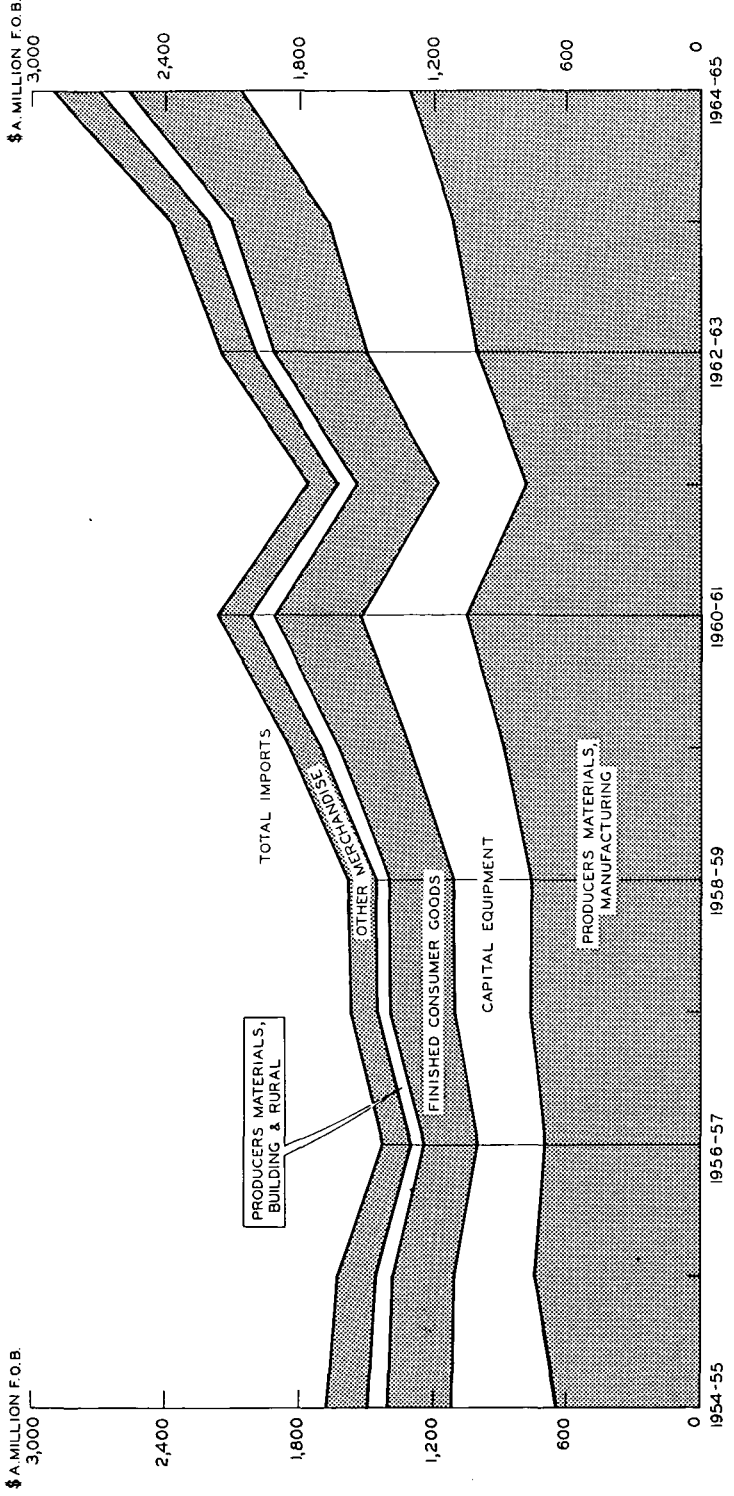


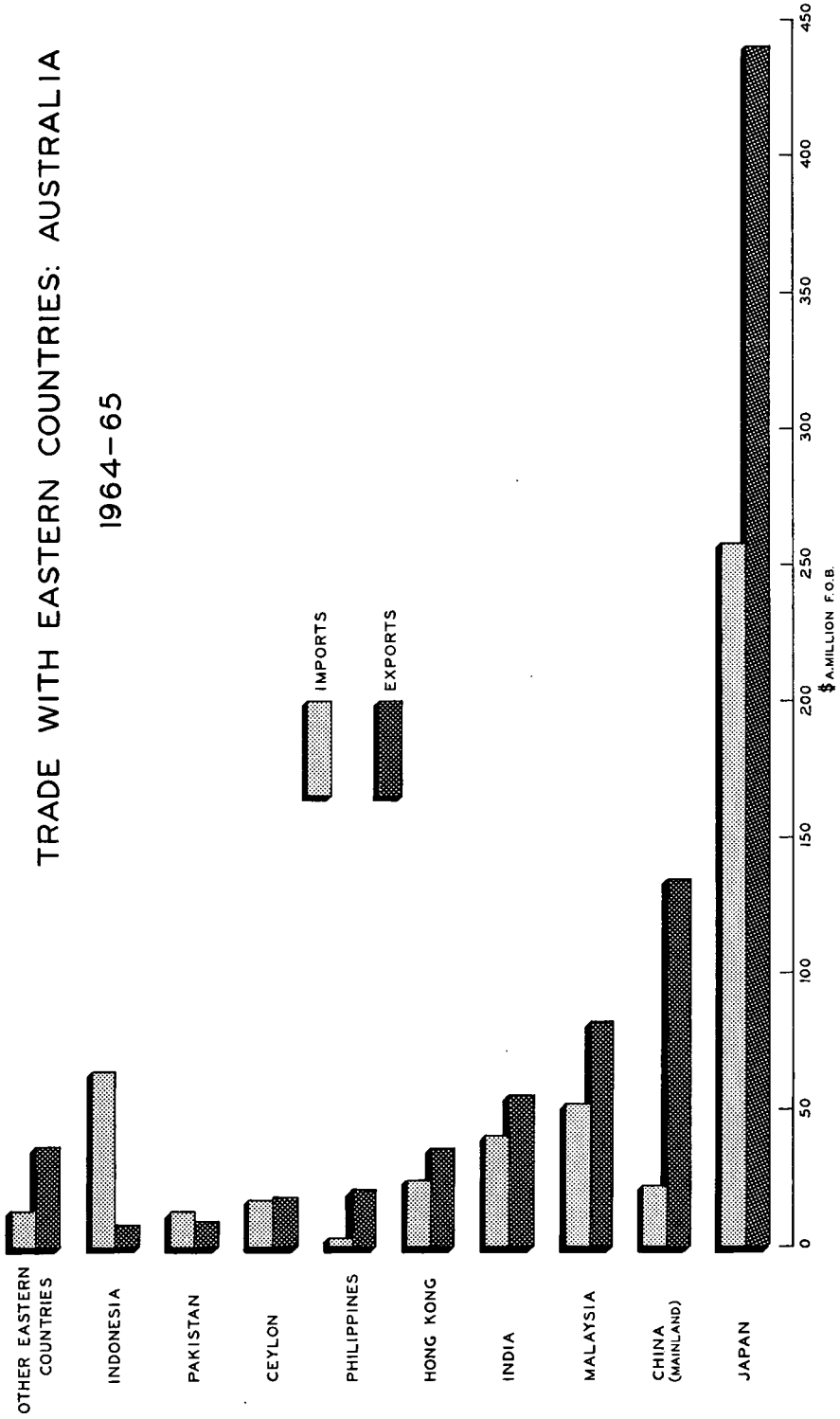
PLATE 35

# IMPORTS BY ECONOMIC CLASS: AUSTRALIA

1954-55 TO 1964-65



TRADE WITH EASTERN COUNTRIES: AUSTRALIA  
1964-65



VALUE OF MERCHANDISE TRADE OF AUSTRALIA WITH EASTERN COUNTRIES  
PRINCIPAL ARTICLES, 1962-63 TO 1964-65  
(\$A'000 f.o.b.)

Article	Imports			Article	Exports		
	1962-63	1963-64	1964-65		1962-63	1963-64	1964-65
Apparel and attire . . .	6,140	7,956	9,896	Animal (except marine)			
Bags and sacks . . .	17,230	17,270	21,022	oils and fats . . .	6,308	7,580	8,526
Crude and crêpe rubber and latex . . .	16,136	14,944	17,594	Army stores . . .	3,126	2,258	4,730
Fibres, vegetable origin . . .	5,448	5,416	4,064	Butter . . .	4,044	5,074	4,660
Hides and skins . . .	398	814	808	Cheese . . .	2,132	2,864	2,660
Nuts, edible . . .	2,874	3,230	2,848	Fodders . . .	2,610	3,618	1,774
Outside packages . . .	4,224	4,878	5,980	Fruit, fresh or preserved	3,648	4,502	4,626
Petroleum oils—				Grains and cereals—			
Kerosene . . .	5,612	3,848	3,864	Wheat . . .	151,030	182,268	180,726
Petroleum, crude . . .	57,782	54,004	62,542	Flour (wheaten),			
Petroleum spirit . . .	6,070	6,702	7,322	plain white . . .	18,804	20,686	22,024
Other . . .	1,710	1,428	2,542	Other . . .	10,272	24,494	22,876
Piece-goods—				Infants' and invalids'			
Cotton and linen . . .	48,212	48,792	55,308	foods . . .	5,408	4,922	5,828
Hessian and other jute	7,516	7,662	8,784	Leather . . .	1,306	1,498	1,854
Pulp, paper and board . . .	2,718	3,112	3,960	Machines and			
Tea . . .	24,230	22,442	25,150	machinery . . .	12,866	15,860	16,514
Timber . . .	9,048	9,820	14,598	Meats, all kinds . . .	8,940	16,072	18,582
Vegetable oils and fats, n.e.i. . .	3,988	5,866	1,362	Metals and metal			
All other articles . . .	115,098	153,954	263,003	manufactures except			
				zinc bars, etc. . .	34,232	50,392	43,578
				Milk and cream . . .	14,460	12,990	16,914
				Petroleum oils . . .	15,294	8,060	7,600
				Sugar—from cane (raw)	18,510	55,848	38,416
				Wool . . .	268,760	345,110	284,638
				Zinc bars, blocks, etc.	6,926	8,538	13,884
				All other articles . . .	89,942	110,676	143,995
<b>Total . . .</b>	<b>334,434</b>	<b>372,138</b>	<b>510,647</b>	<b>Total . . .</b>	<b>678,618</b>	<b>883,310</b>	<b>844,405</b>

The following tables show the imports and exports of principal articles of merchandise from and to individual countries.

VALUE OF IMPORTS OF PRINCIPAL ARTICLES OF MERCHANDISE FROM  
INDIVIDUAL EASTERN COUNTRIES: AUSTRALIA, 1964-65  
(\$A'000 f.o.b.)

Article	Brunei	Ceylon	Hong Kong	India	Malaysia	Pakistan	China (Mainland)	Indonesia	Japan
Apparel and attire . . .	..	6	4,592	158	4	12	1,958	32	3,024
Bags and sacks . . .	..	16	186	12,842	2	6,666	692	..	518
Crude and crêpe rubber and latex . . .	..	48	..	..	17,500	..	..	..	46
Fibres, vegetable origin . . .	..	756	48	726	..	1,970	8	64	194
Nuts, edible . . .	..	354	2	2,200	6	..	284	..	2
Outside packages . . .	..	398	366	534	100	84	448	232	3,692
Petroleum oils—									
Kerosene . . .	..	..	..	..	2,338	..	..	1,522	4
Petroleum, crude . . .	7,206	..	..	160	3,618	..	..	51,554	4
Petroleum spirit . . .	..	..	..	..	4,118	..	..	1,892	1,312
Other . . .	..	..	..	..	716	..	..	1,462	364
Piece-goods—									
Cotton and linen . . .	2	..	8,754	5,288	12	398	6,288	..	31,358
Hessian and other jute	..	..	7,934	..	..	848	..	..	2
Pulp, paper and board . . .	..	..	4	74	..	..	882	..	2,934
Tea . . .	..	15,456	6	5,040	134	2	306	4,182	..
Timber . . .	24	..	244	2	13,648	2	..	98	118
Vegetable oils and fats, n.e.i. . .	..	22	68	296	502	..	..	..	474
All other articles . . .	..	221	10,144	5,655	9,624	3,206	11,996	2,996	214,528
<b>Total . . .</b>	<b>7,232</b>	<b>17,277</b>	<b>24,414</b>	<b>40,909</b>	<b>52,322</b>	<b>13,188</b>	<b>22,862</b>	<b>64,034</b>	<b>258,574</b>

(a) Includes metals, metal manufactures and machinery, \$110,212,000; textiles other than piece-goods shown above, \$38,016,000; earthenware, chinaware, etc., \$9,446,000; sporting materials, toys, jewellery, etc., \$6,096,000; chemical and medicinal products, etc., \$7,744,000; optical, surgical, etc., supplies, \$6,040,000.

**VALUE OF EXPORTS OF PRINCIPAL ARTICLES OF MERCHANDISE TO  
INDIVIDUAL EASTERN COUNTRIES: AUSTRALIA, 1964-65**  
(**\$A'000 f.o.b.**)

Article	Ceylon	Hong Kong	India	Malaysia	Pakistan	China (Mainland)	Indonesia	Japan
Animal (except marine) oils and fats . . . . .	652	166	514	1,460	..	1,876	20	1,180
Army stores . . . . .	..	46	4	4,580	..	..	..	..
Butter . . . . .	784	924	6	2,172	2	..	38	36
Cheese . . . . .	84	122	60	300	2	..	40	1,118
Fodders . . . . .	6	306	4	1,372	..	..	..	24
Fruit, fresh or preserved . . . . .	..	1,172	2	2,980	..	10	34	22
Grains and cereals—								
Wheat . . . . .	30	3,158	24,838	5,306	3,186	114,508	240	23,616
Flour (wheaten), plain white . . . . .	11,982	184	6	6,604	10	..	650	..
Other . . . . .	32	578	76	3,160	2	2,046	2	13,056
Infants' and invalids' foods . . . . .	240	724	2	2,114	2	..	20	8
Leather . . . . .	40	1,052	36	564	..	4	..	24
Machines and machinery . . . . .	30	1,000	946	5,622	1,052	2	862	350
Meats, all kinds . . . . .	274	1,314	64	4,750	6	2	524	10,272
Metals and metal manufactures except zinc bars, etc. . . . .	346	4,780	3,572	6,496	410	268	1,470	18,298
Milk and cream . . . . .	1,158	272	1,792	8,774	20	4	258	162
Petroleum oils . . . . .	..	..	..	5,338	..	..	16	2,232
Sugar—from cane (raw) . . . . .	..	130	..	2,398	..	..	2	35,142
Wool . . . . .	..	7,900	12,724	10	1,442	14,462	58	242,658
Zinc bars, blocks, etc. . . . .	2	760	7,678	958	242	4	2	118
All other articles . . . . .	3,011	12,025	3,076	17,959	2,898	2,447	3,195	a 92,424
<b>Total . . . . .</b>	<b>18,671</b>	<b>36,613</b>	<b>55,400</b>	<b>82,917</b>	<b>9,274</b>	<b>135,633</b>	<b>7,431</b>	<b>440,740</b>

(a) Includes coal, \$48,082,000; copper ores and concentrates, \$7,113,000; other ores and concentrates, \$9,829,000.

**Oversea trade at principal ports**

The following table shows the value of oversea imports and exports at the principal ports of Australia during the year 1964-65, and the totals for each State and Territory.

**VALUE OF OVERSEA TRADE: PRINCIPAL PORTS, 1964-65**  
(**\$A'000 f.o.b.**)

Port	Imports	Exports	Port	Imports	Exports
<b>New South Wales—</b>			<b>South Australia—continued</b>		
Sydney(a), including Botany Bay . . . . .	1,198,253	625,931	Port Lincoln . . . . .	1,284	16,629
Newcastle, including Port Stephens . . . . .	23,617	131,869	Port Pirie . . . . .	317	77,908
Port Kembla . . . . .	55,535	45,285	Wallaroo . . . . .	1,038	10,843
Other . . . . .	..	649	Whyalla . . . . .	4,244	1,316
			Other . . . . .	5	23,148
<b>Total, New South Wales</b>	<b>1,277,405</b>	<b>803,734</b>	<b>Total, South Australia</b>	<b>204,856</b>	<b>302,242</b>
<b>Victoria—</b>			<b>Western Australia—</b>		
Melbourne(a) . . . . .	966,350	620,586	Fremantle, including Perth and Kwinana . . . . .	148,493	187,725
Geelong . . . . .	60,193	81,635	Albany . . . . .	1,464	20,962
Portland . . . . .	291	20,827	Bunbury . . . . .	1,366	11,677
<b>Total, Victoria</b>	<b>1,026,834</b>	<b>723,048</b>	Geraldton . . . . .	1,498	13,694
			Other . . . . .	719	9,020
<b>Queensland—</b>			<b>Total, Western Australia</b>	<b>153,540</b>	<b>243,078</b>
Brisbane(a) . . . . .	178,909	302,672	<b>Tasmania—</b>		
Bowen . . . . .	82	5,238	Hobart . . . . .	16,926	44,333
Cairns . . . . .	3,760	13,862	Burnie . . . . .	6,439	12,957
Gladstone . . . . .	3,524	16,212	Devonport . . . . .	967	6,869
Mackay . . . . .	2,244	50,301	Launceston . . . . .	11,806	23,156
Maryborough . . . . .	337	..	<b>Total, Tasmania</b>	<b>36,138</b>	<b>87,315</b>
Rockhampton . . . . .	861	8,953	<b>Northern Territory—</b>		
Townsville . . . . .	9,665	56,437	Darwin . . . . .	4,124	3,809
Other . . . . .	134	(b) 34,547	<b>Australian Capital Territory—</b>		
<b>Total, Queensland</b>	<b>199,516</b>	<b>488,222</b>	Canberra . . . . .	2,290	1
<b>South Australia—</b>			<b>Grand total</b>	<b>2,904,703</b>	<b>2,651,449</b>
Port Adelaide, including Adelaide and Port Stanvac . . . . .	197,968	172,398			

(a) Includes airport.

(b) Includes Innisfail, \$29,437,000.

## Classified summary of Australian oversea trade

## Statistical classes

The following table shows, according to statistical classes, the value of Australian imports and exports during each of the years 1962-63 to 1964-65.

VALUE OF OVERSEA TRADE OF AUSTRALIA, BY STATISTICAL CLASS  
1962-63 TO 1964-65  
(\$'000 f.o.b.)

Class	Imports			Exports		
	1962-63	1963-64	1964-65	1962-63	1963-64	1964-65
I. Foodstuffs of animal origin, etc. . . . .	24,682	29,698	31,319	334,282	362,764	427,312
II. Foodstuffs of vegetable origin; non-alcoholic beverages, etc. . . . .	55,522	61,572	66,213	471,104	725,046	604,826
III. Alcoholic liquors, etc. . . . .	7,598	9,146	10,727	5,072	5,536	6,245
IV. Tobacco, etc. . . . .	24,272	26,880	24,866	1,604	1,780	1,925
V. Live animals and birds . . . . .	1,334	1,928	2,494	3,306	4,818	4,199
VI. Animal substances, etc. . . . .	12,454	14,066	14,701	835,096	1,055,614	889,432
VII. Vegetable substances, etc. . . . .	48,818	57,572	62,763	3,914	3,860	4,086
VIII. Apparel, textiles, etc. . . . .	233,300	233,996	272,122	9,178	14,668	15,517
IX. Oils, fats and waxes . . . . .	246,282	251,460	259,972	63,440	57,970	43,456
X. Pigments, paints and varnishes . . . . .	11,348	11,614	13,112	2,366	2,662	2,837
XI. Rocks, minerals, etc. . . . .	19,290	23,610	26,725	70,506	93,106	137,799
XII. Metals, metal manufactures and machinery . . . . .	850,122	947,308	1,275,176	207,886	280,540	307,357
XIII. Rubber and leather, etc. . . . .	46,670	51,160	66,305	9,418	10,780	11,581
XIV. Wood and wicker, etc. . . . .	34,524	41,142	47,551	6,136	6,166	5,655
XV. Earthenware, etc. . . . .	40,438	40,718	47,325	2,256	3,390	3,649
XVI. Paper and stationery . . . . .	133,466	141,664	156,493	8,964	12,986	14,546
XVII. Jewellery, etc. . . . .	28,308	29,990	37,329	8,368	10,640	11,051
XVIII. Optical, surgical and scientific instruments . . . . .	37,426	43,280	49,260	6,272	7,374	9,332
XIX. Chemicals, medicinal products, essential oils, fertilizers . . . . .	142,462	163,374	184,720	21,662	26,616	34,217
XX. Miscellaneous (a). . . . .	159,240	187,696	251,232	67,222	75,998	95,791
XXI. Gold and silver; bronze specie . . . . .	5,114	4,784	4,298	13,760	20,146	20,636
Total . . . . .	2,162,670	2,372,658	2,904,703	2,151,812	2,782,460	2,651,449

(a) Includes outside packages.

In the following table the exports from Australia of (a) Australian produce and (b) re-exports are shown according to statistical classes for each of the years 1962-63 to 1964-65.

VALUE OF EXPORTS OF AUSTRALIAN PRODUCE AND RE-EXPORTS  
BY STATISTICAL CLASS: 1962-63 TO 1964-65  
(\$'000 f.o.b.)

Class	Australian produce			Re-exports		
	1962-63	1963-64	1964-65	1962-63	1963-64	1964-65
I. Foodstuffs of animal origin, etc. . . . .	334,180	362,592	427,189	102	172	123
II. Foodstuffs of vegetable origin; non-alcoholic beverages, etc. . . . .	470,180	723,916	603,585	924	1,130	1,241
III. Alcoholic liquors, etc. . . . .	5,038	5,422	6,037	34	114	208
IV. Tobacco, etc. . . . .	1,218	1,522	1,625	386	258	300
V. Live animals and birds . . . . .	3,104	4,602	3,949	202	216	250
VI. Animal substances, etc. . . . .	834,802	1,054,968	888,860	294	646	572
VII. Vegetable substances, etc. . . . .	3,786	3,680	3,952	128	180	134
VIII. Apparel, textiles, etc. . . . .	8,220	13,204	13,668	958	1,464	1,849
IX. Oils, fats and waxes . . . . .	61,570	54,106	41,731	1,870	3,864	1,725
X. Pigments, paints and varnishes . . . . .	2,208	2,520	2,713	158	142	124
XI. Rocks, minerals, etc. . . . .	70,224	92,986	136,345	282	120	1,454
XII. Metals, metal manufactures and machinery . . . . .	196,554	265,778	289,922	11,332	14,762	17,435
XIII. Rubber and leather, etc. . . . .	9,202	10,554	11,215	216	226	366
XIV. Wood and wicker, etc. . . . .	5,898	5,838	5,252	238	328	403
XV. Earthenware, etc. . . . .	2,080	3,154	3,500	176	236	149
XVI. Paper and stationery . . . . .	8,254	11,720	13,462	710	1,266	1,084
XVII. Jewellery, etc. . . . .	7,646	9,900	10,057	722	740	994
XVIII. Optical, surgical and scientific instruments . . . . .	5,046	5,792	7,857	1,226	1,582	1,475
XIX. Chemicals, medicinal products, essential oils, fertilizers . . . . .	20,080	24,968	30,497	1,582	1,648	3,720
XX. Miscellaneous . . . . .	42,818	49,574	59,922	24,404	26,424	35,869
XXI. Gold and silver; bronze specie . . . . .	13,710	20,118	20,575	50	28	61
Total . . . . .	2,105,818	2,726,914	2,581,913	45,994	55,546	69,536

## Imports of principal articles

The following table shows the quantity, where available, and the value of the principal articles imported into Australia during each of the years 1962-63 to 1964-65.

## IMPORTS OF PRINCIPAL ARTICLES: AUSTRALIA, 1962-63 TO 1964-65

Article	Quantity			Value (\$'000 f.o.b.)		
	1962-63	1963-64	1964-65	1962-63	1963-64	1964-65
Aircraft and parts . . . . .				26,976	39,170	85,993
Aluminium manufacture . . . . . cwt	683,765	147,931	82,435	17,254	4,028	3,003
Leaf and foil . . . . . '000 lb.	6,299	4,488	4,952	3,858	2,974	3,393
Apparel—						
Blouses, skirts, costumes, etc.				2,926	3,752	5,129
Gloves . . . . . doz.pairs	456,462	530,402	680,059	2,444	2,694	3,013
Headwear . . . . .				2,216	2,602	2,357
Men's and boys' outer clothing . . . . .				920	996	1,115
Socks and stockings . . . . .				1,102	914	856
Trimmings and ornaments . . . . .				2,542	2,588	2,582
Other apparel and attire . . . . .				7,078	8,476	10,315
Arms, explosives, military stores, etc.				13,692	18,264	23,006
Bags and sacks . . . . .				17,382	17,332	21,021
Carpets and carpeting . . . . .				10,602	9,450	12,418
Chemicals, drugs, fertilizers . . . . .				142,462	163,374	184,720
Cocoa and chocolate . . . . . '000 lb.	31,488	42,061	27,763	7,008	10,640	6,668
Cotton, raw . . . . . " "	42,543	56,663	55,474	11,572	15,594	15,093
Crockery, etc. . . . .				7,408	7,258	8,138
Electrical machinery and appliances				118,540	117,992	139,277
Fibres (excluding cotton, raw) . . . . .				22,310	24,418	28,232
Fish—						
Fresh or preserved by cold process						
Preserved in airtight containers . . . . . '000 lb.	33,630	40,177	39,965	7,644	10,384	10,671
Glass and glassware . . . . .	21,529	25,087	25,949	8,078	9,368	10,598
Iron and steel—				19,086	19,030	21,693
Pipes, tubes and fittings . . . . . cwt	659,296	576,837	1,154,339	8,132	7,922	15,367
Plate and sheet . . . . . " "	1,585,840	2,052,360	3,611,120	15,492	19,332	30,471
Other . . . . .				22,696	32,458	56,970
Machines and machinery (except dynamo, electrical)—						
Agricultural . . . . .				7,514	12,188	18,806
Metal-working . . . . .				37,352	35,534	52,719
Mining and metallurgical . . . . .				15,338	13,174	19,014
Motive power—						
Diesel engines . . . . .				8,764	8,538	15,473
Steam engines, turbines and parts . . . . .				6,400	11,290	9,046
Tractors and parts . . . . .				44,860	73,970	86,280
Other . . . . .				34,240	34,976	50,980
Office and accounting . . . . .				29,634	36,574	60,572
Textile working . . . . .				15,776	13,302	17,146
Other . . . . .				139,100	152,916	176,733
Motor vehicles, chassis, bodies and parts . . . . .				196,212	216,188	252,896
Musical instruments . . . . .				2,494	2,590	3,679
Oils—						
Linseed . . . . . '000 gals.	872	37	1	862	38	2
Olive . . . . . " "	1,206	1,040	1,132	3,146	2,284	2,653
Petroleum and shale—						
Crude(n) . . . . . mill. gals.	3,237	3,160	3,333	143,722	144,748	151,691
Kerosene . . . . . '000 gals.	98,074	72,357	66,892	10,484	7,822	7,066
Lubricating (mineral) . . . . .	59,104	48,213	32,422	16,226	13,216	8,658
Petroleum and shale spirit . . . . .	246,626	265,652	243,604	29,802	29,214	27,263
Residual and solar . . . . .	88,694	125,408	236,881	5,836	7,288	12,826
Paper—						
Printing . . . . .				39,738	45,408	49,060
Wrapping . . . . . '000 cwt	365	318	386	4,314	3,600	4,027
Piece-goods—						
Cotton . . . . .				75,846	72,052	78,358
Silk and man-made fibre yarn . . . . .				18,936	24,412	25,596
Woolen and containing wool . . . . .				3,852	3,650	4,935
All other piece-goods . . . . .				23,958	25,708	26,946
Plastics materials . . . . .				43,944	49,220	62,407
Rubber and rubber manufactures . . . . .				42,660	46,450	59,983
Stationery and paper manufactures . . . . .				47,446	48,434	50,227
Tea . . . . . '000 lb.	64,369	61,749	70,421	25,058	23,620	27,022
Timber, undressed, including logs <sup>(b)</sup>						
Tobacco . . . . . '000 sup. ft.	320,148	371,373	398,217	28,118	34,514	38,742
Yarns—						
Cotton . . . . . '000 lb.	4,771	2,829	3,688	3,812	2,370	3,228
Man-made fibres . . . . .	21,322	18,584	26,256	23,210	19,692	27,218
Woollen . . . . . " "	1,094	714	647	1,468	1,272	1,434
Other . . . . . " "	3,046	3,398	3,392	1,094	1,488	1,790
All other articles . . . . .				511,342	581,312	747,867
Total . . . . .				2,162,670	2,372,658	2,904,703

(a) Includes once-run distillate. (b) Excludes dunnage and undressed timber not measured in super. feet.



## Exports of principal articles of Australian produce

The following table shows the quantities and values of the principal articles of Australian produce exported during each of the years 1962-63 to 1964-65.

**EXPORTS OF PRINCIPAL ARTICLES OF AUSTRALIAN PRODUCE  
1962-63 TO 1964-65**

Article	Quantity			Value (\$A'000 f.o.b.)		
	1962-63	1963-64	1964-65	1962-63	1963-64	1964-65
Butter . . . . . tons	77,410	87,751	90,286	47,186	54,714	62,163
Cheese . . . . . "	25,938	27,827	27,201	12,188	13,518	14,197
Chemicals, drugs, fertilizers . . . . . "				20,080	24,968	30,497
Coal . . . . . tons	2,676,522	3,805,747	6,051,157	22,342	32,462	51,120
Copper . . . . . "	38,843	50,475	17,759	20,846	27,510	11,240
Fruit—						
Dried . . . . . tons	63,856	66,748	73,933	19,104	21,046	24,100
Fresh, including frozen '000 bus.	9,224	10,953	9,853	29,968	33,156	30,543
Preserved in airtight containers . . . . . tons	76,830	126,786	102,003	21,266	34,236	27,584
Gold . . . . . "				12,940	14,290	18,407
Grains and cereals—						
Barley . . . . . tons	230,411	396,335	363,407	10,458	18,298	18,002
Flour (wheaten), plain white . . . . . tons(z)	523,862	684,628	572,114	31,390	42,238	37,334
Wheat . . . . . tons	4,070,653	6,796,194	5,624,462	216,904	362,018	297,199
Other . . . . . "				35,244	34,692	39,324
Hides and skins . . . . . "				73,420	91,180	79,534
Iron and steel . . . . . "				51,530	66,556	61,678
Lead, bullion . . . . . tons	78,076	83,332	58,221	12,394	17,578	18,427
Lead, pig . . . . . "	169,262	169,035	152,211	22,194	30,572	42,005
Machines and machinery (except dynamo, electrical) . . . . . "				27,120	35,008	42,373
Meats preserved by cold process—						
Beef and veal . . . . . tons	259,636	281,286	316,030	158,036	176,522	200,363
Lamb . . . . . "	25,274	18,574	24,166	10,362	7,718	10,832
Mutton . . . . . "	61,045	66,927	72,766	23,304	24,752	29,517
Other . . . . . "				13,908	15,006	19,934
Meats, tinned . . . . . tons	22,220	23,973	26,978	13,042	12,588	15,797
Milk and cream . . . . . '000 lb.	134,874	142,236	172,878	18,224	19,700	25,127
Ores and concentrates . . . . . tons	1,087,992	1,369,176	1,840,619	44,800	57,450	80,954
Petroleum and shale oils . . . . . "				46,842	38,624	22,273
Sugar (from cane) . . . . . tons	1,145,966	1,116,190	1,269,163	91,042	156,512	112,685
Wool . . . . . '000 lb.	1,413,619	1,508,242	1,452,153	758,712	960,880	805,850
All other articles . . . . . "				240,972	303,122	352,852
<b>Total . . . . . "</b>	<b>..</b>	<b>..</b>	<b>..</b>	<b>2,105,818</b>	<b>2,726,914</b>	<b>2,581,913</b>

(a) 2,000 lb.

Plate 35 shows exports in principal commodity groups in each of the years 1954-55 to 1964-65.

## Imports and exports of merchandise and bullion and specie

The following table shows the value of imports into Australia during each of the years 1960-61 to 1964-65, grouped under the headings—Merchandise, and Bullion and specie.

**VALUE OF IMPORTS OF MERCHANDISE, AND BULLION  
AND SPECIE: AUSTRALIA 1960-61 TO 1964-65**

(SA'000 f.o.b.)

Year	Merchandise	Bullion and specie	Total imports
1960-61 . . . . .	2,170,662	4,492	2,175,154
1961-62 . . . . .	1,765,092	4,400	1,769,492
1962-63 . . . . .	2,157,554	5,115	2,162,670
1963-64 . . . . .	2,367,874	4,784	2,372,658
1964-65 . . . . .	2,900,405	4,298	2,904,703

The next table shows the value of exports from Australia during each of the years 1960-61 to 1964-65, grouped under the headings Merchandise, and Bullion and specie. The exports of Australian produce and re-exports are shown separately.

**VALUE OF EXPORTS OF MERCHANDISE, AND BULLION AND SPECIE  
AUSTRALIA, 1960-61 TO 1964-65**  
( $\$A^*000$  f.o.b.)

Year	Merchandise			Bullion and specie			Total Exports
	Australian produce	Re-exports	Total	Australian produce	Re-exports	Total	
1960-61 . . .	1,803,618	52,464	1,856,082	81,594	10	81,604	1,937,686
1961-62 . . .	2,082,677	53,093	2,135,770	18,771	27	18,798	2,154,568
1962-63 . . .	2,092,107	45,943	2,138,050	13,711	51	13,761	2,151,812
1963-64 . . .	2,706,797	55,517	2,762,314	20,117	29	20,146	2,782,460
1964-65 . . .	2,561,337	69,476	2,630,813	20,576	60	20,636	2,651,449

**Ratios of net customs revenue to values of merchandise imported**

The following table shows the ratios of net customs revenue collected, including and excluding net primage, to values of merchandise imported during the years 1960-61 to 1964-65. The calculations are based on Australian currency values and on the assumption that the value of clearances approximated to the value of imports during the same period. For particulars of customs revenue collections *see* the chapter Public Finance.

**RATIOS OF NET CUSTOMS REVENUE COLLECTED TO VALUES OF  
MERCHANDISE IMPORTED: AUSTRALIA, 1960-61 TO 1964-65**  
(Per cent)

Ratio of—	1960-61	1961-62	1962-63	1963-64	1964-65
Net customs revenue collected (excluding net primage) to value of all merchandise imported . . . . .	9.2	9.4	9.5	9.6	9.1
Net customs revenue collected plus net primage to value of all merchandise imported	9.4	9.6	9.7	9.8	9.3
Net customs revenue collected (excluding net primage) to value of dutiable goods only	19.5	21.5	20.8	21.8	21.2

**Ships' and aircraft stores**

The value of stores loaded on overseas ships and aircraft are excluded from export figures. During the last five years oils and all stores respectively were (\$'000): 1960-61—17,874, 28,410; 1961-62—15,638, 26,648; 1962-63—13,738, 25,874; 1963-64—18,262, 29,870; 1964-65—18,591, 30,359. In 1964-65, in addition to oils, the principal items supplied were (\$'000): meats, 3,416; fruit and vegetables, 1,020; sea food, 434; eggs, 408; butter, 331; coal, 221; fodder, etc., 159; flour, 148; rice, 70; milk and cream, 61; alcoholic beverages, 1,387; tobacco and cigarettes, 751.

**Movement of bullion and specie**

The following table shows the values of gold and silver bullion and specie, and of bronze specie, imported into, and exported from, Australia during each of the years 1962-63 to 1964-65.

**VALUE OF OVERSEA TRADE OF AUSTRALIA IN BULLION AND SPECIE  
1962-63 TO 1964-65  
(\$A f.o.b.)**

	Imports			Exports		
	1962-63	1963-64	1964-65	1962-63	1963-64	1964-65
Gold—Bullion . . .	4,861,586	4,581,410	4,058,438	12,865,976	14,289,380	18,404,346
Specie . . .	87,542	15,248	75,782	74,250	..	..
<i>Total, gold . . .</i>	<i>4,949,128</i>	<i>4,596,658</i>	<i>4,134,220</i>	<i>12,940,226</i>	<i>14,289,380</i>	<i>18,404,346</i>
Silver—Bullion . . .	120,114	144,616	108,514	269,484	5,281,322	1,726,956
Specie . . .	44,912	40,806	55,100	507,374	571,642	501,198
<i>Total, silver . . .</i>	<i>165,026</i>	<i>185,422</i>	<i>163,614</i>	<i>776,858</i>	<i>5,852,964</i>	<i>2,228,154</i>
Bronze—Specie. . .	544	2,084	102	43,706	3,750	3,900
Total— Australian produce	..	..	..	13,710,920	20,117,296	20,575,744
Re-exports . . .	..	..	..	49,870	28,798	60,656
<b>Grand total . . .</b>	<b>5,114,698</b>	<b>4,784,164</b>	<b>4,297,936</b>	<b>13,760,790</b>	<b>20,146,094</b>	<b>20,636,400</b>

The following table shows the imports and exports of bullion and specie from and to various countries during the year 1964-65.

**VALUES OF AUSTRALIAN IMPORTS AND EXPORTS OF BULLION AND SPECIE, BY COUNTRY OF ORIGIN OR CONSIGNMENT, 1964-65**  
(\$A f.o.b.)

Country	Imports			Exports		
	Bullion	Specie	Total	Bullion	Specie	Total
<b>Commonwealth countries—</b>						
United Kingdom . . . . .	2,514	1,050	3,564	251,312	20,670	271,982
<b>Australian Territories—</b>						
Nauru . . . . .	..	..	..	..	2,070	2,070
Norfolk Is. . . . .	..	..	..	..	1,540	1,540
Papua and New Guinea	908,308	3,086	911,394	..	398,560	398,560
Bermuda . . . . .	..	396	396	..	..	..
Canada . . . . .	144	360	504	..	20	20
Hong Kong . . . . .	604	2	606	18,140,660	3,306	18,143,966
New Zealand . . . . .	200,886	..	200,886	363,440	14,030	377,470
<b>Pacific Islands—</b>						
Fiji . . . . .	3,009,580	6	3,009,586	8,414	30,960	39,374
Gilbert and Ellice Is. . . . .	..	..	..	..	1,840	1,840
New Hebrides . . . . .	..	..	..	..	1,090	1,090
Solomon Is. . . . .	5,188	..	5,188	..	29,760	29,760
Australia (re-imported) . . . . .	..	49,786	49,786	..	..	..
<i>Total, Commonwealth countries</i> . . . . .	<i>4,127,224</i>	<i>54,686</i>	<i>4,181,910</i>	<i>18,763,826</i>	<i>503,846</i>	<i>19,267,672</i>
<b>Foreign countries—</b>						
Austria . . . . .	..	630	630	..	..	..
Bulgaria . . . . .	..	162	162	..	..	..
Czechoslovakia . . . . .	..	952	952	..	..	..
Denmark . . . . .	..	180	180	..	..	..
France . . . . .	198	..	198	188,750	..	188,750
Germany, Federal Republic of . . . . .	15,038	..	15,038	..	..	..
Israel . . . . .	..	178	178	..	..	..
Italy . . . . .	..	24	24	..	..	..
Japan . . . . .	17,184	350	17,534	..	..	..
Liberia . . . . .	..	54	54	..	..	..
South Africa . . . . .	..	20	20	..	..	..
Spain . . . . .	..	20	20	..	..	..
Switzerland . . . . .	278	69,958	70,236	..	..	..
United States of America . . . . .	7,030	3,770	10,800	3,176	1,252	4,428
'For Orders' . . . . .	..	..	..	1,175,550	..	1,175,550
<i>Total, foreign countries</i> . . . . .	<i>39,728</i>	<i>76,298</i>	<i>116,026</i>	<i>1,367,476</i>	<i>1,252</i>	<i>1,368,728</i>
<b>Grand total</b> . . . . .	<b>4,166,952</b>	<b>130,984</b>	<b>4,297,936</b>	<b>20,131,302</b>	<b>505,098</b>	<b>20,636,400</b>

**Imports of merchandise according to economic classes**

The following table shows the value of imports of merchandise into Australia during the years 1962-63 to 1964-65 classified according to economic classes of (i) purpose and (ii) degree of manufacture. The classification according to purpose for the years 1954-55 to 1964-65 is shown in graphical form in plate 36.

## IMPORTS OF MERCHANDISE ACCORDING TO ECONOMIC CLASSES 425

 VALUES OF IMPORTS OF MERCHANDISE, BY ECONOMIC CLASS: AUSTRALIA  
 1962-63 TO 1964-65

Economic class	Value (\$A'000 f.o.b.)			Proportion of value of imports of merchandise (Per cent)		
	1962-63	1963-64	1964-65	1962-63	1963-64	1964-65
<b>PURPOSE</b>						
Producers' materials for use in—						
Building and construction . . . . .	67,378	77,010	100,274	3.1	3.2	3.5
Rural industries . . . . .	24,960	32,524	41,110	1.2	1.4	1.4
Manufacturing—						
Motor vehicle assembly(a) . . . . .	191,868	208,542	229,132	8.9	8.8	7.9
Other(b) . . . . .	822,420	901,016	1,088,596	38.1	38.1	37.5
<i>Total, producers' materials(b)</i> . . . . .	<i>1,106,626</i>	<i>1,219,092</i>	<i>1,459,112</i>	<i>51.3</i>	<i>51.5</i>	<i>50.3</i>
Capital equipment(c)—						
Producers' equipment . . . . .	413,858	471,410	597,794	19.2	19.9	20.6
Transport equipment—						
Complete road vehicles and assembled chassis . . . . .	46,344	56,492	80,521	2.1	2.4	2.8
Railway equipment, vessels and civil aircraft . . . . .	37,404	39,236	71,642	1.7	1.6	2.5
<i>Total, capital equipment</i> . . . . .	<i>497,606</i>	<i>567,138</i>	<i>749,957</i>	<i>23.0</i>	<i>23.9</i>	<i>25.9</i>
Finished consumer goods—						
Food, beverages, and tobacco . . . . .	81,996	91,778	103,075	3.8	3.9	3.6
Clothing and accessories . . . . .	14,538	16,734	19,940	0.7	0.7	0.7
All other(d) . . . . .	312,656	315,480	378,183	14.5	13.3	13.0
<i>Total, finished consumer goods(d)</i> . . . . .	<i>409,190</i>	<i>423,992</i>	<i>501,198</i>	<i>19.0</i>	<i>17.9</i>	<i>17.3</i>
Fuels and lubricants(e) . . . . .	60,768	57,596	51,482	2.8	2.4	1.8
Auxiliary aids to production(f) . . . . .	69,058	72,312	85,260	3.2	3.1	2.9
Munitions and war stores . . . . .	14,306	27,744	53,396	0.7	1.2	1.8
<i>Grand total</i> . . . . .	<i>2,157,554</i>	<i>2,367,874</i>	<i>2,900,405</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>

## DEGREE OF MANUFACTURE(g)

Producers' materials—						
Crude . . . . .	316,302	349,402	377,298	14.6	14.8	13.0
Simply transformed . . . . .	176,700	188,028	257,523	8.2	7.9	8.9
Elaborately transformed . . . . .	613,624	681,662	824,291	28.4	28.8	28.4
Finished consumer goods—						
Crude . . . . .	18,778	25,530	26,561	0.9	1.1	0.9
Simply transformed . . . . .	37,244	37,072	43,427	1.7	1.6	1.5
Elaborately transformed . . . . .	353,168	361,390	431,210	16.4	15.3	14.8
Total imports—						
Crude . . . . .	335,080	374,932	403,859	15.5	15.8	13.9
Simply transformed . . . . .	313,216	324,494	400,820	14.5	13.7	13.8
Elaborately transformed . . . . .	1,509,258	1,688,448	2,095,726	70.0	70.5	72.3
<i>Grand total</i> . . . . .	<i>2,157,554</i>	<i>2,367,874</i>	<i>2,900,405</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>

(a) Owing to insufficient information, it is not possible to treat unassembled tractors and other machinery in a similar manner to motor vehicles, and all such machinery and replacement parts therefor are treated as capital equipment whether imported in an assembled or unassembled condition. (b) Excludes a percentage for piece goods to be sold by retail, and paper to be used solely for wrapping, which are recorded in Finished consumer goods. All other, and Auxiliary aids to production, respectively. (c) See footnote (a). (d) Includes a percentage for piece-goods to be sold at retail; see footnote (b). (e) Excludes crude petroleum, which is included in Producers' materials. Manufacturing—Other. (f) Includes a percentage for paper to be used solely for wrapping; see footnote (b). (g) The class Fuels and lubricants consists of goods 'simply transformed', and the classes Capital equipment and Munitions and war stores entirely of goods 'more elaborately transformed'. The class Auxiliary aids to production is about equally divided between goods 'simply transformed' and 'elaborately transformed'.

## Exports according to industry

The following table provides an analysis of the total recorded value of Australian exports for the years 1962-63 to 1964-65. This analysis is designed to show fluctuations in the value of exports of Australian produce dissected according to the main industry of their origin, although any such classification is necessarily arbitrary in some respects.

**VALUES OF EXPORTS OF AUSTRALIAN PRODUCE, BY INDUSTRIAL GROUP  
1962-63 TO 1964-65**

Industrial group	Value (\$A'000 f.o.b.)			Proportion of value of exports of Australian produce (excluding gold) (Per cent)		
	1962-63	1963-64	1964-65	1962-63	1963-64	1964-65
<b>Agriculture, horticulture and viticulture—</b>						
Unprocessed . . . . .	287,560	440,172	375,404	13.7	16.2	14.6
Processed . . . . .	183,758	282,852	227,422	8.8	10.5	8.9
<b>Total, agriculture, etc. . . . .</b>	<b>471,318</b>	<b>723,024</b>	<b>602,826</b>	<b>22.5</b>	<b>26.7</b>	<b>23.5</b>
<b>Pastoral—</b>						
Unprocessed . . . . .	953,706	1,177,422	1,065,265	45.6	43.4	41.6
Processed . . . . .	129,852	144,810	123,701	6.2	5.3	4.8
<b>Total, pastoral . . . . .</b>	<b>1,083,558</b>	<b>1,322,232</b>	<b>1,188,966</b>	<b>51.8</b>	<b>48.7</b>	<b>46.4</b>
<b>Dairy and farmyard—</b>						
Unprocessed . . . . .	4,942	4,954	3,622	0.2	0.2	0.1
Processed . . . . .	87,070	95,948	114,262	4.2	3.5	4.5
<b>Total, dairy, etc. . . . .</b>	<b>92,012</b>	<b>100,902</b>	<b>117,884</b>	<b>4.4</b>	<b>3.7</b>	<b>4.6</b>
<b>Mines and quarries (other than gold)—</b>						
Unprocessed . . . . .	63,870	82,112	124,358	3.1	3.0	4.9
Processed . . . . .	82,078	109,626	118,673	3.9	4.1	4.6
<b>Total, mines, etc. . . . .</b>	<b>145,948</b>	<b>191,738</b>	<b>243,031</b>	<b>7.0</b>	<b>7.1</b>	<b>9.5</b>
<b>Fisheries—</b>						
Unprocessed . . . . .	13,258	14,658	18,197	0.6	0.6	0.7
Processed . . . . .	718	1,036	1,246	0.1	0.0	0.0
<b>Total, fisheries . . . . .</b>	<b>13,976</b>	<b>15,694</b>	<b>19,443</b>	<b>0.7</b>	<b>0.6</b>	<b>0.7</b>
<b>Forestry—</b>						
Unprocessed . . . . .	854	1,028	968	0.1	0.0	0.0
Processed . . . . .	5,726	5,484	4,785	0.2	0.2	0.2
<b>Total, forestry . . . . .</b>	<b>6,580</b>	<b>6,512</b>	<b>5,753</b>	<b>0.3</b>	<b>0.2</b>	<b>0.2</b>
<b>Total, primary produce—</b>						
Unprocessed . . . . .	1,324,190	1,720,346	1,587,814	63.3	63.4	61.9
Processed . . . . .	489,202	639,756	590,089	23.4	23.6	23.0
<b>Total, primary produce . . . . .</b>	<b>1,813,392</b>	<b>2,360,102</b>	<b>2,177,903</b>	<b>86.7</b>	<b>87.0</b>	<b>84.9</b>
<b>Manufactures . . . . .</b>	<b>204,176</b>	<b>279,612</b>	<b>320,911</b>	<b>9.8</b>	<b>10.3</b>	<b>12.5</b>
<b>Refined petroleum oils . . . . .</b>	<b>46,782</b>	<b>38,626</b>	<b>22,315</b>	<b>2.2</b>	<b>1.4</b>	<b>0.9</b>
<b>Unclassified . . . . .</b>	<b>28,564</b>	<b>34,284</b>	<b>42,379</b>	<b>1.3</b>	<b>1.3</b>	<b>1.7</b>
<b>Total, Australian produce (excluding gold) . . . . .</b>	<b>2,092,914</b>	<b>2,712,624</b>	<b>2,563,508</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Re-exports (excluding gold) . . . . .</b>	<b>45,958</b>	<b>55,546</b>	<b>69,536</b>	<b>..</b>	<b>..</b>	<b>..</b>
<b>Gold exports . . . . .</b>	<b>12,940</b>	<b>14,290</b>	<b>18,405</b>	<b>..</b>	<b>..</b>	<b>..</b>
<b>Total recorded value of exports . . . . .</b>	<b>2,151,812</b>	<b>2,782,460</b>	<b>2,651,449</b>	<b>..</b>	<b>..</b>	<b>..</b>

In the year 1964-65 Australian produce (other than gold) exported amounted to approximately \$2,564 million. Of this, \$2,178 million or 85 per cent was mainly the produce of primary industries, comprising \$1,588 million of unprocessed produce and \$590 million of goods which had been processed to some degree before export. The values of the principal individual items of processed Australian primary produce exported were (\$'000): sugar, 112,685; flour, etc., 37,334; canned fruit, 27,584; dried fruit, 24,100; wool (scoured, tops, etc), 84,604; canned meats, 15,797; butter, 62,165; milk (condensed, dried, etc.), 25,127; pig lead, 42,005; lead bullion, 18,427;

zinc bars, blocks, etc., 24,418; copper ingots, 1,412; and undressed timber, 3,643. The value of manufactures exported as classified on page 426 was \$321 million, approximately 13 per cent of Australian produce (other than gold) exported in 1964-65. The values of principal individual items here included were (\$'000): manufactures of metal, 129,711; implements and machinery, 42,373; drugs and chemicals, 26,412; and paper and stationery, 13,462. Refined petroleum oils exported are shown separately, as they consist largely of imported crude oils refined in Australia and re-exported in the refined form. The values of principal individual items shown as 'unclassified' in 1964-65 were (\$'000): individual consignments of less than \$100 in value, 13,251; and military equipment and stores and supplies for Australian projects overseas, 7,545.

The items enumerated indicate the arbitrariness of the line necessarily drawn between primary produce and manufactures in any classification of this kind. The value of processed primary products exported includes some element of value added by the simpler processes of manufacture, while the value shown for manufactures exported necessarily includes the value of raw materials (primary produce) used in those manufactures.

### External trade of Australia and other countries

#### Essentials of comparison

Direct comparison of the external trade of any two countries is possible only when the general conditions prevailing therein, and the system of record, are more or less 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. Again, the values of imports and exports in one may be declared by merchants, whereas in another they may be the official prices fixed from time to time by a commission constituted for the purpose. In later years, moreover, a very substantial difference in the value of imports would result 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. Lastly, 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. This class of trade represents a much greater proportion of the trade of Switzerland and Belgium-Luxembourg than that of other countries. France and the United Kingdom also re-export largely, whereas in Canada, Australia and New Zealand re-exports account for a comparatively small proportion of the total trade.

#### Special trade of various countries

In the following table the figures, which are expressed in Australian currency, relate as nearly as possible to imports cleared for home consumption in the various countries specified and to exports of their domestic products. It is to be noted, however, that these figures do not invariably 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. Nevertheless, a comparison of this character reveals approximately the extent of the external trade which otherwise would not be manifest. The countries listed on page 428 are not necessarily all the important trading countries of the world, but those important countries for which comparable statistics are available. Information for countries other than Australia has been extracted from publications of the United Nations.

**VALUES OF IMPORTS CLEARED FOR HOME CONSUMPTION, AND EXPORTS OF DOMESTIC PRODUCTS (MERCHANDISE ONLY<sup>(a)</sup>): VARIOUS COUNTRIES, 1965**

Country	Imports cleared c.i.f.	Exports f.o.b.	Total	Trade per head of population		
				Imports cleared	Exports	Total
	\$Am	\$Am	\$Am	\$A	\$A	\$A
United States of America	16,799	23,606	40,406	87.44	122.87	210.31
Germany, Federal Re- public of . . . . .	(b) 13,152	(c)(d)14,594	27,745	225.63	250.36	475.99
United Kingdom . . . . .	14,030	11,121	25,151	258.80	205.14	463.94
France . . . . .	9,062	(d) 8,094	17,156	187.17	167.16	354.33
Japan . . . . .	(e) 7,144	6,007	13,151	73.72	61.99	135.71
Canada . . . . .	(b)(e) 6,234	6,913	13,147	323.51	358.72	682.23
Italy . . . . .	6,508	5,360	11,868	127.38	104.92	232.30
Netherlands . . . . .	6,351	5,227	11,579	523.73	431.04	954.77
Belgium-Luxembourg . . . . .	5,330	5,031	10,361	549.12	518.34	1,067.46
Sweden . . . . .	(e) 3,468	3,305	6,773	452.64	431.38	884.02
Switzerland . . . . .	3,249	2,382	5,631	553.12	405.56	958.68
Australia <sup>(f)</sup> . . . . .	(b) 2,890	(c)(d) 2,564	5,454	256.94	227.89	484.83
Denmark . . . . .	(e) 2,355	1,907	4,262	499.00	404.05	903.05
Austria . . . . .	1,677	1,301	2,978	232.39	180.37	412.76
Norway . . . . .	(e) 1,784	1,161	2,945	482.89	314.29	797.18
Spain . . . . .	2,039	859	2,897	65.04	27.40	92.44
Finland . . . . .	(e) 1,355	1,162	2,516	295.74	253.69	549.43
Portugal . . . . .	699	464	1,164	76.79	51.00	127.79
Chile . . . . .	547	561	1,108	64.44	66.02	130.46
Greece . . . . .	797	278	1,075	93.60	32.68	126.28
Turkey . . . . .	488	370	858	15.67	11.89	27.56

(a) Includes silver. (b) f.o.b. (c) Includes exports of foreign aid. (d) Excludes re-exported goods. (e) Covers goods imported as distinct from goods cleared for home consumption. (f) Year ended June 1965.

**Oversea trade in calendar years**

For the purpose of comparison with countries which record oversea trade in calendar years, the following table has been compiled to show Australian imports and exports for each of the calendar years 1961 to 1965.

**VALUE OF OVERSEA TRADE IN CALENDAR YEARS: AUSTRALIA, 1961 TO 1965**  
 (\$A'000 f.o.b.)

Year	Merchandise		Bullion and specie		Total	
	Imports	Exports	Imports	Exports	Imports	Exports
1961 . . . . .	1,868,666	2,073,900	4,662	35,506	1,873,328	2,109,406
1962 . . . . .	2,019,188	2,093,100	4,448	10,734	2,023,636	2,103,834
1963 . . . . .	2,212,608	2,487,656	6,656	17,346	2,219,264	2,505,002
1964 . . . . .	2,654,376	2,712,370	4,670	19,454	2,659,046	2,731,824
1965 p . . . . .	3,010,074	2,632,744	4,761	23,482	3,014,835	2,656,226



## Excise

Although excise goods have no immediate bearing on overseas trade, the rate of excise duty is in some cases related to the import duty on similar goods. Moreover, as the Excise Acts are administered by the Department of Customs and Excise, it is convenient to publish here the quantities of Australian produce on which excise duty has been paid. Particulars of customs and excise revenue are shown in the chapter Public Finance. The following table shows the quantities of spirits, beer, tobacco, etc., on which excise duty was paid in Australia during the years 1963-64 and 1964-65.

QUANTITY OF SPIRITS, BEER, TOBACCO, ETC., ON WHICH EXCISE DUTY  
WAS PAID: AUSTRALIA, 1964-65

Article	1963-64	1964-65	Article	1963-64	1964-65
	'000 gallons	'000 gallons	Cigarettes—machine-made .	'000 lb. 45,835	'000 lb. 47,328
Beer . . . . .	251,715	264,889		'000 gallons	'000 gallons
	'000 proof gallons	'000 proof gallons	Petrol—		
Spirits—			Aviation petrol (by-law)(a)	6,321	9,391
Brandy . . . . .	928	1,009	Aviation petrol (non by-law)(a)	495	228
Gin . . . . .	364	372	Petrol, n.e.i.(a) . . . . .	1,361,820	1,494,362
Whisky . . . . .	354	359	Total petrol . . . . .	1,368,636	1,503,981
Rum . . . . .	576	565	Aviation turbine fuel(a) . . . . .	40,481	67,553
Liqueurs . . . . .	66	75	Diesel fuel . . . . .	76,661	90,990
Other . . . . .	81	128		doz. packs	doz. packs
Total spirits (potable)	2,369	2,508	Playing cards . . . . .	104,132	105,595
				60 papers or tubes	60 papers or tubes
Spirits for—			Cigarette papers and tubes . . . . .	'000 69,466	'000 61,773
Fortifying wine . . . . .	2,247	2,185		8,640 matches	8,640 matches
Industrial or scientific purposes . . . . .	319	352	Matches . . . . .	3,521,310	3,503,737
Manufacture of—			Coal . . . . .	'000 tons 17,556	'000 tons 17,972
Essences . . . . .	111	118		'000 doz. containers	'000 doz. containers
Scents and toilet preparations . . . . .	106	104	Canned fruit . . . . .	(b) 2,503	7,032
Vinegar . . . . .	238	248		'000	'000
Tobacco . . . . .	'000 lb. 10,198	'000 lb. 8,922	Cathode ray tubes . . . . .	327	(c) 51
Cigars . . . . .	167	141			

(a) As from July 1964 includes supplies to Commonwealth Government on which excise was paid. During 1964-65 refunds were made on 32,701,000 gallons. (b) Operative from 30 October 1963. (c) Operative to 12 August 1964.

## OVERSEA INVESTMENT BY PRIVATE INVESTORS

A Survey of Oversea Investment has been conducted since 1947-48 to obtain particulars of certain types of private capital flows to and from Australia. The survey, when supplemented by other information, provides statistics of overseas investment in companies in Australia and in Australian public authority securities domiciled in Australia, and statistics of Australian investment in companies overseas and in foreign government securities. Particulars of investment income from most of those classes of investment are also obtained from the survey.

Certain types of private overseas investment are not included in the statistics which follow. Investment in real estate (except when made through companies), investment by means of bank deposits and advances, and loans between Australian individuals and non-resident individuals are not covered. Nor are changes in short-term liabilities between exporters and importers in Australia and overseas covered, except in so far as they arise from exports and imports between branches or subsidiaries and their home offices—in this case they are included in the figures of investment in branches or subsidiaries.

In some cases the capital invested in a company in Australia may be received from a company in one overseas country even though the ultimate ownership and control of that capital may rest with a parent company in a second overseas country. In the tables which classify investment in

Australia according to country of origin, the investment is shown as an inflow from the country which is the immediate source of the capital rather than from the country in which the parent company with ultimate ownership and control is domiciled. Income payable overseas is classified on a similar basis, i.e., it is classified to the country to which it is directly payable.

Remittances between Australia and overseas by Australian life insurance companies are regarded as capital transactions made to bring assets located in overseas countries into line with commitments in those countries, and are shown as a flow of investment between Australia and overseas in the tables on page 435. Similar considerations apply to overseas life insurance companies with branches in Australia.

The following are some explanatory notes relating to terms used in the tables.

*Overseas.* For the purpose of these statistics, 'overseas' includes Papua and New Guinea.

*Companies.* In these statistics the term 'companies' relates to both incorporated and unincorporated businesses.

*Subsidiary.* For the purpose of these statistics this term is applied to all companies in which there is a 'direct' holding, irrespective of the degree of control, if any, which is actually exercised. A holding is treated as 'direct' when there is ownership of 25 per cent or more of a company's ordinary shares (or voting stock) by one company or a number of companies incorporated in one country, or ownership of 50 per cent or more of a company's ordinary shares (or voting stock) by individuals or companies in one country.

*Portfolio investment.* Investment in company shares, debentures, etc., other than direct investment in such securities of a subsidiary company.

*Unremitted profits.* For these statistics this represents the net earnings of branches during the year, after tax, less remittances by the branches to their home offices during the year of net earnings and interest (irrespective of the period to which the earnings and interest relate). 'Net earnings' of Australian branches of overseas companies are, in general, based on the value of their income for taxation purposes.

*Undistributed profits.* This term refers, in the case of Australian subsidiaries, to the equity of the overseas parent in the net earnings of the Australian company, less tax (or tax provision) and less dividends declared. 'Net earnings' of Australian subsidiaries of overseas companies are, in general, based on the value of their income for taxation purposes. In the case of overseas subsidiaries of Australian companies, this term represents the equity of the Australian parent in the book value of the net earnings of the subsidiary after tax, less dividends paid or payable.

The annual bulletin *Insurance and Other Private Finance* and the *Annual Bulletin of Oversea Investment: Australia* contain additional figures relating to overseas investment, including a longer range of years covered, and also a more detailed description of the figures.

**Private overseas investment in companies in Australia and investment income payable overseas by companies in Australia**

The inflow of private overseas investment in companies in Australia since 1960-61, and a classification by country of origin, are shown in the following two tables.

**ANNUAL INFLOW OF PRIVATE OVERSEA INVESTMENT IN COMPANIES IN AUSTRALIA, BY TYPE OF COMPANY IN WHICH CAPITAL INVESTED(a)**  
1960-61 TO 1964-65  
(\$A million)

Year	Direct investment					Portfolio investment (b)	Annual inflow of overseas investment in companies
	Australian branches		Australian subsidiaries		Total direct investment		
	Un-remitted profits	Other investment	Undis-tributed profits	Other investment			
1960-61 .	6	49	108	209	372	98	470
1961-62 .	9	45	57	110	221	77	298
1962-63 .	16	5	90	249	360	84	444
1963-64 .	23	28	110	240	401	29	430
1964-65 .	12	51	110	316	489	39	528

(a) Increases in investment by some overseas investors are offset against withdrawals of investment by other overseas investors. (b) Partly estimated.

**ANNUAL INFLOW OF PRIVATE OVERSEA INVESTMENT IN COMPANIES IN AUSTRALIA, BY DOMICILE OF INVESTOR AND CATEGORY OF INVESTMENT<sup>(a)</sup> 1960-61 TO 1964-65**

(\$A million)

Year	United Kingdom	New Zealand	U.S.A. and Canada	Other	Annual inflow of oversea investment in companies
<b>Undistributed income<sup>(b)</sup>—</b>					
1960-61 . . . . .	39	3	61	11	114
1961-62 . . . . .	43	3	16	4	66
1962-63 . . . . .	71	1	27	7	106
1963-64 . . . . .	80	3	45	5	133
1964-65 . . . . .	69	3	42	8	122
<b>Other investment—</b>					
1960-61 . . . . .	185	3	115	53	356
1961-62 . . . . .	82	7	127	16	232
1962-63 . . . . .	136	4	157	41	338
1963-64 . . . . .	102	6	148	41	297
1964-65 . . . . .	174	10	184	38	406
<b>Total annual inflow—</b>					
1960-61 . . . . .	224	6	176	64	470
1961-62 . . . . .	125	10	143	20	298
1962-63 . . . . .	207	5	184	48	444
1963-64 . . . . .	182	9	193	46	430
1964-65 . . . . .	243	13	226	46	528

(a) See footnote (a) to preceding table. (b) Unremitted profits of Australian branches plus undistributed profits of Australian subsidiaries.

The next two tables show investment income payable overseas by companies in Australia, and the countries to which it is payable.

**INVESTMENT INCOME<sup>(a)</sup> PAYABLE OVERSEAS BY COMPANIES IN AUSTRALIA BY TYPE OF COMPANY, 1960-61 TO 1964-65**

(\$A million)

Year	Income payable on direct investment				Total income payable on direct investment	Income payable on portfolio investment <sup>(b)</sup>	Total
	Australian branches		Australian subsidiaries				
	Unremitted profits (net)	Remitted profits	Undistributed profits (net)	Dividends declared			
1960-61 . . . . .	6	43	108	57	214	20	234
1961-62 . . . . .	9	37	57	72	175	20	195
1962-63 . . . . .	16	39	90	81	226	26	252
1963-64 . . . . .	23	42	110	70	245	29	274
1964-65 . . . . .	12	47	110	78	247	32	279

(a) Excludes interest payable overseas. The amount payable by Australian companies (excluding branches of oversea companies) was \$6m in 1960-61, \$6m in 1961-62, \$7m in 1962-63, \$11m in 1963-64, and \$16m in 1964-65. (b) Because of certain differences in scope, these figures differ from those in the category 'Other' in item 12, Table 2, in *Balance of Payments* and in the table on page 438 of this chapter.

**INVESTMENT INCOME PAYABLE<sup>(a)</sup> OVERSEAS BY COMPANIES IN AUSTRALIA  
BY COUNTRY TO WHICH PAYABLE AND CATEGORY OF INCOME  
1960-61 TO 1964-65  
(\$A million)**

Year	United Kingdom	New Zealand	U.S.A. and Canada	Other	Total
<b>Undistributed income</b>					
<i>(b)</i> —					
1960-61 . . . . .	39	3	61	11	114
1961-62 . . . . .	43	3	16	4	66
1962-63 . . . . .	71	1	27	7	106
1963-64 . . . . .	80	3	45	5	133
1964-65 . . . . .	69	3	42	8	122
<b>Other income<sup>(c)</sup>—</b>					
1960-61 . . . . .	70	7	38	5	120
1961-62 . . . . .	59	6	58	6	129
1962-63 . . . . .	69	8	62	7	146
1963-64 . . . . .	72	8	53	8	141
1964-65 . . . . .	84	9	53	11	157
<b>Total—</b>					
1960-61 . . . . .	109	10	99	16	234
1961-62 . . . . .	102	9	74	10	195
1962-63 . . . . .	140	9	89	14	252
1963-64 . . . . .	152	11	98	13	274
1964-65 . . . . .	153	12	95	19	279

*(a)* See footnote (a) to preceding table. *(b)* Unremitted profits of Australian branches plus undistributed profits of Australian subsidiaries. *(c)* See footnote (b) to preceding table.

A classification by broad industry groups of the inflow of direct investment and the income payable overseas on direct investment in 1964-65 is shown in the following table.

**INFLOW OF DIRECT PRIVATE OVERSEA INVESTMENT IN COMPANIES IN  
AUSTRALIA AND INCOME FROM DIRECT INVESTMENT PAYABLE  
OVERSEAS BY COMPANIES IN AUSTRALIA, BY INDUSTRY  
IN WHICH CAPITAL INVESTED, 1964-65  
(\$A million)**

Category of investment or income	Primary production and mining	Manufacturing	Other industries	Total
<b>Inflow of direct investment—</b>				
Undistributed income <sup>(a)</sup> . . . . .	7	99	16	122
Other direct investment . . . . .	64	146	157	367
<i>Total inflow of direct investment . . . . .</i>	<i>71</i>	<i>245</i>	<i>173</i>	<i>489</i>
<b>Income from direct investment payable overseas—</b>				
Undistributed income <sup>(a)</sup> . . . . .	7	99	16	122
Other income from direct investment . . . . .	7	70	48	125
<i>Total income from direct investment . . . . .</i>	<i>14</i>	<i>169</i>	<i>64</i>	<i>247</i>

*(a)* Unremitted profits of Australian branches plus undistributed profits of Australian subsidiaries.

Australian investment in companies overseas and investment income receivable from companies overseas

The outflow of Australian investment in companies since 1960-61 and a classification by country in which the capital was invested are shown in the following two tables.

ANNUAL OUTFLOW OF AUSTRALIAN INVESTMENT IN COMPANIES OVERSEAS  
BY TYPE OF COMPANY IN WHICH CAPITAL INVESTED<sup>(a)</sup>  
1960-61 TO 1964-65  
(\$A million)

Year	Direct investment				Total direct investment	Portfolio investment	Annual outflow of Australian investment in companies overseas
	Overseas branches		Overseas subsidiaries				
	Unremitted profits	Other	Undistributed profits	Other			
1960-61 . . .	2	7	5	5	19	-9	10
1961-62 . . .	1	8	8	3	20	-4	16
1962-63 . . .	..	-4	9	9	14	-6	8
1963-64 . . .	1	3	13	-7	10	-8	2
1964-65 . . .	-2	4	20	9	31	-6	25

(a) Increases in investment by some Australian investors are offset against withdrawals of investment by other Australian investors.

Minus sign (-) denotes inflow.

ANNUAL OUTFLOW OF AUSTRALIAN INVESTMENT IN COMPANIES OVERSEAS  
BY COUNTRY IN WHICH CAPITAL INVESTED AND CATEGORY  
OF INVESTMENT<sup>(a)</sup>: 1960-61 TO 1964-65  
(\$A million)

Year	United Kingdom	New Zealand	U.S.A. and Canada	Other	Annual outflow of Australian investment in companies overseas
<b>Undistributed income</b>					
<i>(b)</i> —					
1960-61 . . .	2	3	..	2	7
1961-62 . . .	1	3	..	5	9
1962-63 . . .	..	3	..	6	9
1963-64 . . .	-1	9	1	5	14
1964-65 . . .	-1	9	..	10	18
<b>Other investment—</b>					
1960-61 . . .	-3	4	1	1	3
1961-62 . . .	-1	4	-1	5	7
1962-63 . . .	1	8	..	-10	-1
1963-64 . . .	-16	7	..	-3	-12
1964-65 . . .	-7	4	..	10	7
<b>Total investment—</b>					
1960-61 . . .	-1	7	1	3	10
1961-62 . . .	..	7	-1	10	16
1962-63 . . .	1	11	..	-4	8
1963-64 . . .	-17	16	1	2	2
1964-65 . . .	-8	13	..	20	25

(a) Increases in investment by some Australian investors are offset against withdrawals of investment by other Australian investors. (b) Unremitted profits of Australian branches plus undistributed profits of Australian subsidiaries.

Minus sign (-) denotes inflow.

The next two tables show income from direct investment payable to Australia by companies overseas, and countries from which it is receivable.

**INCOME FROM DIRECT INVESTMENT PAYABLE TO AUSTRALIA BY  
COMPANIES OVERSEAS, BY TYPE OF COMPANY, 1960-61 TO 1964-65**  
(\$A million)

Year	Overseas branches		Overseas subsidiaries		Total income from direct investment
	Unremitted profits	Remitted profits	Undistributed profits	Dividends declared	
1960-61 . . . . .	2	5	5	7	19
1961-62 . . . . .	1	5	8	8	22
1962-63 . . . . .	..	9	9	11	29
1963-64 . . . . .	1	5	13	13	32
1964-65 . . . . .	-2	7	20	17	42

**INCOME FROM DIRECT INVESTMENT PAYABLE TO AUSTRALIA BY  
COMPANIES OVERSEAS, BY COUNTRY FROM WHICH RECEIVABLE AND  
CATEGORY OF INCOME, 1960-61 TO 1964-65**  
(\$A million)

Year	United Kingdom	New Zealand	U.S.A. and Canada	Other	Total
<b>Undistributed income(a)—</b>					
1960-61 . . . . .	2	3	..	2	7
1961-62 . . . . .	1	3	..	5	9
1962-63 . . . . .	..	3	..	6	9
1963-64 . . . . .	-1	9	1	5	14
1964-65 . . . . .	-1	9	..	10	18
<b>Other income—</b>					
1960-61 . . . . .	1	6	..	5	12
1961-62 . . . . .	1	7	..	5	13
1962-63 . . . . .	1	9	..	10	20
1963-64 . . . . .	1	7	..	10	18
1964-65 . . . . .	4	12	..	8	24
<b>Total—</b>					
1960-61 . . . . .	3	9	..	7	19
1961-62 . . . . .	2	10	..	10	22
1962-63 . . . . .	1	12	..	16	29
1963-64 . . . . .	..	16	1	15	32
1964-65 . . . . .	3	21	..	18	42

(a) Unremitted profits of Australian branches plus undistributed profits of Australian subsidiaries.

**Net annual flow of investment**

The net annual flow of investment between Australia and overseas, and its classification by country, are shown in the following two tables. The annual inflow of investment in Australian public authority debt domiciled overseas and net overseas remittances by insurance companies have been incorporated into both tables.

**NET ANNUAL FLOW OF INVESTMENT BETWEEN  
AUSTRALIA AND OVERSEA COUNTRIES<sup>(a)</sup>  
1960-61 TO 1964-65**  
(\$A million)

Year	Annual inflow of investment	Annual outflow of investment	Net annual flow of investment to Australia
1960-61 . . .	489	11	478
1961-62 . . .	308	15	293
1962-63 . . .	528	8	520
1963-64 . . .	449	7	442
1964-65 . . .	503	15	488

(a) Increases in investment by some oversea investors are offset against withdrawals of investment by other investors.

**NET ANNUAL FLOW OF INVESTMENT BETWEEN AUSTRALIA AND OVERSEA  
COUNTRIES, BY REGION, 1960-61 TO 1964-65**  
(\$A million)

Year	United Kingdom	New Zealand	U.S. A. and Canada	I.B.R.D. (a)	Other	Net annual flow of investment to Australia
1960-61 . . . .	217	-1	206	-15	71	478
1961-62 . . . .	123	1	165	-16	20	293
1962-63 . . . .	222	-8	244	12	50	520
1963-64 . . . .	225	-7	175	7	42	442
1964-65 . . . .	200	-2	260	-1	31	488

(a) Particulars are not available of the domicile of securities issued to the International Bank for Reconstruction and Development.

Minus sign (-) denotes outflow.

### BALANCE OF PAYMENTS

Estimates of a country's balance of payments are prepared for the purpose of providing a systematic record in money terms of the economic transactions which take place over a period between that country and all other countries. Such records are essential to the examination of influences which external factors have on the domestic economy. The Australian economy is subject to fairly large fluctuations in export income, and it is also affected in important respects by variations in the level of foreign investment and the demand for imports. Consequently, these estimates have always assumed particular importance in this country.

Official estimates of Australia's balance of payments covering the period 1928-29 to 1930-31 were included in the Appendix to Official Year Book No. 24, 1931. Except for the war years (1939 to 1945), estimates have since been published annually. Detailed estimates are currently provided twice yearly in the form of a mimeographed publication *Balance of Payments*. This publication brings the estimates forward to the end of the most recent financial year or half-year and, together with a printed volume *The Australian Balance of Payments, 1928-29 to 1950-51*, provides also a description of the various items included and the sources from which the information is obtained. A summarized statement of the principal current account items and some identified capital movements is prepared and issued on a quarterly basis in the *Balance of Payments - Quarterly Summary*.

The form in which the Australian estimates are presented follows the pattern originally adopted by the International Monetary Fund. In this presentation a basic distinction is drawn between 'current account' transactions and 'capital account' transactions. Current account transactions are defined as those which involve changes in the ownership of goods or the rendering of services between residents of Australia and the rest of the world. They include such important items as exports, imports, shipping freights, dividends, profits and interest, travel and government expenditure. The current account also includes transfers in the form of personal gifts and government gifts of technical assistance, for which there is no consideration. Capital account transactions

are defined as those which involve claims to money and titles to investments between residents of one country and those of another country. Details are shown according to whether the items with which transactions are concerned are classified as assets or liabilities. For practical purposes, items are also broadly divisible into investment items (including overseas investment in companies in Australia and government loans), certain financing transactions, and monetary movements (including transactions with the International Monetary Fund and changes in the level of international reserves).

By definition the balance of payments on current account is always equivalent to the balance on capital account. The net monetary movement is used as a control figure to which the net sum of all other figures must reconcile. However, errors and omissions occur in the estimation of the amounts involved in various items included in both current and capital accounts, and in addition there are timing differences between the statistical recording of trade transactions and certain invisible items, and the relevant foreign exchange transactions. Therefore, in order to preserve the identity between the total shown in the current account and the total shown in the capital account, it is necessary to introduce a 'balancing item'. The 'balancing item' is included in the capital account, but, as mentioned above, it may include discrepancies in the current account, and it does not, as is frequently supposed, include only errors and timing differences related to investment and financing transactions.

Details of the estimates are assembled from a variety of sources of which the following are the more important: (i) statistics of exports and imports obtained from Australian trade statistics; (ii) details of the import valuation adjustment obtained from a sample of the invoices submitted to the Department of Customs and Excise in respect of imports into Australia; (iii) information on particular invisible current account items and capital movements obtained by regular inquiry from private organizations and government departments; (iv) details of receipts and payments of foreign exchange provided by the banking system; (v) information on dividends remitted, undistributed income and private investment in companies provided by statistics of overseas investment collected by this Bureau; (vi) information on freight on imports and other items concerned with overseas shipping obtained from a sample of the invoices submitted to the Department of Customs and Excise in respect of imports into Australia and a survey of shipping operations conducted by this Bureau; and (vii) information on international reserves supplied by the Reserve Bank of Australia.

#### Current account

The balance of payments on current account is arranged to show a series of credit items and a corresponding series of debit items. Primarily, entries on the credit side include all current transactions which result in receipts of foreign exchange (for goods and services, investment income or donations), and on the debit side the similar transactions which result in payments of foreign exchange. The principal exceptions to this rule are the amounts shown for undistributed income and where debts incurred for current account items, principally goods, are subsequently capitalized. In respect of these amounts no movement of foreign exchange takes place, the amounts concerned being treated as credits or debits in the relevant sections of the current account, and as corresponding outflows or inflows in the relevant sections of the capital account. A further exception occurs in the case of donations in kind where no foreign exchange movement takes place. The values of donations received or provided in kind are shown as credits or debits respectively.

The largest items shown in the current account are exports and imports, and the difference between them represents the balance of visible trade. This is the most important, and usually the most variable, relationship in the balance of payments. *For balance of payments purposes, certain adjustments are made to the recorded trade statistics.* Briefly, these adjustments are made to exclude those transactions for which there is no change of ownership between residents and non-residents of Australia and to include certain transactions for which there has been a change of ownership but for which customs entries are not required. In addition, a valuation adjustment is made to the recorded import statistics in order to remove the overstatement which results from the basis of valuation for customs duty. A full description of the adjustments was provided in Appendix V. of the publication *Balance of Payments, 1960-61 to 1964-65*. A full evaluation of the overall position on current account, however, occurs only after the invisible items have been taken into account. The most important of these are the transportation items.\* Entries appear on both the debit and credit sides, the principal component on the debit side being freight payable overseas on imports into Australia. The principal component on the credit side is expenditure by overseas carriers, which represents mainly overseas ships' expenditure for stevedoring, port charges, etc., incurred in loading and discharging goods at Australian ports, and stores purchased in Australia. The items next in importance are those concerning income from property. Debit entries under this heading include dividends, profits, interest and royalties payable overseas, while the credit entries include similar details of amounts receivable by Australian residents. These items include undistributed income for which, as mentioned above, no

\* Changes made in this issue in respect of these items have not been incorporated in Table 6. Oversea Current Account of the chapter National Accounts (see *Balance of Payments, 1963-64, 1964-65 and First Half 1965-66 and Quarterly Estimates of National Income and Expenditure, No. 23, March Quarter 1966*).



monetary payments occur. The remaining items are smaller than those mentioned above, and include travel, government transactions, donations (including foreign aid made available by the Australian Government), and, on the credit side, the net value of Australian gold production.

#### Capital account

On the assets side of the capital account the most important item is Australia's holdings of monetary gold and foreign exchange, usually referred to as international reserves. On the liabilities side the most important items are government loans, I.M.F. transactions and private investment in Australian companies.

Transactions with international monetary and financial agencies appear on both sides of the capital account. On the assets side items 2 and 3 show increases in subscriptions to these institutions, and on the liabilities side items 10 and 11 show corresponding increases in liabilities or changes in liabilities previously incurred. Liabilities comprise, on the one hand, bank balances and special non-negotiable, non-interest bearing securities (payable in Australian currency but convertible by arrangement into foreign currency or gold) related to capital subscriptions to the various agencies and, on the other hand, drawings from the International Monetary Fund.

Changes in overseas investment in companies by Australian residents are shown on the assets side of the capital account (items 6 and 7), and changes in investment in Australian companies by overseas residents are shown on the liabilities side (items 13 (part) and 14). Figures shown for marketing authorities (item 5) represent changes in the estimated value of commodity stocks held overseas or in amounts owed by overseas debtors to the principal Australian marketing authorities.

The balancing item includes errors and omissions and timing differences, referred to on page 436.

#### Tables—Balance of payments on current and capital accounts

The following tables show, for the three years 1962-63 to 1964-65, particulars of:

- (i) the balance of payments on current account;
- (ii) the balance of payments on capital account; and
- (iii) the balance of payments on current account, by major groups of countries.

#### BALANCE OF PAYMENTS ON CURRENT ACCOUNT: AUSTRALIA, 1962-63 TO 1964-65 (\$A million)

	1962-63	1963-64	1964-65 p
1. Exports f.o.b.(a)	2,130	2,740	2,586
2. Imports f.o.b.(a)	2,076	2,251	2,754
<i>Balance of trade</i>	54	489	-168
<b>Invisible credits—</b>			
3. Gold production	32	29	27
4. Transportation—			
Expenditure of overseas carriers	156	179	203
Australian carriers	64	71	85
	220	250	288
5. Travel	33	41	51
6. Property income—			
Undistributed income	9	14	16
Royalties and copyrights	2	3	2
Other	65	77	97
	76	94	115
7. Government—			
Australian Government receipts	24	31	27
Foreign government expenditure	23	31	32
	47	62	59
8. Miscellaneous—			
Business expenses	17	21	29
Other	19	22	26
	36	43	55
9. Donations, etc.—			
Immigrants' funds	56	81	94
Other	22	32	33
	78	113	127
<i>Total invisible credits</i>	522	632	722

For footnotes see next page.

**BALANCE OF PAYMENTS ON CURRENT ACCOUNT: AUSTRALIA, 1962-63**  
**TO 1964-65—continued**  
(\$A million)

—	1962-63	1963-64	1964-65 p
<b>Invisible debits—</b>			
<b>10. Transportation(b)—</b>			
Freight . . . . .	236	253	293
Other . . . . .	138	159	188
	374	412	481
<b>11. Travel . . . . .</b>	90	102	114
<b>12. Property income—</b>			
Public authority interest . . . . .	66	70	71
Direct investment . . . . .	126	120	124
Undistributed income . . . . .	106	130	118
Royalties and copyrights . . . . .	32	40	46
Other . . . . .	30	34	36
	360	394	395
<b>13. Government—</b>			
Defence . . . . .	19	20	28
Other . . . . .	25	32	32
	44	52	60
<b>14. Miscellaneous—</b>			
Business expenses . . . . .	23	32	43
Other . . . . .	31	34	43
	54	66	86
<b>15. Donations, etc.—</b>			
Government—			
Papua and New Guinea . . . . .	51	65	72
Other foreign aid . . . . .	15	11	24
Private . . . . .	60	69	76
	126	145	172
<i>Total invisible debits</i> . . . . .	<i>1,048</i>	<i>1,171</i>	<i>1,308</i>
<b>Balance on current account</b> . . . . .	<b>-472</b>	<b>-50</b>	<b>-754</b>

(a) The amounts shown represent the recorded trade figures adjusted for balance of payments purposes. Adjustments affect both coverage and valuation. (b) Total freight and insurance on imports, whether payable overseas or in Australia, is estimated at \$258 million in 1962-63, \$282 million in 1963-64 and \$331 million in 1964-65.

Minus sign (—) denotes deficit.

**BALANCE OF PAYMENTS ON CAPITAL ACCOUNT: AUSTRALIA, 1962-63 TO 1964-65**  
(\$A million)

—	1962-63	1963-64	1964-65p
<b>CHANGES IN ASSETS—</b>			
<b>1. International reserves . . . . .</b>	130	456	-315
<b>2. International Monetary Fund . . . . .</b>	..	..	..
<b>3. Other international financial agencies . . . . .</b>	3	3	4
<b>4. Other government . . . . .</b>	2	52	16
<b>5. Marketing authorities . . . . .</b>	-10	-30	60
<b>6. Portfolio investment . . . . .</b>	-6	-8	-5
<b>7. Direct investment—</b>			
Branches—Unremitted profits . . . . .	1	1	-4
Other . . . . .	-4	3	5
Subsidiaries—Undistributed profits . . . . .	8	13	20
Other . . . . .	8	-7	14
	13	10	35
<b>8. Life insurance . . . . .</b>	..	4	-10
<i>Total, changes in assets</i> . . . . .	<i>132</i>	<i>487</i>	<i>-215</i>

**BALANCE OF PAYMENTS ON CAPITAL ACCOUNT: AUSTRALIA, 1962-63  
TO 1964-65—continued**  
(*\$A million*)

—	1962-63	1963-64	1964-65
<b>CHANGES IN LIABILITIES—</b>			
<b>9. Government loans—</b>			
International Bank for Reconstruction and Development . . . . .	12	7	-1
Other central government . . . . .	86	16	-14
Local government and semi-governmental . . . . .	-2	..	-6
Discounts, etc. . . . .	-3	-1	1
	93	22	-20
10. International Monetary Fund . . . . .	-23	..	-22
11. Other international financial agencies . . . . .	-5	-5	1
12. Foreign banks . . . . .	5	-3	1
13. Portfolio investment—Government securities . . . . .	-10	-3	-5
Companies, etc. . . . .	81	27	37
	71	24	32
<b>14. Direct investment—</b>			
Branches—Unremitted profits . . . . .	16	20	11
Other . . . . .	6	28	42
Subsidiaries—Undistributed profits . . . . .	90	110	107
Other . . . . .	250	229	319
	362	387	479
15. Balancing item . . . . .	101	112	68
<i>Total, changes in liabilities</i> . . . . .	604	537	539
Balance on capital account . . . . .	472	50	754

**BALANCE OF PAYMENTS ON CURRENT ACCOUNT, BY MAJOR GROUPS  
OF COUNTRIES: AUSTRALIA, 1962-63 TO 1964-65**  
(*\$A million*)

—	1962-63	1963-64	1964-65 p
<b>EXPORTS f.o.b.(a)—</b>			
<b>Sterling—</b>			
United Kingdom . . . . .	418	518	509
Other . . . . .	400	466	515
<b>Non-sterling—</b>			
North America . . . . .	302	328	302
European Economic Community . . . . .	332	426	382
European Free Trade Association(b) . . . . .	23	27	30
Eastern Europe, China (Mainland), etc. . . . .	187	322	247
Other . . . . .	468	653	601
<i>Total, exports</i> . . . . .	2,130	2,740	2,586
<b>IMPORTS f.o.b.(a)—</b>			
<b>Sterling—</b>			
United Kingdom . . . . .	640	616	692
Other . . . . .	272	295	329
<b>Non-sterling—</b>			
North America . . . . .	516	590	785
European Economic Community . . . . .	229	265	328
European Free Trade Association(b) . . . . .	95	109	127
Eastern Europe, China (Mainland), etc. . . . .	22	29	45
Other . . . . .	302	347	448
<i>Total, imports</i> . . . . .	2,076	2,251	2,754

For footnotes see next page.

**BALANCE OF PAYMENTS ON CURRENT ACCOUNT, BY MAJOR GROUPS  
OF COUNTRIES: AUSTRALIA, 1962-63 TO 1964-65—continued**

(\$A million)

—	1962-63	1963-64	1964-65 p
<b>INVISIBLES (NET)—</b>			
Sterling—			
United Kingdom . . . . .	-145	-133	-141
Other . . . . .	-107	-110	-139
Non-sterling—			
North America . . . . .	-193	-207	-208
European Economic Community . . . . .	-44	-47	-57
European Free Trade Association(b) . . . . .	7	14	12
Eastern Europe, China (Mainland), etc. . . . .	-2	-1	-2
Other . . . . .	-58	-65	-60
International agencies . . . . .	-16	-19	-18
Gold production . . . . .	32	29	27
<i>Total, invisibles (net)</i> . . . . .	-526	-539	-586
<b>BALANCE ON CURRENT ACCOUNT—</b>			
Sterling—			
United Kingdom . . . . .	-367	-231	-324
Other . . . . .	21	61	47
Non-sterling—			
North America . . . . .	-407	-469	-691
European Economic Community . . . . .	59	114	-3
European Free Trade Association(b) . . . . .	-65	-68	-85
Eastern Europe, China (Mainland), etc. . . . .	163	292	200
Other . . . . .	108	241	93
International agencies . . . . .	-16	-19	-18
Gold production . . . . .	32	29	27
<i>Total, balance on current account</i> . . . . .	-472	-50	-754

(a) The amounts shown represent the recorded trade figures as shown on pages 410-11 adjusted for balance of payments purposes. Adjustments affect both coverage and valuation. (b) Other than the United Kingdom.

Minus sign (-) denotes deficit.

**International reserves**

The following table shows the total net gold and foreign exchange holdings of official and banking institutions as at 30 June 1963, 1964 and 1965, together with the changes in these totals during the years 1962-63, 1963-64 and 1964-65.

**AUSTRALIAN INTERNATIONAL RESERVES, 1962-63 TO 1964-65**

(Source: Reserve Bank of Australia)

(\$A million)

—	1962-63	1963-64	1964-65
Gold . . . . .	179	195	205
Foreign exchange . . . . .	1,073	1,513	1,188
<i>Total at end of year</i> . . . . .	1,252	1,708	1,393
Change during year . . . . .	+130	+456	-315

## Indexes of value of exports and imports at constant prices

The following tables show indexes of exports and imports at constant prices for the years 1962-63, 1963-64 and 1964-65. These indexes are published half-yearly in *Balance of Payments* and notes on their construction are contained in Appendix IV. of *Balance of Payments, 1959-60 to 1963-64*.

INDEX OF VALUE OF EXPORTS<sup>(a)</sup> AT CONSTANT PRICES, 1962-63 TO 1964-65

(Base of each index: year 1959-60 = 100)

Commodity group	1962-63	1963-64	1964-65 p
Foodstuffs . . . . .	127	160	156
Wool and sheepskins . . . . .	99	106	102
Minerals, metals and metal manufactures <sup>(b)</sup>	127	157	161
Other . . . . .	147	171	179
<b>All exports . . . . .</b>	<b>117</b>	<b>137</b>	<b>135</b>

(a) Excludes gold. (b) Excludes machinery.

INDEX OF VALUE OF IMPORTS<sup>(a)</sup> AT CONSTANT PRICES, 1962-63 TO 1964-65

(Base of each index: year 1959-60 = 100)

Commodity group	1962-63	1963-64	1964-65 p
Food, drink and tobacco . . . . .	105	117	122
Textiles and clothing . . . . .	112	109	124
Oils, fats and waxes . . . . .	128	131	136
Metals, metal manufactures and machinery .	116	129	168
Other . . . . .	128	143	167
<b>All imports . . . . .</b>	<b>120</b>	<b>131</b>	<b>156</b>

(a) Excludes gold.